CONSULTANCY STUDY ON SOCIAL, ECONOMIC AND POLITICAL DEVELOPMENTS IN PAN-PEARL RIVER DELTA REGION

FIFTH MONTHLY REPORT

COVERING FUJIAN, JIANGXI, HUNAN AND HAINAN

SEPTEMBER 2006

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Executive Summary

1. In the aftermath of the severe acute respiratory syndrome ("SARS") in 2003, the tourism industry of the Pan-PRD region has returned to its fast developing track and vitality again. In 2005, the accumulated revenue from foreign tourists in the Pan-PRD region reached US$9.585 billion, representing a year-on-year growth of 19.9%. The accumulated revenue of the four south-eastern provinces (Fujian, Jiangxi, Hunan, Hainan) from foreign tourists was US$1.923 billion, a year-on-year increase of 24.91%. Benefited from the establishment of the Pan-PRD cooperative framework, the number of foreign tourists in the various Pan-PRD provinces/region has skyrocketed. In 2005, the number of tourist arrivals reached 28.7445 million, a 30.72% year-on-year increase. The corresponding increase of the four south-eastern provinces was 21.5%.

2. The various provinces/region of the Pan-PRD region have reached a clear consensus on cooperation in tourism. However, many problems have emerged when developing tourism in practice. The problems included an imbalance in the development of tourism among different provinces/region, under exploitation of tourism resources, relatively slow development of related infrastructure and services, irrational layout plan of tourism, tourism characteristics and brands not outstanding enough, and insufficient tourists. These problems have constrained the development of tourism in the Pan-PRD region.

3. On 1 May 2001, the China Tourism Consulting Centre, Hubei University, the Institute of Geographic Sciences and Natural Resources Research of the Chinese Academy of Sciences, and the China Urban Construction Design & Research Institute jointly produced a report entitled the Overall Layout Plan of Fujian Tourism Development. For the first time officially, the Plan proposed five major zones as the overall layout for tourism development in Fujian between 2001 and 2020. The five major tourism zones include a green delta eco-tourism zone in northern Fujian, a golden delta business and trading coastal tourism zone in southern Fujian, a business, recreational and cultural tourism area in middle Fujian, a tourism zone of mountain and coastal landscapes and the folklore of She (畲) people in eastern Fujian, and a Kejia (客家) cultural and red tourism zone in western Fujian. In April 2006, the Fujian Provincial Government further issued the Opinions on the Implementation of Development of the Overall Layout Plan of an Ecological Province which clearly specified the guiding principles of focusing on ecological-beneficial projects. In the Opinions, the major aim of eco-tourism projects was to develop the five major tourism zones, hoping to promote the development of these tourism zones through eco-tourism.

4. The Jiangxi Province put forward "red tourism" as early in 2000, to develop tourism with revolutionary sites, mementos, and the revolutionary spirits borne by them. Through sightseeing, tourists could learn the revolutionary history, receive the traditional education of revolution, and widen their exposure. In 2001, Jiangxi announced the thematic slogan of "Jiangxi-Red Cradle, Green Homeland" and established "red tourism" as one of the province's emphases during the period of the 10th Five-Year Plan. On 19 May 2006, the Jiangxi Provincial Government promulgated a document titled Some Opinions on Developing Red Tourism which further clearly defined the overall thought and objectives of developing "red tourism". The Opinions also made 20 concrete suggestions on how to implement the related key

tasks, speed up innovation of existing systems and mechanisms, and strengthen the supporting policies on developing "red tourism".

5. In the first five months of 2006, Hunan recorded 385 600 tourist arrivals from foreign countries or regions, of which Changsha and Zhangjiajie respectively accounted for 42.29% and 50.27%. Regarding foreign exchange revenue generated from tourism, Hunan achieved US$153 million, of which Changsha and Zhangjiajie respectively accounted for 51.90% and 42.72%. At a tourism working conference of Hunan Province held on 24 February 2006, Mr. He Tongxin, Deputy Provincial Governor of Hunan, pointed out that it was critical to strengthen the layout of "One Centre, One Pioneer, and Eight Golden Tours Routes" in building the overall tourism brand of Hunan, of which the "Centre" referred to Changsha whilst the "Pioneer" referred to Zhangjiajie. Currently, Hunan endeavours to develop Changsha into an international cultural centre and Zhangjiajie into an eco-tourism centre.

6. In the past few years, Hainan's tourism industry has grown continuously. Foreign tourists in number and as a proportion of the total international tourist inflow have been rising continuously. The number of foreign tourist arrivals rose from 93 700 in 2000 to 269 400 in 2005, a nearly triple increase. The percentage of foreign tourists among international tourist inflow also increased from 19.25% in 2000 to 62.38% in 2005. In an interview report of Hainan Daily on 20 March 2006, Mr. Wu Wenxue, Director of the Hainan Tourism Bureau, said that the Bureau currently endeavoured to formulate breakthrough strategies for key markets and key customer sources, to promote differentiation on services, and to exert more promotional efforts to attract potential clients in six essential foreign markets.

7. Hong Kong can play the following roles in the development of tourism in the four south-eastern provinces of Pan-PRD: enriching the functionalities of Fujian's five major tourism areas by leveraging on Hong Kong's abundant experience in project development and management of tourism projects; building up the market of "red tourism" in Jiangxi with Hong Kong's strength in brand-building and media promotion; facilitating the development of the two tourism centres of Hunan by encouraging Hong Kong's shopping mall developers, travel agents, as well as operators of restaurants and hotels to invest in Hunan's market; assisting Hainan to explore its tourist source markets and cooperating with Hainan in streamlining regional tourism functionalities.

TOPICAL ANALYSIS

Logistics Development in the Pan-PRD: Opportunities and Challenges for Hong Kong

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An Overview of and Trends in Tourism Development in the Pan-Pearl River Delta Region

Thriving Development of the Tourism Industry in the Pan-Pearl River Delta (Pan-PRD) Region

Subsequent to China's further integration into the WTO (World Trade Organisation), the tourism industry is playing an increasingly important role in the national economy and has been identified as a high priority for future development by many domestic jurisdictions. In 2005, China received a total number of 120.29 million of international tourists, up 10.3% over the previous year, and foreign exchange receipts from tourism reached US$29.296 billion, up 13.8% over the previous year. The total number of domestic visitors was recorded at 1.212 billion, with domestic tourism receipts reaching RMB528.6 billion. International and domestic tourism receipts totalled at RMB768.6 billion, each representing an increase of more than 10% over the previous year. This reflected the fact that China has maintained a sound development momentum in recent years.[1]

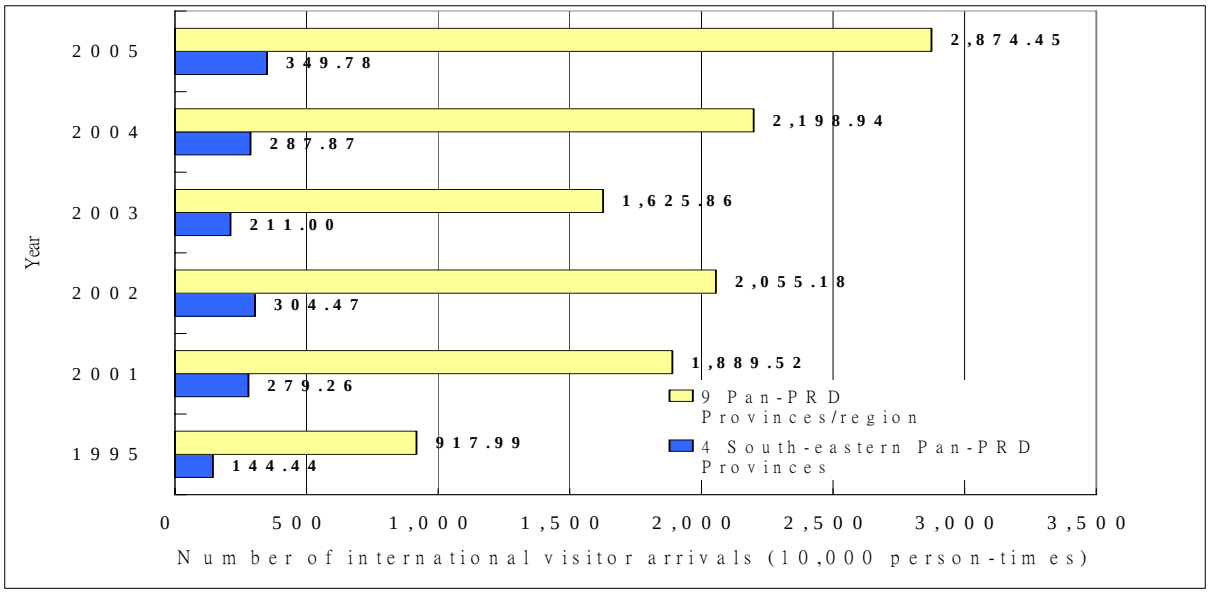
After suffering from an outbreak of the severe acute respiratory syndrome (SARS), the tourism industry in the Pan-PRD region is back on the track to fast growth, once again showing signs of vitality. For international tourism, the nine Pan-PRD provinces/region play an important part. In 2005, the total amount of international tourism receipts received by the nine Pan-PRD provinces/region accounted for 32.72%[2] of the national total, and the total number of international visitors received by them accounted for 23.9%[3] of the national total.

In 2005, the nine Pan-PRD provinces/region secured international tourism receipts of US$9.585 billion in total, 19.9% higher than in the previous year. Among this revenue, the four south-eastern Pan-PRD provinces (i.e. Fujian, Jiangxi, Hunan and Hainan) accounted for US$1.923 billion, up 24.91% over the previous year (see **Figure 1**). Benefiting from the formation of the Pan-PRD regional cooperation framework, the number of international visitors has surged. In 2005, the nine Pan-PRD provinces/region received 28.7445 million international visitors, up 30.72% over the previous year, of which the number of international visitors in the four south-eastern Pan-PRD provinces increased by 21.5% (see **Figure 2**). The existing data on international visitor arrivals provided by the National Bureau of Statistics of China (中華人民共和國國家統計局) includes foreign visitors and those from Hong Kong, Macao and Taiwan. As Guangdong Province is maintaining increasingly closer ties with Hong Kong, Macao and Taiwan and is receiving more visitors, the international tourism industry of Guangdong secures a bigger share among the nine Pan-PRD provinces/region, and correspondingly, the four south-eastern Pan-PRD provinces have lesser shares.

1. China National Tourism Administration (CNTA) (中華人民共和國國家旅遊局) website: http://www.cnta.gov.cn.
2. US$9,585 billion for the nine Pan-PRD provinces/region, US$29,296 billion nationwide.
3. 28.7445 million visitors arrival for the nine Pan-PRD provinces/region, 120.29 million visitors arrival nationwide.

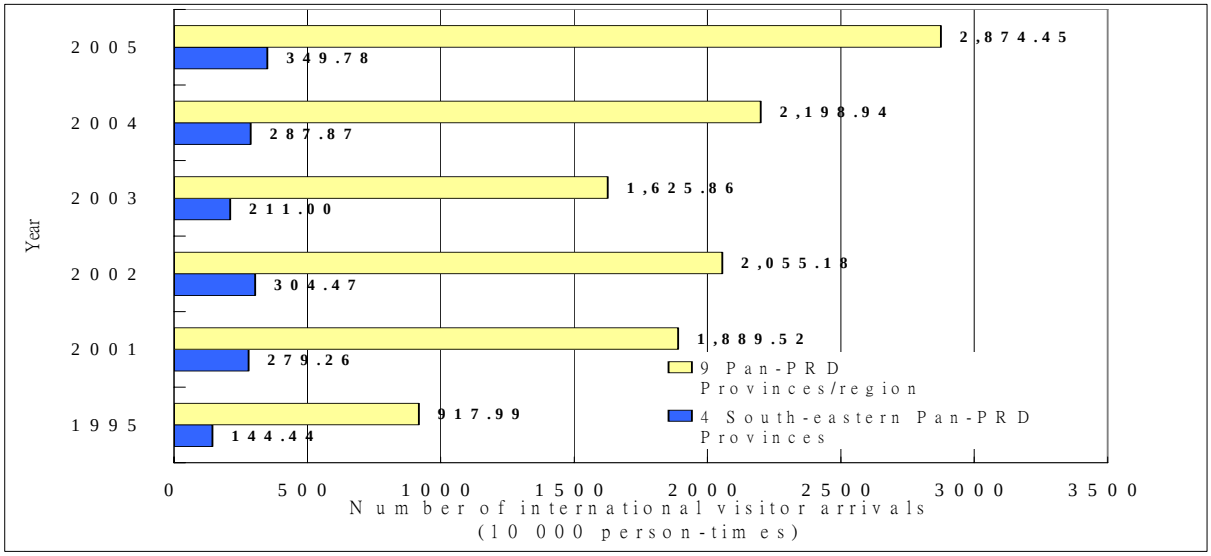
For domestic tourism in 2005, the nine Pan-PRD provinces/region received 590 million domestic visitors, accounting for 48.94% of the national total, with domestic tourist receipts of RMB438.9 billion, accounting for 83% of the national total (see **Table 1**).

Figure 1: International Tourism Receipts of the Pan-PRD Region (1995, 2001-2005)



Source: The Yearbook of China Tourism 1996, 2002-2006.

