

KEEPING THE DREAM ON TRACK

At 9am on Boxing Day, a silver and white CRH380A Bullet train rolled out of Beijing on its maiden journey. It was a proud moment for China, the inauguration of the world's longest high-speed rail line, running from the north to south of China, from Beijing to Guangzhou.

It used to take a full day and night to travel the 2,300km journey, but the new train did it in eight hours.

For the Ministry of Railways, the opening of the new line was a badly needed fillip after two years of safety issues, corruption investigations and financing worries.

For eight heady years from 2003 to 2011, China rolled out the world's most impressive high-speed rail project: 12,000km of new track and investment of more than \$240 billion. It was one field in which China could legitimately claim to be leading the world.

But it began to unravel in 2011. First, Liu Zhijun, the Minister of Railways, was arrested on corruption charges. A few months later, in July, a signalling failure caused two Bullet trains to crash near the southern city of Wenzhou, killing 42 people and injuring 192 more. Then holes began to appear in the finances.

Now, however, the grand plan appears to be back on track. 'You need to realize we are still working to a target,' said Sheng Guangzu, the new Railways Minister.

Five new lines were opened in the second half of last year and another 360 billion yuan (\$58 billion) is earmarked for high-speed rail this year. The plan is to have four lines running north to south and four east to west.

The expansion of the high-speed network has an added bonus: the old tracks can increasingly be used for freight. Several foreign companies, including HP, Acer, BMW and Volkswagen, are now using rail to trade with Europe overland.

For several years, freight has moved along the Trans-Siberian railway but last November another route opened from Chongqing, through the far west region of Xinjiang, over the Alataw Pass into Kazakhstan. From there, trains run



Workers clearing wreckage after a train derailment near Wenzhou

to Russia, Belarus and Poland before reaching Germany.

Already, some 6,000 containers a year are travelling this route, taking between 16 and 20 days to covering 11,000km. The new line costs twice as much as sea freight but takes half the time.

'These two lines are becoming an important part of our business,' said a spokesman for DB Schenker, the German logistics company. 'We are certainly hoping for a continuing increase.'

While laptops and gadgets are going to Europe from Chongqing, coming the other way are car parts and petrochemicals.

China is also stretching rail lines into its southern neighbours under a Trans-Asian rail agreement signed in 2006.

One 400km high-speed project, planned for Laos, will cost \$7 billion, almost the equivalent of its gross domestic product. Laos will finance the link using Chinese loans some of which it can repay with its natural resources.

China, meanwhile, is keen to eventually link its network with Bangkok and then to Burma. Not only will this help expand its trade to the south, but it would provide a way for freight to bypass the congested Malacca Straits and reach the Indian Ocean.

Malcolm Moore is the Beijing Correspondent of The Daily Telegraph