BEIJING (AP) -- China announced yesterday it will spend $22 billion to build two of the world's most ambitious railway projects: the nation's second magnetic levitation train and a high-speed railway linking Beijing and Shanghai.

The announcements had been awaited by European and Asian makers of railway equipment, which are looking to China for potential sales as the government pushes ahead with plans to add thousands of miles of high-speed lines to its network.

China did not say what role foreign suppliers might play.

The 820-mile Beijing-Shanghai link will use wheeled trains traveling at up to 220 mph, said an announcement by the country's top industrial planning agency, the Cabinet's National Reform and Development Commission (NRDC).

The announcement did not say when the line would be built or give a cost, but the official Xinhua news agency said Railway Minister Liu Zhijun put the price last week at $17.5 billion.

Japan lobbied China to use its Shinkansen bullet train technology for the line, while France pitched its TGV system and Germany tried to sell its magnetic levitation, or maglev, technology.

China said it wants to build the line with domestic technology adapted from systems overseas.

The NRDC said the Beijing-Shanghai project would be built and operated by a corporation financed by Chinese and foreign investors.

At least 70 percent of the railway's components will be Chinese-made, deputy railway minister Sun Yongfu was quoted by the Beijing Morning Post newspaper as saying Sunday.

The 110-mile maglev line from Shanghai to the nearby city of Hangzhou is due to be completed by 2010 at a cost of $4.3 billion, Xinhua reported.

The world's only commercially operating maglev train, built with German technology, links Shanghai's main airport with its financial district.

Maglev technology uses powerful magnets to suspend a train above a track and propel it at speeds of up to 260 mph.

China is in the midst of the world's biggest burst of railway construction, adding thousands of miles every year in an expansion that rivals the building of the railroads in the 19th century American West.

It is hoping to ease congestion, promote economic growth in isolated areas and bind restive regions such as Tibet and the Muslim northwest more closely to the rest of China.

China plans to build more than 7,500 miles of high-speed railways at a cost of $250 billion to $310 billion.
Foreign suppliers have seen limited opportunities in China, which produces its own sturdy, low-cost railroad equipment and is racing to develop high-speed technology.
China depends more on foreign suppliers for magnetic levitation.