Figure 2: International Visitor Arrivals of the Pan-PRD Region (1995, 2001-2005)



Source: The Yearbook of China Tourism 1996, 2002-2006.

Table 1: Situation of Domestic Tourism in the Nine Pan-PRD Provinces/Region in 2005

Provinces/Region	Domestic Tourist Arrivals (10 000 person-times)	Domestic Tourism Receipts (RMB100 million)
Fujian	5 683.92	578.00
Jiangxi	5 057.90	311.50
Hunan	7 100.00	421.20
Hainan	1 473.28	114.56
Guangdong	10 385.00	1 361.37
Guangxi	6 493.00	277.80
Sichuan	13 164.00	695.70
Guizhou	3 099.46	242.69
Yunnan	6 860.74	386.15
Total of the Nine Pan-PRD Provinces/Region	59 317.30	4 388.97

Source: National Bureau of Statistics of China, http://www.stats.gov.cn/

Stepping into 2006, the tourism industry of the nine Pan-PRD provinces/region maintained strong growth momentum. For the first half of 2006, Fujian, Jiangxi, Hunan and Hainan recorded varying growth rates in visitor arrivals, among which, Jiangxi, Hunan and Hainan grew all by nearly 30% while Fujian experienced a slower increase (see **Table 2**).

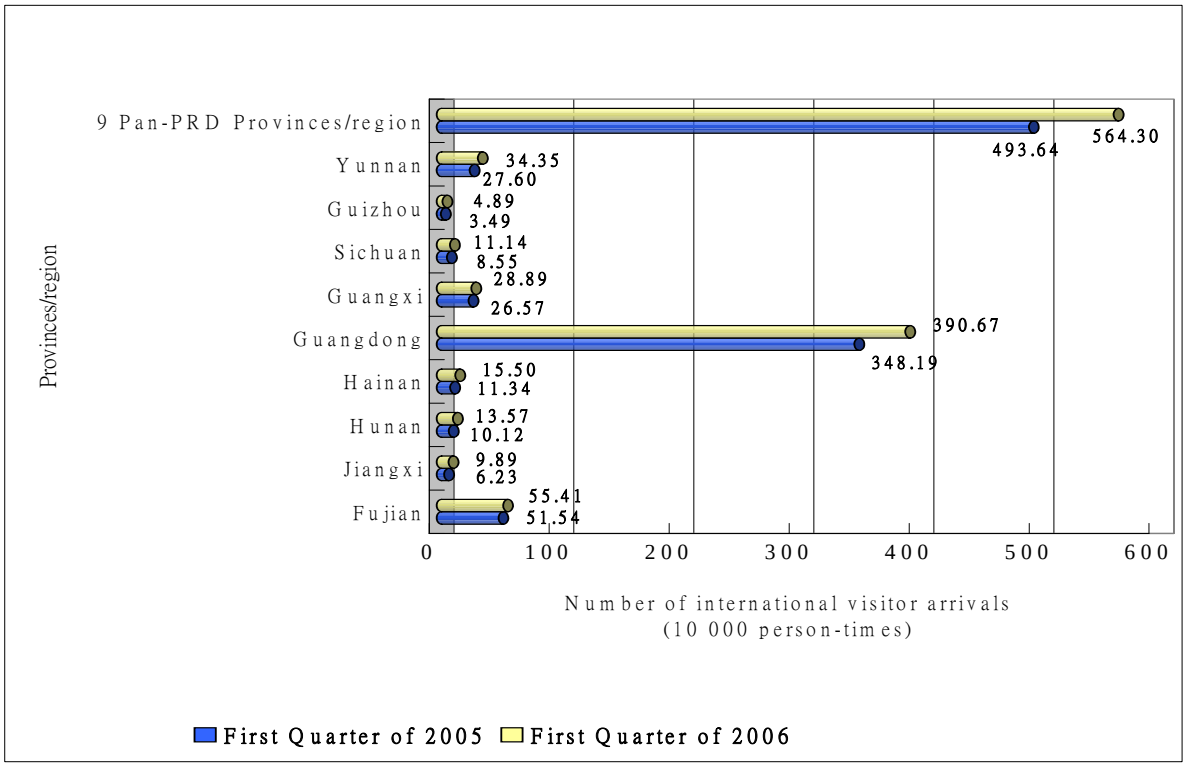
Table 2: Number of Visitor Arrivals in Fujian, Jiangxi, Hunan and Hainan in the First Half of 2006

Year/month	Visitor Arrivals (Unit)	Fujian	Jiangxi	Hunan	Hainan
2006/6	(Person-times)	126 628	47 685	73 344	41 093
	(Growth/decline compared to the same period last year %)	-22.96	20.34	12.61	49.13
2006/5	(Person-times)	166 285	56 572	174 660	46 633
	(Growth/decline compared to the same period last year %)	9.72	24.91	30.01	46.12
2006/4	(Person-times)	175 479	43 515	75 264	61 527
	(Growth/decline compared to the same period last year %)	6.71	30.02	35.65	59.45
2006/3	(Person-times)	183 195	41 769	75 077	41 625
	(Growth/decline compared to the same period last year %)	5.90	41.89	18.53	-9.89
2006/2	(Person-times)	188 985	29 416	26 557	54 071
	(Growth/decline compared to the same period last year %)	21.00	55.13	80.41	75.47
2006/1	(Person-times)	181 883	27 729	34 054	59 300
	(Growth/decline compared to the same period last year %)	-2.33	99.65	47.27	62.81

Source: National Bureau of Statistics of China, http://www.stats.gov.cn/

In terms of international visitor arrivals in the first quarter of 2006, the nine Pan-PRD provinces/region received 5.643 million international visitors, up 14.3% over the previous year, with each of Jiangxi, Hunan, Hainan, Sichuan, Guizhou experiencing a growth rate of more than 30% (see **Figure 3**).

Figure 3: Numbers of International Visitor Arrivals in the Pan-PRD Provinces/Region in the First Quarter of 2005 and 2006



Source: National Bureau of Statistics of China, http://www.stats.gov.cn/

Comparing the growth rate of visitor arrivals (**Table 2**) with the person-days growth rate (**Table 3**), Fujian and Hunan each recorded nearly parallel growth rates in these aspects. Meanwhile, Jiangxi recorded a declining person-days growth rate relative to visitor arrivals. This reflects the fact that the average stay time for visitors in Fujian, Jiangxi and Hunan did not increase despite more visitor arrivals to these provinces. However, Hainan performed rather well in this regard as it experienced a person-days growth rate markedly higher than that of visitor arrivals, as well as extended visitor stay time and increased average spending per visitor (**Table 3**).

Table 3: Person-Days of Visitor Arrivals in Fujian, Jiangxi, Hunan and Hainan in the First Half of 2006

Year/month	Visitor Arrivals (Unit)	Fujian	Jiangxi	Hunan	Hainan
2006/6	(Person-days)	498 531	105 168	438 040	81 927
	(Growth/decline compared to the same period last year %)	-27.91	45.09	30.75	62.31
2006/5	(Person-days)	695 689	112 758	555 233	123 496
	(Growth/decline compared to the same period last year %)	16.88	32.28	11.63	103.59
2006/4	(Person-days)	737 270	85 102	104 331	130 115
	(Growth/decline compared to the same period last year %)	5.24	25.44	22.82	80.78
2006/3	(Person-days)	752 102	77 350	50 035	108 278
	(Growth/decline compared to the same period last year %)	8.10	18.43	-38.05	30.76
2006/2	(Person-days)	960 951	64 213	142 498	105 596
	(Growth/decline compared to the same period last year %)	29.79	42.97	324.10	79.00
2006/1	(Person-days)	963 867	57 566	47 176	119 628
	(Growth/decline compared to the same period last year %)	-3.58	65.54	52.99	36.49

Source: National Bureau of Statistics of China, http://www.stats.gov.cn/

A Bright Future for Pan-PRD Regional Cooperation in Tourism

The Pan-PRD region possesses abundant tourism resources, with the development and management of tourism resources ranking among the top nationally. The tourism industry plays a key role in the region. In terms of foreign exchange revenue generated from tourism among the nine provinces/region, Guangdong has ranked top among the Mainland's 31 provinces/regions/cities for many years, while Fujian has always ranked fourth or fifth, Yunnan among the top 10, and Guangxi at around the 10th position. Being rich in tourism resources, Sichuan, Hainan, Jiangxi, Hunan and Guizhou have each maintained strong growth momentum in the tourism industry as their local governments are active in tourism development.[4]

4. Pan-PRD Regional Cooperation and Development Forum (泛珠三角區域合作與發展論壇), website: http://www.southcn.com/panprd/.

On the Pan-PRD "9+2" regional cooperation in tourism issue, all the provinces/region have reached a common understanding at an early stage during the inception of the Pan-PRD regional co-operation framework.

According to Article 4 "Areas of Cooperation" of the *Pan-PRD Regional Cooperation Framework Agreement* (the "Agreement") signed on 3 June 2004, tourism was included in the 10 major areas of cooperation. The Agreement stated clearly that "each party shall support comprehensive regional cooperation in the field of tourism, and jointly establish tourism development tactics and market development strategies for the region; set up a regional tourism information database; establish a regional tourism marketing network; create an e-commerce platform for tourism services; jointly plan and promote top-class tourism routes and build a quality brand image for the region's tourism industry".[5]

On 17 July 2004, directors from the Tourism Administrations of 14 key tourism cities in the Pan-PRD region including Fuzhou, Xiamen, Jiujiang, Changsha, Zhangjiajie, Guangzhou, Shenzhen, Zhuhai, Guilin, Haikou, Sanya, Chengdu, Guiyang and Kunming and officials from the Travel Industry Council of Hong Kong, gathered in Shenzhen and signed the *Pan-PRD Cities' (Partial) Tourism Cooperation Agreement* (泛珠三角區域(部分)城市旅遊合作協定).[6]

On 1 October 2004, the *Mutual Codes for Barrier-Free Travel Zone* (無障礙旅遊區共同守則), jointly signed by the Guangxi cities of Guilin, Wuzhou, Hezhou and Guangdong cities of Guangzhou, Foshan, Zhaoqing, commenced implementation, heralding the establishment of the first barrier-free tourism zone in the country.

In the summit workshop sponsored by the Pan-PRD Cities' Tourism Forum 2005 (2005 年泛珠城市旅遊發展高峰論壇), a *Common Understanding (Guangzhou) on Tourism Development between Pan-PRD Cities* (2005 泛珠城市旅遊發展覽(廣州)共識) was reached, proposing the Pan-PRD constituents to first abolish the restrictions on access to tourism destinations within the region, and the restrictions on tour coaches registered in other provinces/municipalities from entering cities and scenic spots, and then take away tourism barriers and obstacles to market access, so as to build the largest barrier-free cross-province/region tourism zone in China.[7]

Pan-PRD regional cooperation in tourism involves multiple aspects such as the building of a tourism brand, investment cooperation in respect of tourism development, consolidation and protection of tourism resources and products, exchange and integration of tourism information, facilitation of regional tourism, interaction of tourism professionals, and exchange of management experience in tourism-related industries.

5. Xinhua Net (新華網), website: http://www3.xinhuanet.com/.
6. Shenzhen Tourism Administration (深圳市旅遊局), website: http://www.szta.gov.cn.
7. Pan-PRD Regional Cooperation Information Network (泛珠三角合作資訊網), website: http://www.pprd.org.cn.

Challenges for the Pan-PRD Tourism Ring

Despite their explicit common understandings on tourism cooperation, the Pan-PRD constituents have met with lots of challenges when it comes to actual tourism development. The first challenge was disordered administration. Parallel and cross-bureaucracies in different jurisdictions have caused overlaps and vacuums in management, while multiple and conflicting administrations have resulted in disordered management. Secondly, the Mainland has failed to make enough effort to promote, market and advertise tourism cultural developments in the Pan-PRD region. The third challenge was duplicate developments. Different jurisdictions have exercised their own administrative powers, resulting in similar scenic spots in the vicinity of each other and thus a waste of resources, while segregated use of regional tourism resources has failed to display an overall image for the region.

Moreover, tourism industries within the Pan-PRD region have been subject to uneven development. Some provinces/region suffer from underdeveloped tourism resources and relatively laggard infrastructure and supporting services, unsatisfactory tourism layout, poorly represented tourism characteristics and branding, as well as small source markets. All these constraints have hampered the overall prosperity of Pan-PRD's tourism industries.

Fujian Masterminds an Overall Layout of "Five Zones and Two Belts" for Tourism Development

Recent Tourism Developments in Fujian

Fujian is situated between the Yangtze River Delta (YRD) and the PRD tourism rings, both the most economically developed and robust areas in the country. A strong radiating effect brought about by these two tourism rings has helped drive Fujian's pace of development into a major tourism province in China. Fujian has given an indication of the great importance of the tourism industry in its development plans. Among the six key sectors identified for development by Fujian, i.e. electronic information, machinery equipment, petrochemicals, high- and new-technologies, construction, and tourism, tourism is the only sector that belongs to the tertiary industry.

In 2005, international visitor arrivals in Fujian for travelling, visiting relatives or business purposes reached 1.9739 million, up 14.2% over the previous year. Among them, foreign visitors amounted to 723 600, up 14.7%, and visitors from Hong Kong, Macao and Taiwan totalled at 1.2503 million, up 13.7%. The number of international visitors staying overnight reached 1.8939 million, up 12.3%. Foreign exchange revenue generated from international tourism amounted to US$1.305 billion, up 22.5%. For the whole year, the total number of domestic visitor arrivals reached 56.8392 million, up 22.4%, and the total domestic tourist spending amounted to RMB57.8 billion, up 24.9%.[8]

Currently, Fujian is stepping up its efforts in implementing an overall tourism layout based on "Five Zones and Two Belts", i.e. five major tourism zones in southern, northern, central, eastern and western Fujian ("Five Zones"), as well as a blue eco-tourism belt in the eastern coastal region and a green eco-tourism belt in the western region ("Two Belts"). To support tourism development, Fujian's 11th Five-Year Plan proposed the completion of a highway network of "Two Verticals and Four Horizontals", coupled with two international trunk airports, i.e. Xiamen's Gaoqi (高崎) and Fuzhou's Changle (長樂), and three feeder airports in Quanzhou's Jinjiang (泉州晉江), Mount Wuyi (武夷山) and Liancheng (連城), enabling a smooth and comfortable journey for visitors travelling in Fujian (see **Table 4**).

8. National Bureau of Statistics of China, website: http://www.stats.gov.cn/.

Table 4: Fujian Plans to Complete a Highway Network of "Two Verticals and Four Horizontals" During the 11th Five-Year Plan Period

First Vertical	It is a part of the national highway trunk line, Tongjiang-Sanya Highway, in Fujian Province: Fuding Fenshuiguan (福鼎分水關) (connection point of Fujian and Zhejiang provinces) – Ningde – Fuzhou – Putian – Quanzhou – Xiamen – Zhangzhou – Zhaoan Fenshuiguan (詔安分水關) (at the boundary of Fujian and Guangdong Provinces)
Second Vertical	It is a part of the major national highway trunk line, Tianjin-Shanwei Highway, in Fujian Province: Shapai (沙排) of Pucheng County (浦城縣) (connection point of Fujian and Zhejiang provinces) – Nanping – Sanming – Longyan – Shangshe of Wuping (武平上社) (at the boundary of Fujian and Guangdong Provinces)
First Horizontal	It is a part of the national highway trunk line, Beijing-Fuzhou Highway, in Fujian Province: Shatangai of Shaowu City (connection point of Fujian and Jiangxi provinces) – Sanming – Nanping – Hutong of Qingkou (青口互通), Fuzhou
Second Horizontal	It is a part of the major national highway trunk line, Xiamen-Kunming Highway, in Fujian Province: Hutong of Changzhou, Zhangzhou (漳州長州互通) – Zhangzhou – Old City of Changting, Longyan (龍岩長汀古城) (at the boundary of Fujian and Jiangxi Provinces)
Third Horizontal	It is a part of the major national highway trunk line, Quanzhou-Bijie Guizhou Highway (泉州-貴州畢節公路), in Fujian Province: Quanzhou City – Sanming – Wuliting of Ninghua (寧化五里亭) (at the boundary of Fujian and Jiangxi Provinces)
Fourth Horizontal	Highway from the coastal area of Ningde radiated to the mountainous area of Nanping formed the main framework: Fuan Ningde – Zhouning (周寧) – Zhenghe Nanping – Wuyishan (at the boundary of Fujian and Jiangxi Provinces)

Source: Related content of the planning of transport infrastructure construction of the 11th Five-Year Plan.

Initiation and Perfection of the Development Proposal for the Five Tourism Zones

On 1 May 2001, an *Overall Plan for Tourism Development in Fujian* (福建省旅遊發展總體規劃), drawn up jointly by the China Tourism Consulting Centre (中國旅遊諮詢中心), Hubei University, the Institute of Geographic Sciences and Natural Resources Research of the Chinese Academy of Sciences (中科院地理所), and the China Urban Construction Design and Research Institute (中國城市建設研究院), was officially issued. It was the first plan officially to propose the concept of developing "Five Tourism Zones" in Fujian, as the overall layout for tourism development in Fujian for the coming two decades (2001-2020).

On 9 May 2004, the Fujian Provincial People's Government published a *Circular on Opinions on Accelerating Development of the Tourism Industry* (關於加快旅遊產業發展若干意見的通知) (Min Zheng Wen [2004] No. 191). The Circular explicitly indicated that the tourism development plan of the "Five Zones and Two Belts" should be worked out earnestly, and five major ecological tourism zones should be constructed correctly, including a green triangle ecological tourism zone in northern Fujian with Mount Wuyi at the core, a golden triangle zone for commerce, trade and tourism in the coastal area in southern Fujian with Xiamen as the leading city, a business and leisure cultural tourism zone in central Fujian with Fuzhou at the centre, a tourism zone of mountain and coastal landscapes and the folklore of She (畲) people in Eastern Fujian and a Kejia cultural and red tourism zone in western Fujian. In July the same year, the Fujian Provincial Committee (福建省委) of the CPC elaborated on the tourism development concept of building five major ecological tourism zones such as a destination featuring mountain and coastal landscapes in eastern Fujian, a Kejia cultural attraction in western Fujian, a coastal leisure destination in southern Fujian, an ecological forest destination in northern Fujian, as well as a leisure and vacation resort in central Fujian, through leveraging on such resources as forest parks, natural reserves and pilot grounds and other ecological forest areas.[9] On 30 November 2004, an *Outline of the Overall Plan for Building Fujian into an Eco-Province* (福建生態省建設總體規劃綱要) (Min Wei Fa [2004] No. 15) was officially issued by the Fujian Provincial Committee of the CPC, Fujian Provincial People's Government. The Outline again emphasised the exploration and consolidation of ecological tourism resources and the building of the five major ecological tourism zones.

In 2005, travel routes between Kinmen (金門) and Xiamen, and between Mawei (馬尾) and Matsu (馬祖) across the Taiwan Strait were set up. Moreover, an integrated tourism agreement was countersigned by authorities from the "Two Mountains" (Mount Wuyi and Mount Alishan (阿里山)) and "Two Lakes" (Lake Jinhu (金湖) and Lake Sun-Moon (日月潭)). This has presented a sound agreement framework for further development of a "Cross-Strait Tourism Zone" and also laid a solid foundation for interaction between the "Five Tourism Zones" and the "Cross-Strait Tourism Zone", bringing new energy to the development of these tourism zones.

In April 2006, the General Office of the Fujian Provincial Government issued the *Opinions on Implementing the Outline of the Overall Plan for Building Fujian into an Eco-Province* (關於生態省建設總體規劃綱要的實施意見) (Min Zheng Ban [2006] No. 91). The Opinions specified the guidelines for the Province's focusing on ecological-beneficial projects and the purposes of eco-tourism projects, i.e. to build five tourism zones, in the hope of further developing these tourism zones through eco-tourism. Therefore, Fujian will build a number of eco-tourism destinations, launch eco-tourism products with characteristics specific to Fujian featuring mountain and forests, blue seas, green agriculture, and encourage green operations and green consumption.

9. Fujian Channel, Xinhua Net, website: http://www.fj.xinhuanet.com.

Construction Plans for the Five Tourism Zones

The five tourism zones in Fujian will be differentiated by location and tourism resources, each adopting its own strategy for development (see **Table 5**).

The Eastern Fujian tourism zone boasts abundant resources, and picturesque mountain, coastal, river and waterfall views, as well as the folklore of She people in the mountain area, and is thus regarded as the virgin land for tourism development in Fujian. However, of main concern are the challenges posed by its accessibility. Upon completion of the Fuzhou-Wenzhou (溫州) Expressway, the customer source market will expand to the vicinity of the two large cities of Fuzhou and Wenzhou, and the tourism resources in eastern Fujian will undergo effective development.

As the earliest starter in tourism development, the Southern Fujian tourism zone is also the area with the highest management and service levels in Fujian. The three tourism cities i.e. Xiamen, Zhangzhou (漳州) and Quanzhou (泉州) constitute a business and tourism centre with powerful radiating capacities, supplying tourists, professionals, expertise and management models to the whole province.

The Western Fujian tourism zone features the Kejia culture supported by the “red” culture and green ecology. The unique architectural forms of Kejia Round Houses in the zone present high value for sightseeing and research, therefore tourism development and the process of application for world cultural heritage status can be carried out here simultaneously. The zone targets three major source markets, which are the overseas Kejia descendents, domestic sightseeing visitors, and foreign lovers of culture.

Branded by Mount Wuyi, a world and cultural heritage site, the Northern Fujian tourism zone is an emerging tourism economic zone with the most rapid growth in Fujian. With Mount Wuyi at its centre, the zone extends to other green tourism products and has formed a Mount Wuyi-Yongan (永安)-Nanping (南平) green triangle tourism economic cooperation zone, aiming to develop top-class green eco-tourism and cultural tourism products in Fujian.

With Fuzhou, the provincial city, as its centre, the Central Fujian tourism zone acts as the political, economic and cultural centre of Fujian, as well as the transportation hub linking up the east and the west of the province. The zone boasts three well-known tourism brands, i.e. historic and cultural cities, the Pintan (平潭) marine abrasion views and the Mazu Shrine in Meizhou Island (湄州島媽祖). The significance of the Central Fujian tourism zone lies in its connection with each tourism zone of the province and radiates its functions as the central city, linking Mount Wuyi in the west, Xiamen, Zhangzhou and Quanzhou in the south, and Taimushan (太姥山) in the north.

Table 5: Characteristics of the Five Tourism Zones in Fujian

Position	Eastern Fujian	Southern Fujian	Western Fujian	Northern Fujian	Central Fujian
Orientation	Mountain, sea, and She folklore tourism zone	Golden triangle zone for commerce, trade and tourism in the coastal area	Kejia cultural and red tourism zone (客家文化紅色旅遊區)	Green triangle ecology tourism zone	Business and leisure cultural tourism zone
Central cities	Ningde	Xiamen, Zhangzhou, Quanzhou	Longyan	Nanping, Sanming	Fuzhou, Putian
Characteristics	Integration of mountain and sea, She folklore	Hometown of overseas Chinese, marine city, regional culture, sea and beaches	Kejia culture, holy land of Chinese revolution, "green" treasury	Vast views of mountains and rivers, "Min Yue" (閩越) culture, biological varieties	Historical and cultural features, Mazu Shrine, marine abrasion wonder
Tourism Functions	Sightseeing tour, folklore study tour	Business and exhibition, cultural tour, regional pilgrimage, agricultural sightseeing, cruise tour	Root exploration and ancestor worship, traditional education, sightseeing tour, ecology tour	Sightseeing tour, scientific exploration and popularisation tour, cultural tour, ecology tour	Sightseeing and leisure tour, regional pilgrimage, business and exhibition, scientific exploration and popularisation tour

Source: The Overall Planning of Fujian Tourism Development 2001.

Tourism Development Plans and Measures for the Central City of Each Tourism Zone

Eastern Fujian. To support the task of building Fujian into an eco-province, the Ningde (寧德) municipal government has listed ecological projects as one of the top priorities for development and construction. So far, Ningde has achieved a lot in ecological protection and in the development and construction of ecological projects. Projects such as the Taimushan Eco-Project in Fuding City (福鼎太姥山生態項目), Taimushan National Geological Park, Zherong Eco-County (柘榮生態縣), Pingnan Baishuiyang Eco-Area (屏南白水洋生態區) and Pingnan Bashuiyang National Geological Museum are well under construction.[10]

10. Ministry of Commerce, PRC (中華人民共和國商務部), website: http://www.cbitc.org/.

Southern Fujian. As the most developed tourism city in Fujian, Xiamen, the central city of southern Fujian, focuses on coping with the construction of the provincial tourism layout. According to the 11th Five-Year Plan published by the Xiamen Party Committee in 2006, the tourism industry was listed as a pillar modern services industry to be fostered and developed. The plan also pointed out that Xiamen shall leverage on the setting up of cross-strait tourism routes, give priority to establishing itself as an exchange base with Taiwan, and strive to promote cross-strait exchanges and communication.[11]

Western Fujian. In February 2006, Longyan City, the central city of western Fujian, passed the *Outline of the 11th Five-Year Plan for Economic and Social Development in Longyan City* (龍岩市國民經濟和社會發展第十一個五年規劃綱要) at the Seventh Meeting of the Second Longyan Municipal People's Congress. The Outline emphasised the fact that Longyan is to build a tourism cluster centred around Longyan based on the tourism cluster development strategies for the Economic Zone on the West Coast of the Taiwan Strait. It also proposed that Longyan is to continue to develop tourism products and extend the tourism chain so as to promote adjustment and upgrading of the tourism structure through leveraging on the characteristic advantages of tourism resources; strengthen tourism cooperation within and outside the Fujian Province; build up a new zone image and vigorously develop "red tourism", Kejia cultural tourism and green ecological tourism through means of market promotion and festive tourism events. A target was set at 100 million visitor arrivals and RMB6 billion of tourist income by 2010.[12]

Northern Fujian. Nanping City, the central city of northern Fujian, proposed in its 11th Five-Year Plan the initiatives to integrate with the provincial tourism layout, foster tourism markets, extend the tourism chain and build high-level scenic spots. It also proposed to further push forward cooperation with other tourism zones, strengthen tourism cooperation and exchange with YRD, PRD, Taiwan, Hong Kong and Macao; strive to build a Mount Wuyi-Mount Alishan tourism cooperation platform, so as to establish a tourism cluster in northern Fujian led by Mount Wuyi, and fully utilise the leading role of Nanping City in the tourism economy on the west coast of the Taiwan Strait.[13]

Central Fujian. Fuzhou, the provincial city located at the centre of central Fujian, passed the *Outline of the 11th Five-Year Plan for Economic and Social Development in Fuzhou City* (福州市國民經濟和社會發展第十一個五年規劃綱要) at the Fourth Meeting of the Twelfth Fuzhou Municipal People's Congress held in March 2006. The Outline set out its tourism development plans as follows: to build up a tourism image for Fuzhou as "an ancient capital city of the Yue dynasty located in Fujian", and as "an auspicious city", and build Fuzhou into a central cultural and leisure destination integrating sightseeing, vacations, commerce and trade, conferences, relatives visiting, shopping, entertainment and food elements based on the overall development layout of the "One Zone and Two Areas" (一區兩片). It will focus on cross-strait tourism, cultural tourism, spa, ecological and coastal leisure tourism, and scenic spots along the Minjiang (閩江) river, perfect the tourism product mix, and establish an eastern Fujian tourism industry cluster with Fuzhou at its centre.

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11. Fujian Provincial Government public information services platform (福建省級政府公共資訊服務平台), website: http://www.fjgov.cn.
12. Longyan, China, website: http://www.longyan.gov.cn.
13. China shipping network (中國航貿網), website: http://www.snet.com.cn.

In conclusion, the tourism industry of Fujian is relatively developed to a considerable scale. The tourism plan issued by Fujian covers all local counties and cities and also explains the strengths of the tourism resources and the development directions of each tourism zone, furnishing a definite and explicit future for tourism development in Fujian. Hong Kong's tourism industry may work with Fujian to build a long-term, steady and standardised cooperation relationship for mutual benefits.

Jiangxi Actively Adopts "Red Tourism" Strategy

Recent Tourism Developments in Jiangxi

The 10th Five-Year Plan period proved to be a fruitful year for tourism development in Jiangxi. In 2005, Jiangxi received 50.9518 million visitors in total, with tourist income amounting to RMB32.002 billion, up 23.73% and 32.89% respectively over the previous year. They represented a respective increase of 99.52% and 137.76% over the end of the 9th Five-Year Plan period, and had completed 112.48% and 114.29% of the targets set for the 10th Five-Year Plan period. In the same year, visitor arrivals in Jiangxi exceeded the province's total population by more than eight million, with total tourism revenue approximately equal to 8% of the province's Gross Domestic Product (GDP), up 1.11% over 2004, representing an increase of 1.28% over the end of the 9th Five-Year Plan period. International visitor arrivals reached 372 500 bringing in tourist income of US$104 million, up 29.46% and 30.33% respectively over the previous year, and representing an increase of 128.39% and 67.74% respectively over the end of the 9th Five-Year Plan period.[14]

As for capital investment in the tourism industry, during the 10th Five-Year Plan period, Jiangxi increased its investment in the tourism industry each year, reaching RMB20 million in 2005, up from RMB2.1 million at the beginning of the 9th Five-Year Plan period. Moreover, the contracted amount for tourism projects in Jiangxi reached RMB13.5 billion, with RMB5.253 billion actually being utilised during the 10th Five-Year Plan period. In 2005, Jiangxi newly built 33 star-rated hotels, adding the total number of star-rated hotels to 280. It had 11 national scenic spots, 14 AAAA-grade[15] destinations, up 175% and 250% respectively over year 2000.

In respect of tourism infrastructure construction, by the end of 2005, Jiangxi had completed all expressway links from Nanchang to other metropolitans (設區市), and had completed 10 highways linking to the major tourism destinations. In addition, Nanchang Changbei (昌北) International Airport operates 38 international and domestic routes in total, with weekly flights up to more than 200 flights. The airports in Ganzhou (贛州), Jingganshan (井岡山) and Jingdezhen (景德鎮) also operate flights linking many major cities.[16]

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14. Xinhua net, website: http://www.xinhuanet.com.
15. AAAA Standard: according to the *Standard for the Rating of the Quality of Tourist Destinations* (旅遊景區質量等級的劃分與評定) put forward by the China National Tourism Administration, tourist destinations will be rated into five grades in respect of quality as AAAAA, AAAA, AAA, AA, A-grade tourist destination in descending order, based on tourist accessibility, sightseeing, travel safety, health and postal services, tourist shopping, operation and management, protection of resources and the environment, attractiveness of tourism resources and attractiveness to the market. Such standards are aimed at strengthening the management of tourism destinations, improving the quality of services provided at the tourism destinations and protection of the lawful interests of the tourism destinations and tourists, so as to promote the development and use of national tourism resources and environmental protection.
16. Province data net, website: http://provincedata.mofcom.gov.cn.

Relevant Policy Guidelines in Developing "Red Tourism"

It is Jiangxi that first initiated the "red tourism" concept in 2000. In 2001, Jiangxi launched the theme slogan of "Jiangxi-Red Cradle, Green Homeland", and identified "red tourism" as the development focus for the 10th Five-Year Plan period.

In 2004, Jiangxi initiated and, together with other relevant provinces and municipalities, signed the *Zhenzhou Declaration for Joint Development of Red Tourism by Seven Provinces/Municipalities* (七省市共同發展紅色旅遊鄭州宣言). The Declaration helped establish Jiangxi's solid position in the national "red tourism" campaign. In August of the same year, the Jiangxi Provincial Tourism Administration issued the *Outline for Developing Red Tourism in Jiangxi* (江西省紅色旅遊發展綱要), making the construction of "red tourism" destinations in Jiangxi a priority. On 1 December 2004, the Jiangxi Provincial Government officially approved the *Circular on the Approval and Circulation of the Outline for Developing Red Tourism in Jiangxi by the Jiangxi Provincial People's Government* (江西省人民政府關於批轉江西省紅色旅遊發展綱要的通知) (Gan Fu Fa [2004] No. 34), again stressing the significance of the development of "red tourism".

Meaning of "Red Tourism"

"Red tourism" refers to a kind of tourist attraction comprised of revolutionary memorial sites and relics. By visiting such attractions, tourists can experience the revolutionary spirit maintained in those sites and relics, so as to acquire knowledge of historical revolutionary facts and traditions while at the same time enjoying recreation and tourism experiences.

Source: China Red Tour portal, www.crt.com.cn.

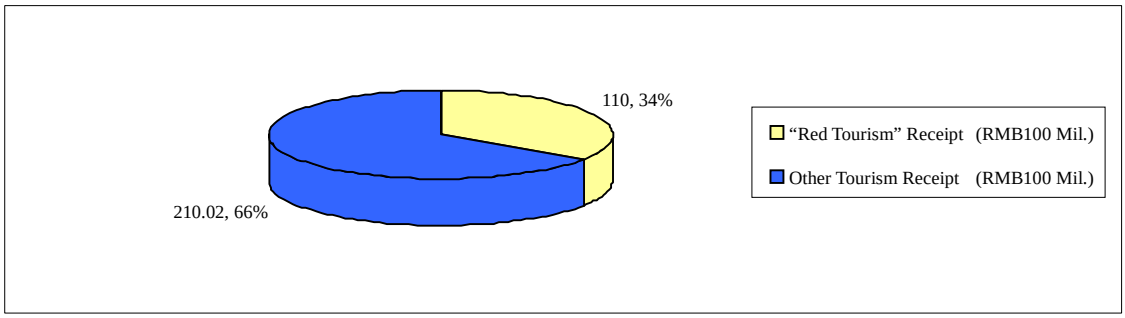
In October 2005, the Jiangxi Provincial Government worked with the State Administration of Radio, Film and Television, National Tourism Administration to organise jointly the China (Jiangxi) Red Tourism Expo 2005 (2005 中國(江西)紅色旅遊博覽會), the first grand event based on the theme of "red tourism" in China, setting up a cooperation and exchange platform for national "red tourism".

On 19 May 2006, Jiangxi issued the *Opinions on Aggressively Developing Red Tourism* (關於大力發展紅色旅遊的若干意見), which further specified the overall concept and objectives for developing "red tourism", and provided 20 detailed opinions on the management of "red tourism"-related key tasks, and how to accelerate institutional innovation in terms of development and strengthen policy support for "red tourism" development.

"Red Tourism" Revenue Surges

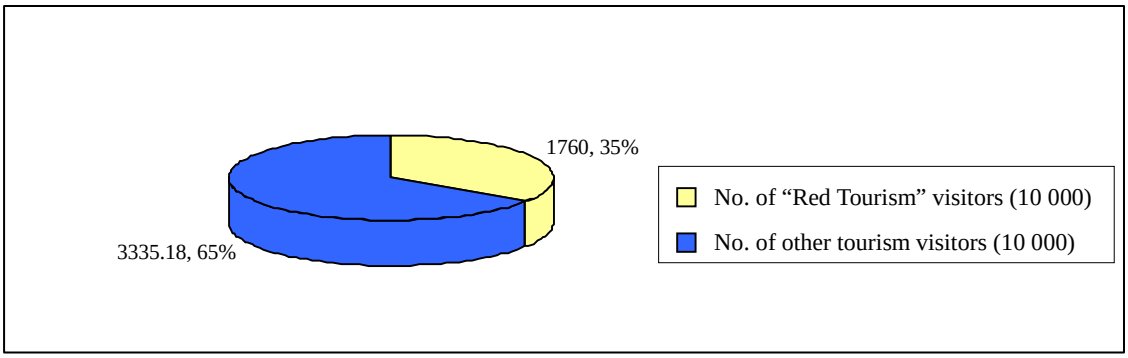
With continuous top-down encouragement and support from the Jiangxi Provincial Government, "red tourism" has achieved presentable results. In 2005, "red tourism" visitor arrivals reached 17.6 million in the whole province, with consolidated revenue amounting to RMB11 billion, up 30.37% and 42.86% respectively over the previous year, accounting for 34.54% and 34.37% respectively of the total visitor arrivals and tourism revenue of the whole province. Revenue derived from "red tourism" represented 2.7% of the province's GDP approximately (see **Figure 4** and **Figure 5)**.[17]

Figure 4: Revenue Generated from "Red Tourism" and Its Share of the Total Tourism Revenue in Jiangxi in 2005



Source: XinHua Online, http://www.xinhuanet.com.

Figure 5: Visitor Arrivals from "Red Tourism" and Its Share of the Total Visitor Arrivals in Jiangxi in 2005

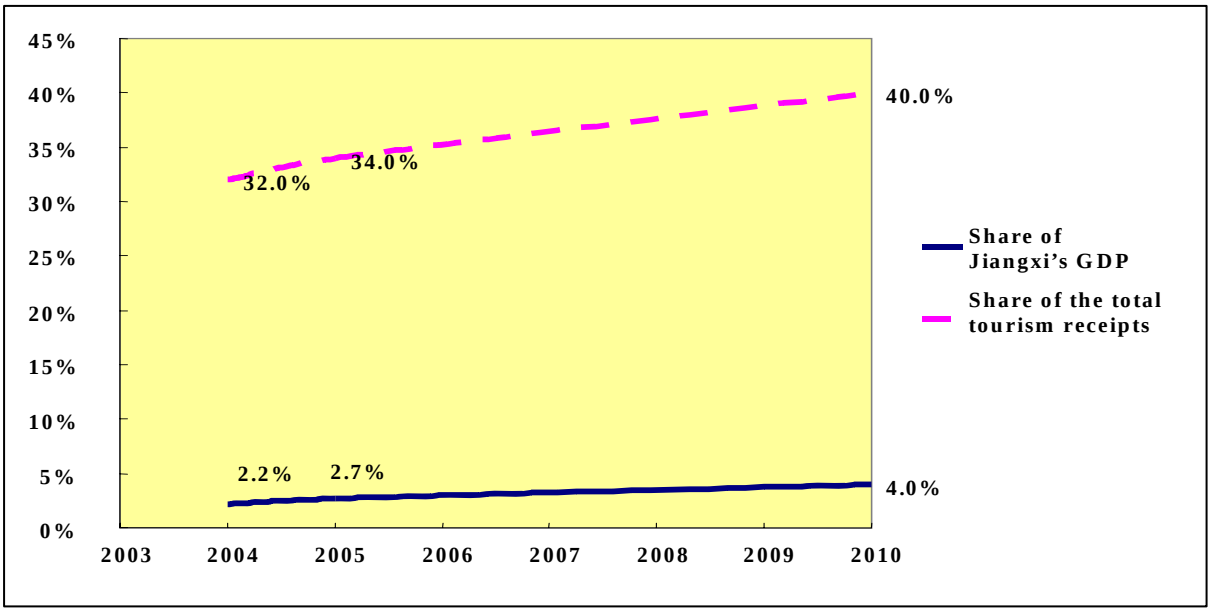


Source: XinHua Online, http://www.xinhuanet.com.

17. Guangxi Channel, Xinhua Net, website: http://www.gx.xinhuanet.com.

In the *Opinions on Accelerating the Development of the Red Tourism Industry* issued in 2006, the objectives of "red tourism" were explicitly set out as follows: during the 11th Five-Year Plan period, the number of "red tourism" visitor arrivals and consolidated revenue from "red tourism" in the province should grow by approximately 30% each year; the number of "red tourism" visitor arrivals and consolidated revenue from "red tourism" in the province should account for approximately 35% of the province's total visitor arrivals and tourism revenue by 2007, and 40% by 2010, making consolidated revenue from "red tourism" account for approximately 4% of the province's GDP (see **Figure 6**).

Figure 6: Development Trend of "Red Tourism" in Jiangxi



Source: XinHua Online, http://www.xinhuanet.com.

Recognition and Promotion of "Red Tourism"

The emergence of "red tourism" in Jiangxi has become a new means for people in the old areas to combat poverty. The State Council has fully recognised the results of Jiangxi's "red tourism". On 16 May 2005, the General Office of the State Council published an article titled "Jiangxi Solves Problems of Backward Economic and Social Development in Former Revolutionary Base Areas through Actively Developing Red Tourism" on *Governmental Affairs Communications* (政務情況交流), to recommend to the whole country the successful experience of "red tourism" development in Jiangxi.[18]

18. Governmental network, PRC, website: http://www.gov.cn.

On 27 September 2005, Liu Yunshan, Committee Member of the Political Bureau of the Central Committee of the CPC, Member of the Secretariat of the Central Committee of the CPC, and Minister of the CPC Publicity Department, during his visit to the China (Jiangxi) Red Tourism Fair and Pictures Exhibition held at the People's Hall, gave his full approval of "red tourism" in Jiangxi, encouraging Jiangxi to sum up its experience and act as a role model for "red tourism" development across the country.[19]

As at the national tourism working conference held on 10 January 2006, Wuyi, Committee Member of the Political Bureau of the Central Committee of the CPC and Vice-Premier, specifically pointed out that "red tourism" is an integrated tourism product with Chinese characteristics which deserves tremendous development, so as to boost the overall development standard of tourism.[20]

"Red tourism" and related products feature thick Chinese characteristics, worthy of promotion to foreign visitors. However, at present, the low development level of Jiangxi tourism products limits the attractiveness of "red tourism" to tourists. In addition, as other provinces are also actively promoting their "red tourism" products, Jiangxi tourism operators will face fiercer competition. If Jiangxi fails to develop its tourism products in a timely manner, its tourism development might be hampered.

At present, Hong Kong residents are not particularly interested in "red tourism", so there are few cooperation opportunities in respect of Red Tourism between Hong Kong and Jiangxi in the short term. On the other hand, as Jiangxi's economic development ranks rather low among the nine Pan-PRD provinces/region, its residents do not possess high disposable income, and Jiangxi visitors bound for Hong Kong typically come from high-income classes. Looking ahead, Hong Kong and Jiangxi need more communication before they can create a mutually beneficial situation in respect of tourism cooperation.

19. Ganzhou tourism network, website: http://www.gzlyw.com.cn.
20. Ganzhou tourism network, website: http://www.gzlyw.com.cn.

Hunan Focuses on Developing Two Key Central Tourism Destination Cities

Recent Tourism Developments in Hunan

Hunan is situated in the middle-lower reaches of the Yangtze River, and is endowed with a warm and humid climate as well as quite a number of mountains and rivers, boasting a well-known reputation as the "Land of Fish and Rice" in China. Hunan hosts 56 ethnic groups such as Han, Miao, Tujia and Yao people. In 2003, when an outbreak of the severe acute respiratory syndrome swept across China, Hunan turned out to be the most severely affected area, as its international tourism receipts only amounted to US$46 million and international visitor arrivals only numbered 153 000, amounting to 14.7% and 27.19% respectively of the 2002 figures, down 85.29% and 72.81% respectively.[21]

However, after stepping out of the shadow of the severe acute respiratory syndrome, Hunan's tourism industry rebounded in the subsequent two years. 2005 witnessed the fastest growth for tourism development in Hunan with rapidly growing tourism revenue. During 2005, Hunan received 71 million domestic visitor arrivals and achieved a domestic tourist income of RMB42.12 billion, up 10.4% and 21.9% respectively. In the same year, Hunan also received 719 800 international visitor arrivals and earned US$390 million of foreign exchange revenue from tourism, up 30.1% and 24.6% respectively. For the whole year, Hunan realised a total tourist income of RMB45.357 billion, up 22.1%.[22]

At the same time, Hunan also experienced an expansion in the scale of its tourism industry. By the end of 2005, Hunan had 453 star-rated hotels, including eight five-star hotels, 31 four-star hotels and 151 three-star hotels, as well as 553 travel agencies, including 43 international agencies and 510 domestic agencies. Hunan also hosted 70 grade-rated tourist destinations, 22 tourist destinations at national and provincial level for industrial and agricultural demonstrations, and around half a million people were directly engaged in the tourism industry.[23]

However, Hunan has failed to retain visitors due to its inadequately arranged tourism layout. In 2005, although visitor arrivals in Hunan reached more than 71.0905 million, only 36.2162 million stayed overnight, accounting for merely 50.94% of the total visitor arrivals. As Hunan is the necessary stop for visitors travelling from Guangdong and going further north by land transport, many non-overnight domestic visitor arrivals may belong to business travellers or transit travellers from Guangdong. In Hunan, overseas visitor spending per capita was US$542, far less than US$2,000 in Hainan, and domestic visitor spending per capita was RMB592, not even reaching 40% of that of Shanghai and Guangdong.[24]

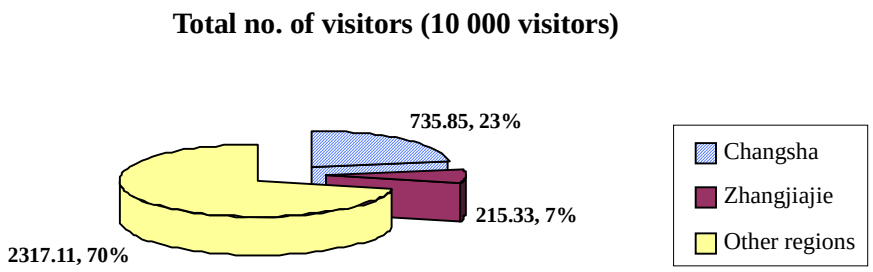
21. Source: *Yearbook of China Tourism 2004*.
22. National Bureau of Statistics of China, website: http://www.stats.gov.cn.
23. Source: *Hunan Tourism Yearly Report 2005*.
24. Source: Hunan Provincial Government portal, website: http://www.hunan.gov.cn.

Prominent Status of Changsha and Zhangjiajie

Changsha, the provincial capital, is the tourism resource centre and traffic hub. Zhangjiajie, hosting various natural wonders, is a well-known scenic spot across China and a tourism resource centre of Hunan.

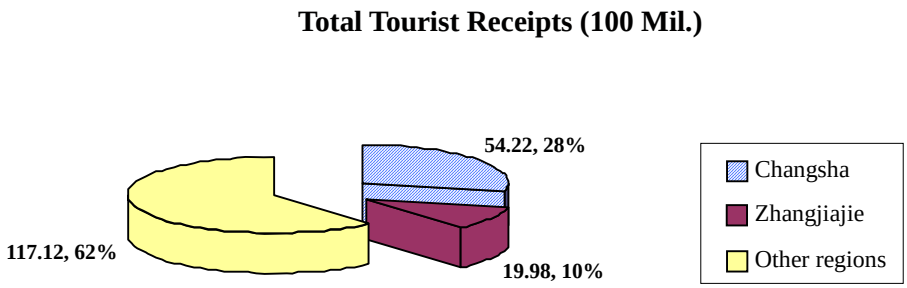
For the period from January to May 2006, Hunan received 32.6829 million domestic visitors, among which, Changsha received 7.3585 million, and Zhangjiajie, 2.1533 million. The combined visitors received by the two cities accounted for 29.10% of the provincial total. As for domestic tourist receipts, Hunan earned RMB19.132 billion in total, among which, Changsha earned RMB5.422 billion, and Zhangjiajie, RMB1.998 billion. The combined domestic tourist receipts earned by the two cities accounted for 38.78% of the provincial total (see **Figure 7** and **Figure 8**).

Figure 7: Number of Domestic Visitor Arrivals in Hunan Cities and Shares of the Provincial Total from January to May 2006



Source: Hunan Provincial Tourism Administration, http://www.hnt.gov.cn./

Figure 8: Domestic Tourist Receipts for Hunan Cities as a Share of the Provincial Total from January to May 2006



Source: Hunan Provincial Tourism Administration, http://www.hnt.gov.cn.

As for international tourism, Changsha and Zhangjiajie stood out in a more prominent position. For the first five months of 2006, Hunan received 385 600 international visitors, among which, Changsha received 163 100, and Zhangjiajie, 193 800. International visitors received by the two cities accounted for 42.29% and 50.27% respectively of the provincial total. As for international tourism receipts, Hunan earned US$153 million in total, among which, Changsha earned US$80 million in total, and Zhangjiajie earned US$66 million. International tourism receipts earned by the two cities accounted for 51.9% and 42.72% respectively of the provincial total (see **Figure 9** and **Figure 10**).

Figure 9: Number of International Visitor Arrivals in Hunan Cities and Share of the Provincial Total from January to May 2006

Source: Hunan Provincial Tourism Administration, http://www.hnt.gov.cn.

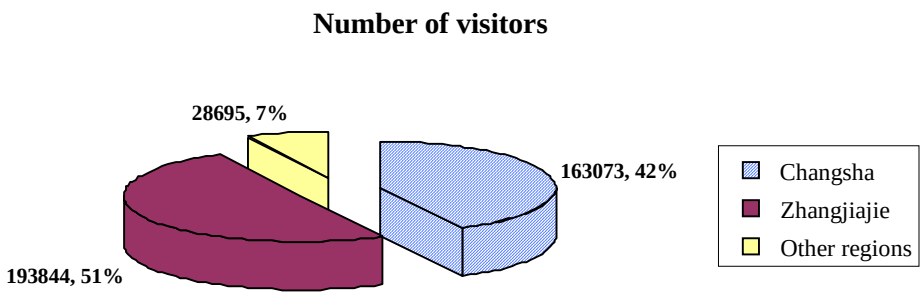
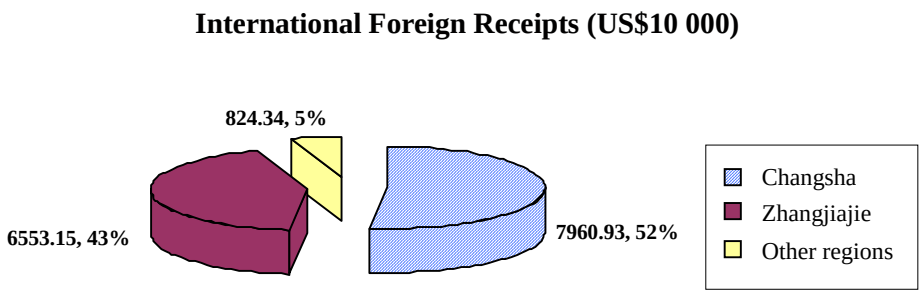


Figure 10: International foreign receipts of Hunan Cities and Share of the Provincial Total from January to May 2006



Source: Hunan Provincial Tourism Administration, http://www.hnt.gov.cn.

From January to May 2006, the average length of stay of international visitors in Hunan was 2.33 days, Changsha was 2.77 days and Zhangjiajie was 2.06 days, each of them exceeding two days.[25] Most of the overseas visitors visiting Hunan visit Changsha and Zhangjiajie only. Therefore, the two destinations play a key role in retention of overseas visitors. Therefore, in order to bring visitors to other scenic destinations in Hunan, issues such as air transport, supporting services, marketing and promotion of Changsha and Zhangjiajie must be well managed to provide the most thorough services possible.

Development Strategy and Focus

In a Hunan provincial tourism work conference convened on 24 February 2006, He Tongxin (賀同新), Vice-Governor of Hunan, delivered a keynote speech to sum up the tourism developments of Hunan and proclaim the objectives and tasks of Hunan tourism in the 11th Five-Year Plan period. The Vice-Governor indicated that, to build the overall brand of Hunan tourism, Hunan should work hard to consolidate and optimise a tourism layout based on "One Centre, One Pioneer, and Eight Golden Tour Routes", whereby the "Centre" referred to Changsha, the "Pioneer" referred to Zhangjiajie, and the "Eight Golden Tour Routes" will all take Changsha as the centre and hub (see **Table 6**). For this, Changsha and Zhangjiajie have each formulated their own tourism development plan, respectively based on their own strengths in terms of tourism resources.

Table 6: Eight Major Golden Tour Routes of Hunan

Tour Route	Content
Scenery of mountains and rivers tour route	Changsha – Changde – Zhangjiajie – Mengdong river
Chu Xiang (楚湘) cultural tour route	Changsha – Temple of Quyuan in Miluo (汨羅屈子祠) – Yueyanglou (岳陽樓)
Historical tour of famous people route	Changsha – Shaoshan (韶山) – Huaminglou (花明樓)
Regional culture, landscape of the southern part of Hunan tour route	Changsha – Nanyue Hengshan (南嶽衡山) – Chenzhou (郴州)
Folklore of tong (侗) village tour route	Changsha – Zhangjiajie – Xiangxi Fenghuang (Dehang) (湘西鳳凰(德夯)) - Huaihua (懷化)
Geological wonders tour route	Changsha – Loudi (婁底) – Shaoyangshan (邵陽山) - Nanshan (南山)

25. Hunan Provincial Tourism Administration, website: http://www.hnt.gov.cn.

Table 6 (cont'd)

Tour Route	Content
Root exploration and ancestor worship tour route	Changsha – Tomb of Yandi (炎帝陵) – Tomb of Shundi (舜帝陵)
Farm garden scenery tour route	Changsha – Yiyang (Taohuajiang) (益陽(桃花江)) – Changde (Taohuayuan (桃花源), Jiashan (夾山) and Hupingshan (壺瓶山))

Source: Hunan Provincial Tourism Administration.

Changsha Plans to Build Itself into an International Cultural Centre

As a famous historic cultural city, Changsha has been a political, economic and cultural centre for two thousand years, and it is also a famous revolutionary city in modern and contemporary history. Being the source of Hunan Culture, Changsha, with its unique mountain, river, island and city views, has attracted many visitors for vacation, sightseeing and shopping. As a result, cultural tourism has naturally become a key brand of tourism in Changsha.

According to Document No. 1 of the *Decisions On Stepping up the Fostering of the Tourism Sector into a Pillar Industry* (關於加快培育旅遊支柱產業) (Chang Zheng Fa [2000] No.1) issued by Changsha as early as the beginning of 2000, Hunan adopted a development strategy driven by opening up policies and cultural elements, and planned to build world-class centres for movie and television culture as well as international convention and exhibition centres around the "New Century Cultural City" (新世紀文化城) in Changsha, with the aim of facilitating the upgrading of Hunan tourism products.[26]

In 2005, Changsha worked out its detailed cultural tourism plan to the extent of construction tasks at sub-district level. In October, the *Detailed Plan for Constructing the Qingshuitang Cultural Tourism Neighbourhood, Changsha* (長沙清水塘文化旅遊街區修建性詳細規劃) passed expert assessment in principle, and the Changsha municipal government decided to set up the first cultural tourism neighbourhood in the Qingshuitan Sub-district, making the Qingshuitang Cultural Tourism Neighbourhood a spiritual home for intellectuals.[27]

In August 2006, Changsha published the *Outline of the 11th Five-Year Plan on Cultural Development*, which placed emphasis on promoting the development of "Seven Areas" (七片) and "Multiple Spots" (多點) through giving prominence to "One Belt" (一帶) and pooling together "Five Parks" (五園) (see **Table 7**), so as to build Changsha into a modern regional cultural centre with strong international influences.[28]

26. College of Tourism, Hunan Normal University, website: http://www2.hunnu.edu.cn.
27. Hunan Education Network, website: http://yylxs.hnedu.com/.
28. Hunan Channel, China Economic Network, website: http://www.hnce.com.cn.

Table 7: Interpretation of Key Words in the Outline of the 11th Five-Year Plan on Cultural Development in Changsha, Hunan

Keywords	Explication
One Belt	Xiangjiang cultural belt
Five Parks	Five cultural parks: Changsha cultural base of newspaper, Changsha cartoon production base, Changsha printing and packaging technology industrial base, New Broadcast and Television Centre of Changsha, and the "Four Lakes" (Meixihu (梅溪湖), Houhu (後湖), Xihu (西湖), Yuehu (月湖))
Seven Areas	Yuelushan (岳麓山) historical and cultural zone, Tianxinge (天心閣) comprehensive functional zone, Qingshuitang (清水塘) cultural exhibition functional zone, Golden Eagle Cultural City (金鷹文化城), New Century Sports City, Golden Star Cultural Park, Chengnan (城南) cultural zone
Multiple Spots	Huaminglou Memorial of Liu Shaoqi (花明樓劉少奇紀念館), Kuei Shan (溈山) Miyin Temple (密印寺) Scenic Spot, Huitang (灰湯) Hot Spring International Holiday Resorts, Copper Guan Kiln and Ceramic Museum (銅官窯陶瓷博物館), Ningxiang (寧鄉) Huxiang (湖湘) Cultural Park, Heimifeng (黑麐峰) scenery zone, Liu Yang (瀏陽市) Museum, Leifeng Mermorial (雷鋒紀念館), Tomb of Zeng Guofan (曾國藩), Tomb of Zuo Zongtang (左宗棠)、Shi Shuang Temple (石霜寺), Wenjiashi (文家市) Autumn Harvest Uprising (秋收起義) Memorial, Liuyang Chrysanthemum Stone (菊花石) handicraft production base, Taogong Miao (陶公廟), the second phrase construction of the former residence of Tang Sitong (譚嗣同), former residence of Huang Hsing (黃興), Chimahu (赤馬湖) water sports base, Shiyanhu (石燕湖) resort area, Hunan Botanical Garden, Martyr Yang Kaihui (楊開慧) Mermorial, Long Wang Port (龍王港) West Lake Water Park, Shaping Xiang Embroidery Cultural Park, Xiufengshan (秀峰山) Happy Valley, Liuyang cultural belt, etc.

Source: Hunan Channel, China Economic Network, website: http://www.hnce.com.cn.

Zhangjiajie Focuses on Developing Ecological Tourism

Taking the Wulingyuan (武陵源) Scenic Spot as its theme, the centre of Zhangjiajie's tourism industry comprises Zhangjiajie National Forest Park, Suoxiyu Natural Reserve (索溪峪自然保護區) and Tianzishan Natural Protection Area (天子山自然保護區). In 1992, the Wulingyuan Scenic Spot was listed as a World Natural Heritage Site by UNESCO (聯合國教科文組織), citing the fact that "Wulingyuan possesses a nearly primitive sub-tropical landscape, biological environment and ecological system – almost accommodating all elements of a geological and ecological environment".

At its very early stage, Zhangjiajie's tourism development caused some damage to the scenic spots due to the lack of regulations for development of ecological tourism projects in China. In 1999, the Natural Heritage Committee of UNESCO criticized Zhangjiajie over a number of issues such as over-exploitation of tourism resources, excessive infrastructure projects, visible urbanisation of scenic areas, and degradation of the ecological environment, also issued a warning on continue granting its status as a World Natural Heritage Site. Since then, ecological tourism has been given top priority in Zhangjiajie.

During the 10th Five-Year Plan period, Zhangjiajie completed its transformation from a resourceful city into a tourism city, and established the Zhangjiajie tourism brand. At the Zhangjiajie Tourism Development Conference held on 10 April 2006, Liu Liwei (劉力偉), Secretary of the Zhangjiajie Municipal Committee of the CPC, indicated that the major objectives for Zhangjiajie tourism development during the 11th Five-Year Plan period would be:, growing at an average annual rate of 12%, domestic and international visitors should reach 25 million by 2010, including two million international visitors growing at an average annual rate of 15%; total tourism revenue should reach RMB16 billion, growing at an average annual rate of 20%, and Zhangjiajie should become one of the best tourism cities in China. During the 11th Five-Year Plan period, Zhangjiajie's tourism development strategy would be to achieve "Two Objectives" through "One Theme". "One Theme" means the ecological tourism theme and "Two Objectives" means building Zhangjiajie into a key tourism city in China and an international ecological tourism destination.[29]

In general, Hunan's tourism development strategy still lacks a forward-looking development blueprint. If its development strategy is still confined to Changsha and Zhangjiajie, the future options will become more and more limited. In essence, Hunan possesses significant development potentials as it is endowed with abundant tourism resources, natural ecological landscape, historical and human culture and folklore and features. If the Hunan authorities are able to think out of the box and initiate a somewhat more aggressive development plan, the development opportunities for Hunan's tourism will be broader than they are now.

29. Rednet, website: www.rednet.com.cn.

Hainan Develops Overseas Source Markets Through a Multi-Channel and Multi-Means Approach

Recent Tourism Developments in Hainan

Hainan has long been known as Hawaii of the Orient, and has sustained a rapid development in recent years. In 2005, Hainan's tourism sector realised a value added of RMB5.742 billion, up 12.3% over the previous year. It received 15.1647 million overnight visitor arrivals (see **Figure 11**), up 8.1% over the previous year. During the 10th Five-Year Plan period, the annual average growth rate of the value added of tourism was 8.5%. In 2005, Hainan received 431 900 overseas visitors, up 40% over the previous year, and 14.7328 million domestic visitors, up 7.4% over the previous year. Total tourist income in 2005 amounted to RMB12.505 billion, up 12.6% over the previous year, growing at an average growth rate of 9.7% annually during the 10th Five-Year Plan period. In 2005, Hainan earned RMB1.049 billion of international tourism receipts, up 57.4% over the previous year, and RMB11.456 billion of domestic tourist receipts, up 9.9%. In 2005, Hainan tourist hotels recorded a room occupancy level of 53.6%, down 0.7% over the previous year. By the end of 2005, there were 223 star-rated hotels in Hainan, eight more than the previous year. These star-rated hotels included 11 five-star hotels of which one was newly added, 41 four-star hotels of which four were newly added, and 99 three-star hotels of which seven were newly added.[30]

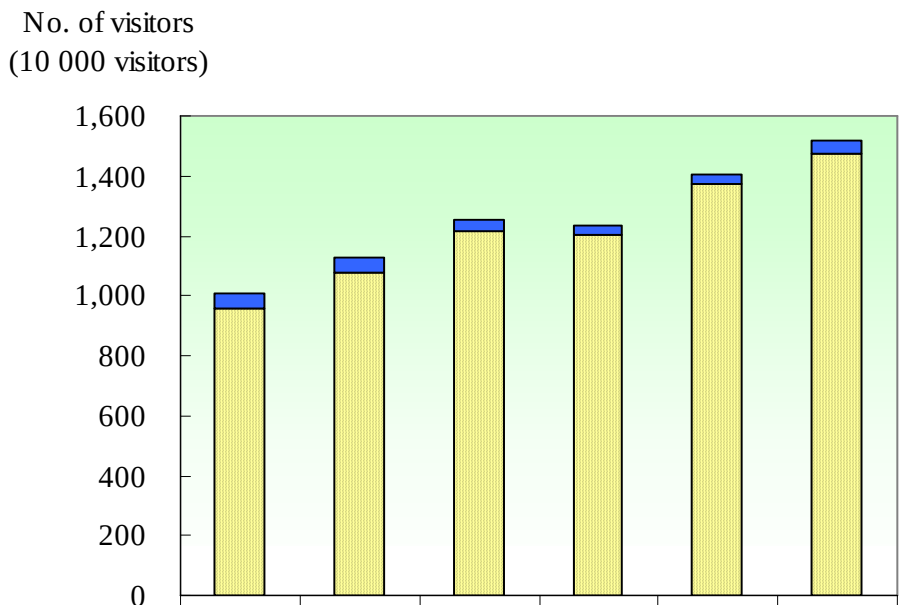
Since 2004, Hainan's liberation of aviation rights has turned a new page for the tourism industry. As there are more and more international visitors flowing into Hainan, especially an increased influx of visitors from Russia, South Korea, Singapore and Thailand, Hainan has also turned its focus to tapping overseas source markets for future tourism development.

Composition of Overseas Source Markets

For the first half of 2006, Hainan received 304 200 overnight international visitors, including 235 400 foreign visitors, 42 300 Hong Kong visitors, 1 500 Macao visitors and 25 000 Taiwan visitors, accounting for 77.38%, 13.91%, 0.49% and 8.22% respectively of the total international visitor arrivals in the province, with foreign visitors accounting for the majority (see **Figure 12**). Comparing the mix of international visitors between 2000 and 2005, it is noted that the number of foreign visitors and their share of the province's total international visitors had experienced a continuous growth, as the number increased to 269 400 in 2005 from 93 700 in 2000, representing a surge of nearly 200%, and the share of foreign visitor arrivals among total international visitors also increased to 62.38% (see **Figure 13**) in 2005 from 19.25% in 2000.

30. National Bureau of Statistics of China, website: http://www.stats.gov.cn.

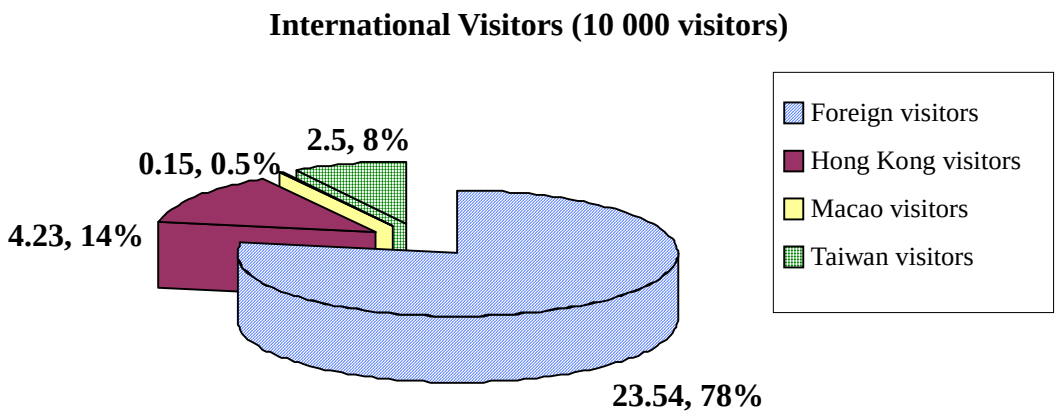
Figure 11: Trends of Overnight Visitor Arrivals in Hainan (2000 – 2005)



	2000	2001	2002	2003	2004	2005
International visitors	48.68	45.68	38.93	29.33	30.86	43.19
Domestics visitors	958.89	1,079.08	1,216.03	1,204.77	1,372.03	1,473.28

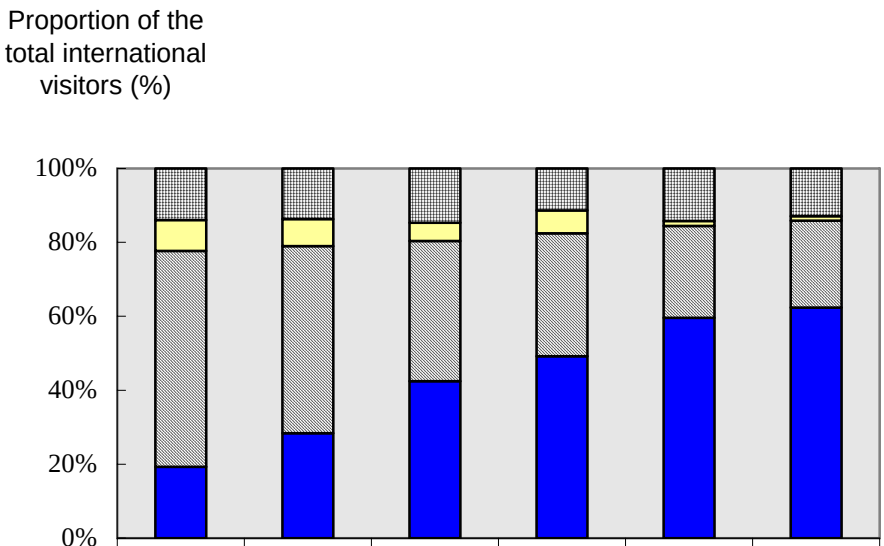
Source: Hainan Provincial Tourism Bureau Information, http://www.hainantour.com/

Figure 12: Mix of International Visitor Arrivals in Hainan in the First Half of 2006



Source: Hainan Provincial Tourism Bureau Information, http://www.hainantour.com/

Figure 13: Development Trend of the Mix of International Visitor Arrivals in Hainan (2000 - 2005)



	2000	2001	2002	2003	2004	2005
Taiwan visitors	13.9%	13.7%	14.7%	11.3%	14.2%	12.9%
Macao visitors	8.4%	7.4%	4.9%	6.2%	1.4%	1.2%
Hong Kong visitors	58.4%	50.6%	37.9%	33.2%	24.9%	23.5%
Foreign visitors	19.2%	28.4%	42.4%	49.2%	59.6%	62.4%

Source: Hainan Provincial Tourism Bureau Information, http://www.hainantour.com/

Relevant Measures for Developing Overseas Markets

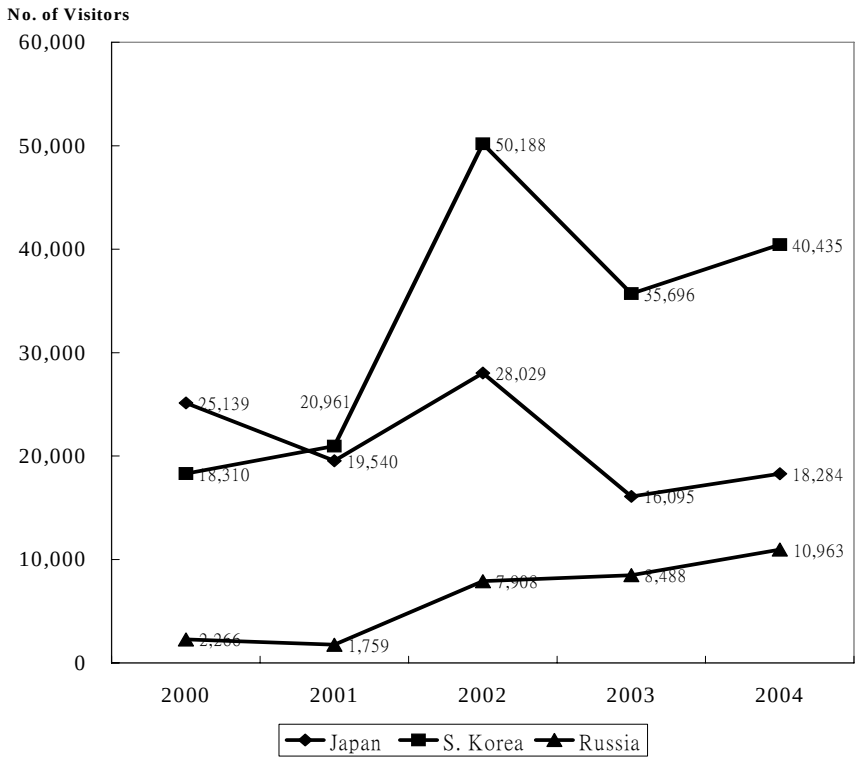
A breakthrough strategy through market segmentation has been adopted. In 2006, the Hainan Tourism Administration proactively committed to expanding Hainan's overseas markets through conducting dedicated promotion activities in overseas source markets. In February 2006, the Hainan Provincial Tourism Administration attended the 40th Japan Golf Fair (第 40 屆日本高爾夫球博覽會) and a series of promotional golf events held in Japan. In March 2006, the Administration also dispatched delegations to attend the International Tourism Exchange Berlin 2006 (2006 德國柏林國際旅遊展) in Germany; to go to the four northern European countries for dedicated tourism promotional activities, to Russia to attend the International Trade Fair for Travel & Tourism (國際旅交會), and to Singapore and Malaysia for international travel fairs[31].

31. Hainan Orient Holiday International Travel Service Co., Ltd., website: http://www.68551111.com/.

On 20 March, 2006, Wu Wenxue (吳文學), Director-General of Hainan Provincial Tourism Administration, pointed out in his interview with the *Hainan Daily* (海南日報) that the Administration shall implement a breakthrough strategy on key markets and customer sources, carry out services differentiation based on market segmentation, and also give priority to promoting Hainan tourism products in six major overseas source markets, including the Hong Kong, Macao and Taiwan market, South Korea and Japan market, Russia and central Asia market, Singapore, Malaysia and Thailand market, European and US market, and Australia and New Zealand market.[32]

Hainan also focused on golf-oriented tourism. In recent years, among foreign visitor arrivals in Hainan, visitors from South Korea and Russia have become the mainstay. Before 2000, Japan had been the biggest source market of international travellers for Hainan province. Since 2001, South Korea has overtaken Japan to become the top source market of international visitor arrivals in Hainan, even up to more than 50 000 visitors in 2002, the largest number of Korean visitors in a year so far (see **Figure 14**).

Figure 14: Trends of International Visitor Arrivals in Hainan from Three Major Overseas Source Markets (2000 – 2004)



Source: The Yearbook of China Tourism Statistics, 2001-2005.

32. Hainan Daily, 20 March 2006.

The surge of Korean visitors is mainly attributed to the rapid development of golf-oriented tourism. During the 10th Five-Year Plan period, Hainan constructed six golf courses with 117 holes, costing a total investment of RMB702 million. Hainan enjoys superb weather conditions all year round for golf. When winter comes and golf activities cannot be conducted in South Korea, Hainan can still boast of its green grassy fields. Moreover, after the Southeast Asian tsunami disaster, many South Korean visitors originally bound for Southeast Asia have turned to Hainan, much because of its preferential policy towards South Korean visitors, whereby group visitors from South Korea enjoy visa-free access to enter Hainan for visits of up to 15 days (such a policy covers 21 countries).[33]

At the Hainan Economic Working Conference (海南省經濟工作會議) held in December 2005, Hainan proposed to take advantage of its island terrain and utilise its sloping fields to step up construction of golf courses without occupying too much farmland. The conference also set the target of building 100 or more golf courses during the 11th Five-Year Plan period. It is proposed that, during the 11th Five-Year Plan period, Hainan shall make all-round promotion of golf as a key activity in Hainan's leisure tourism, and turn the sport into the "Sport of Hainan".

Another measure adopted was to develop leisure tourism. Russia has become another source market bringing in a lot of surprises. For instance, there were only 1 700 Russian visitor arrivals in Hainan in 2001, however, the number went up to 7 900 in 2002, more than four times that of 2001. Even in 2003 when China suffered from the SARS outbreak, Russian visitor arrivals increased against the slump, evidencing Russian visitors' enthusiasm for Hainan (see **Figure 14**).

The difference in climate makes Hainan an ideal vacation destination for Russian visitors. More and more Russians go there for vacation and recuperation, attracted by the warm tropical climate and superb vacation conditions. In 2005, Russian visitor arrivals in Hainan reached 29 259, up 177.31% over the previous year. For the period from January 2006 to May 2006, Russian visitor arrivals in Hainan reached 33 350, up 183.93% over the same period in the previous year. Russia is Hainan's second largest source market for international visitors.[34]

In the Spring Festival of 2005, Wu Yi (吳儀), Vice-Premier of the State Council, indicated after her visit to Hainan that the island should spare no efforts in developing international tourism, especially the Russian source market. Through Wu Yi's facilitation, the ninth meeting of the Regular Meeting Committee between the Chinese Premier and Russian Prime Minister was held in Sanya, further enhancing Hainan's reputation in Russia.[35]

In the same year, the Hainan Provincial Government officially approved the *Overall Tourism Development Plan for Hainan Province* (海南省旅遊發展總體規劃) submitted by the World Tourism Organisation in 2002. The Overall Plan proposed to build Hainan into a top-class vacation and leisure destination in Asia and in the world.

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33. Hainan Today Tourism Information Network (海南旅遊資訊網), website: http://www.hainantoday.com.cn/.
34. Beijing tourism network (北京旅遊網), website: http://www.skyyoo.com/.
35. Hainan Provincial People's Government network, website: http://www.hainan.gov.cn.

At the fourth meeting of the Third Hainan Provincial People's Congress held in January 2006, the *Outline (Draft) of the 11th Five-Year Plan for Economic and Social Development in Hainan Province* (海南省國民經濟和社會發展第十一個五年規劃綱要(草案)) was formulated. The Outline provided that Hainan should implement the *Overall Tourism Development Plan for Hainan Province* on a full basis during the 11th Five-Year Plan period, and endeavour to facilitate transformation of the tourism industry into a quality-driven sector with emphasis on effectiveness from a quantity-driven one with emphasis on the number of tourists, as well as transformation of sightseeing-oriented tourism products into vacation and leisure-oriented tourism products, with the aim of gradually developing Hainan into a top-class tropical island destination for vacation and leisure.[36] All these measures would be helpful in exploring overseas source markets, especially in consolidating and exploring the Russian market.

Moreover, on 4 April 2006, Wu Wenxue (吳文學), Director-General of Hainan Provincial Tourism Administration, indicated in his interview with the *Hainan Daily* that priority would be given to the establishment of a Russian Holiday Resort. According to the proposal, the Russian Holiday Resort is a cooperation project under the "Russian Year in China" and the "China Year in Russia" programs, and some relevant events and conferences under the above-mentioned programs will be arranged in Hainan. Under the Russian Holiday Resort scheme, no visa would be required for Russian group and individual visitors spending their vacation in Hainan for a period of up to two months, and vacation shops and other facilities catering for Russian visitors are to be constructed.[37]

Hainan has also proactively participated in international tourism expositions and fairs. In recent years, in order to expand its source markets and enable the outside world to gain a better understanding of Hainan, the Hainan Provincial Tourism Administration has frequently participated in various major international tourism festivals and travel exhibitions. The Hainan Provincial Government has also provided assistance and cooperation to the Administration, by letting more international annual conferences and travel events be held in Hainan to demonstrate its sparkling blue seas and sky, tropical landscape and folklore and local cultures to the outside world. According to the *Hainan Tourism Publicity and Promotion Work Plans* (海南省旅遊宣傳促銷工作計劃) (Qiong Lu Fa [2005] No.53) issued by the Hainan Provincial Tourism Administration in 2005, full support shall be given to various local authorities, relevant agencies and enterprises for planning and holding tourism festivals, conventions and exhibitions, and cultural tourism events, and such support shall also extend to holding various conventions and exhibitions and cultural tourism events in Hainan. Meanwhile, according to the Work Plans, tourism enterprises are required to participate in basic marketing and promotional events sponsored by the Provincial Tourism Administration or municipal/county tourism administration, such as tourism trade fairs held outside Hainan, dedicated marketing and promotional events, etc.

36. China.org.cn, website: http://www.china.org.cn/.
37. Hainan Provincial People's Government portal, website: http://www.hainan.gov.cn.

With the support of the Hainan Provincial Tourism Administration, the Fifth Abacus International Conference (環亞國際公司第五屆國際年會) was held successfully in Sanya from 7 to 9 September 2005, and the Conference received managers from 500 top-class travel agencies from 22 Asia Pacific source markets, and executives from many air carriers and internationally reputed chain hotels. Headquartered in Singapore, Abacus International is the only global reservation distribution system supplier based in the Asia Pacific region. The cooperation is expected to help facilitate Hainan's penetration into high-end overseas consumption markets.[38]

From 15 to 18 June 2006, Chen Yao (陳耀), Deputy Director-General of the Hainan Provincial Tourism Administration, led a delegation to participate in the 20th International Travel Expo Hong Kong, with the purpose of consolidating the source market of Hong Kong. The Hainan delegation consisted of 40 persons from more than 20 entities, who showcased the distinct features of Hainan vacation products with large colour spray paintings.[39]

The China International Tourism Mart 2006 (2006 中國國際旅遊交易會), held in November 2006, was an opportunity for the Hainan Provincial Tourism Administration to undertake some serious promotional work. The Administration published a *Notice on Participation in the China International Tourism Mart 2006 by the Hainan Provincial Tourism Administration* (海南省旅遊局關於組團參加 2006 中國國際旅遊交易會的通知) (Qiong Lu Fa [2006] No. 90) in August 2006, and also booked 47 exhibition booths at the China International Tourism Mart, the largest amount of booths that Hainan had ever booked among all the tourism expositions or fairs it had participated in.

Recruitment of foreign-language tour guides through examination. Currently, there are approximately 6 000 registered tour guides in Hainan. However, there are only more than 200 foreign-language speaking guides, only around one out of thirty of the total number. Among these, there are more than 140 English-speaking tour guides, more than 50 Japanese-speaking tour guides and 31 Russian-speaking tour guides. In addition, in particular, there are only seven Korean-speaking tour guides to take care of South Korea, the largest tourism source market of Hainan. In order to meet the needs of the explosive growth in the number of international visitors, the Hainan Provincial Tourism Administration decided to recruit qualified foreign-language speaking tour guides from the market. The Administration will set up the Foreign-Language Tour Guide Qualification Examination Work Steering Group, consisting of, among others, persons from the Hainan Provincial Commission for Discipline Inspection of the CPC, and Provincial Supervision Department. The Steering Group will be responsible for the whole examination process, to ensure a fair, open and just examination.

Convenient to travel. In order to step up the development of its tourism resources for vacation, Hainan has obtained from the State certain preferential policies for tourism development. For instance, no visa is required for tour groups consisting of more than five international visitors holding ordinary passports, if they stay in Hainan for not more than 15 days and are the citizens of some 20 relevant countries and territories. In addition, the State has specifically allowed Hainan to liberate its third, fourth and fifth aviation rights

38. hi.chinanews.com.cn (中華海南網), website: http://www.hi.chinanews.com.cn.
39. hainatour.com (海南旅遊資訊網), website: http://www.hainantour.com.

internationally. Such legal and policy measures have laid a solid foundation for Hainan to accelerate its tourism development.[40]

Hainan has also strengthened self-discipline among the industry and its opening-up policy. Apart from the measures mentioned above, Hainan published the *Outline of the 11th Five-Year Plan* (十一五規劃綱要) in March 2006. Referring to the development of overseas source markets, the Outline explicitly pointed out that, in future, Hainan's tourism industry will be committed to developing a self-discipline mechanism and broadening its opening-up policy, so as to create a well-received tourism image quickly and effectively. The industry will also be committed to stepping up joint venture and cooperation efforts with the overseas tourism conglomerates. All these measures may help to provide quite a number of opportunities for overseas tourism companies and conglomerates, including those based in Hong Kong.

As an important pillar industry of Hainan, the development of the tourism industry is critical to the economic development of Hainan. The Hainan tourism authorities are endeavouring to facilitate the tourism industry's transformation from a quantity-driven one with emphasis on the amount of tourists to a quality-driven one with emphasis on effectiveness. At present, the issues of how to attract and retain high-end customers (such as foreign visitors with high consumption power) have become the objective and direction for Hainan's tourism development.

Hong Kong possesses sound development experience and human resources when it comes to the tourism industry. Hong Kong and Hainan can therefore work together to create a win-win situation through strengthening cooperation to provide quality tourism services to high-end visitors and enhance Hong Kong and Hainan's appeal to foreign visitors.

40. National Bureau of Statistics of China, website: http://www.stats.gov.cn.

Roles, Opportunities and Challenges for Hong Kong in the Future

Tourism helps to display the political, economic and cultural aspects of a destination, and can be called a representation of the image of a destination. Tourism helps to bring about a number of tourist-related "flows", such as the flow of goods, capital flow, and information flow, speeding up the establishment of ties and cooperation between different regions. The huge Pan-PRD region could bring together folklore and features of 56 ethnic groups, "red" areas with revolutionary histories, natural green mountains and blue rivers, as well as gourmet paradises with Chinese and western cooking influences. Therefore, development of tourism would not only help the Chinese people learn more about their mother country, and facilitate the understanding of the Pan-PRD region among foreign visitors, but it would also bring more business opportunities along with the influx of visitors.

Development of tourism requires cooperation and coordination in many aspects, including critical constituents such as traffic infrastructure, hotel services, restaurant operation, quality of travel agencies, destination design, brand building, publicity and promotion. As an early starter in developing tourism, Hong Kong has a well-developed tourism industry. And as a world-renowned tourist destination, Hong Kong can capitalise on its own experience in tourism, expertise and marketing network to be fully involved in the development and integration of the Pan-PRD region's tourism resources. By leveraging the vast land and abundant tourism resources in the nine Pan-PRD provinces/region, Hong Kong may assist the Mainland in the establishment of a "Pan-PRD Barrier-Free Tourism Zone" through combining each other's comparative advantages, and thereby gain vast business opportunities. Generally speaking, in view of Hong Kong's strengths in tourism development, operation and management, Hong Kong can play the following roles in the tourism development of the four south-eastern Pan-PRD provinces (Fujian, Jiangxi, Hunan, Hainan).

Opportunities from Tourism Project Development and Management

Hong Kong Tourism Operators Can Participate in the Development of Management of Tourism Zones in the Four South-Eastern Provinces

Tourism development objectives cannot be achieved without sound development, use and management of tourism resources. The national tourism industry has long been suffering from the drawbacks of lack of planning and over-exploitation despite its slight improvement in recent years. However, such incidents are still frequent. There are many reasons for this. First, at the planning stage, the planners have been eager for quick success and instant profits and have lacked adequate consideration of the details and ecological aspects. Secondly, at the implementation stage, the implementers have abused tourism resources by receiving too many visitors, with a mind to grandiose success. The third reason refers to insufficient management and supervision of the operation as well as poor maintenance work in scenic areas.

The Hong Kong tourism industry possesses rich experience in tourism project development, with a number of success stories such as Ocean Park, Disneyland and other theme parks that attract and fascinate visitors from around the world. Hong Kong enterprises can assist the Pan-PRD region, including Fujian, to upgrade its tourism industry

and obtain the benefits in doing so, so as to achieve a win-win situation for all concerned. In addition, Hong Kong acts as a transportation hub and business and tourism centre in the Asia Pacific region and receives streams of visitors, and Hong Kong's tourism operators have many years of abundant experience and sophisticated systems in project planning, ecological development, and rational use and management of scenic spots. Through the implementation of CEPA, Hong Kong can start tourism cooperation with Fujian, and play a role in investment, planning, construction and management of Fujian tourism zones by leveraging Hong Kong's own advantages.

Building and Promotion of Tourism Brands

Hong Kong is Expected to Obtain Considerable Shares and Opportunities in Tourism Markets in the Four South-Eastern Pan-PRD Provinces

"Red tourism" has become a hot topic in recent years in the Mainland. In addition to Jiangxi, Fujian and Hunan have also begun to attach importance to the "red tourism" market. Currently, the domestic "red" scenic spots belong to the poorer regions, suffering from lack of funding, poor education levels and branding awareness as well as deficient publicity. In recent years, Fujian, Jiangxi and Hunan have made considerable input into "red tourism"; however, the publicity results are far from ideal, especially in overseas markets, where few persons know about "red tourism". To Hong Kong, although "red tourism" is a relatively unfamiliar area, it has a wealth of experience in promoting tourism and also possesses powerful influence over other regions.

Hong Kong's tourism industry is familiar with international practices and has integrated its tourism promotion well with international practices. Hong Kong hosts many well developed and diversified media organisations, such as newspapers, television stations and movie media that are well established and have a powerful influence throughout the world. Looking ahead, Hong Kong tourism industry can consider promoting the Mainland's "red tourism" brand to foreign visitors through effective planning, and seize the opportunities from there.

Opportunities from Tourism Services

Hong Kong Tourism Industry Should Actively Plan to Tap the Tourism Markets of the Four South-Eastern Pan-PRD Provinces

To become a thriving industry, the tourism industry in the four south-eastern Pan-PRD provinces cannot succeed alone without supplementary tourist services. To build an international tourism market, elements such as retail shopping, travel agencies, catering and hotels need to meet international standards. Currently, the supplementary tourist services in the four provinces are below international standards, and need to be improved.

Hong Kong, as an Asia Pacific tourist centre, has long been known for its sophisticated services. Hong Kong is also well known as a "shopping paradise" and "gourmet city", with its world-class hotel facilities and services all built and managed in accordance with international standards. According to CEPA, in the area of tourism, Hong Kong companies

will be able to set up wholly-owned enterprises in the Mainland to build, renovate and operate facilities of hotels, apartments and restaurants, and to set up joint-venture travel agencies in the Mainland without geographical restrictions.[41] Entry to the Hunan market would not only enable the Hong Kong tourism industry to enjoy a share in the huge market, but it would also help bring the Hunan tourism industry to a high-end level. Hong Kong's tourism, retail, catering and related sectors should quicken their pace to seize relevant markets in the four south-eastern Pan-PRD provinces, and gain "first mover" advantages.

Cooperation and Challenges for Developing Source Markets

To Expand Tourist Source Markets, Hong Kong Should Work with the Four South-Eastern Pan-PRD Provinces Through Division of Labour

All along, Hong Kong has been the key gateway for foreign visitors entering the Mainland. However, as more ports, a better transport network and expanded air routes and flights have appeared in the four Pan-PRD provinces, Hong Kong's geographical and transportation advantages have been reduced. Visitors bound for the four south-eastern Pan-PRD provinces may not need to get access to the Mainland via Hong Kong. Such a fact may have a certain impact on Hong Kong's tourism sector.

However, each of the four south-eastern provinces and Hong Kong itself have their own unique appeal in respect of tourism functions. Fujian features picturesque mountain and river views. Hunan is endowed with cultural sites. Jiangxi is blessed with rich historical and cultural features. Hainan boasts leisure and vacation elements. In addition, Hong Kong tours are based on the themes of business and shopping. Such elements of functional complementation and geographical proximity, coupled with a good partnership in respect of tourism, can enable the birth of a tourist destination integrating business, leisure, entertainment and shopping elements. Hong Kong could enjoy huge benefits from assisting the four provinces to expand their source markets and promote their leisure tourism brands.

Appraise Risks Prudently

Although Hong Kong can seek significant opportunities from the tourism development in the four provinces as stated above, we should also note that there are many challenges in the tourism development of these four provinces. Hong Kong enterprises should pay attention to the following issues while seeking business opportunities from these four provinces.

Unsophisticated tourism development, and problems in the tourism infrastructure and support services have hampered the Hong Kong tourism sector's cooperation and integration with the Mainland counterparts. For the four provinces, tourism development activities in the early years suffered from abuse of resources and damage to the environment. The situation has improved to some extent so far, however, some new problems are emerging today. In tourism planning and construction, there is obvious faddism and a tendency to rush to do things. For instance, almost each of the four provinces has proposed "red

41. Guangzhou Municipal Government portal, website: http://www.gz.gov.cn.

tourism" and "ecotourism" brands, however, few of them have implemented them with more detailed functional segmentation. Moreover, local protectionism still exists. Although some provinces have proposed joint development of tourism resources with neighbouring provinces, actual construction programs have not been worked out yet. Jurisdictional segregation remains a hindrance to the formation of a "Pan-PRD Barrier-Free Tourism Zone".

TRENDS AND UPDATES ON THE FOUR-EASTERN PROVINCES

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Fujian to Develop into a Strong Province of Marine Economy

Fujian is a province with rich marine resources. Last year, the gross output of marine economy of Fujian was RMB214.63 billion, accounting for 14.1% of the province's GDP. Marine economy has become an important part of the province's economy.

As one of the major developments of the 11th Five-Year Plan of Fujian, the development of marine economy is important to its economic development. The 11th Five-Year Plan expounded on the development of marine economy in the next five years. It is to seek breakthroughs from port construction and the development of the harbour-based industry and to new drives from scientific advancements and system reformation, in order to accelerate the development of the marine industry, and form a multi-layer marine development structures including coastal areas, islands, inshore waters and ocean. Recently, the Fujian Provincial Party Committee and Provincial Government issued the *Opinions on the Acceleration of Building Fujian as a Powerful Province of Marine Economy* (關於加快建設海洋經濟強省的若干意見) which proposed 43 measures in 12 aspects to accelerate the construction.

Specific Measures to Build Fujian as a Strong Province of Marine Economy

The measures are to speed up the construction of ports and the roads into the hinterland, to continuously expand the space for development; to accelerate the construction and development of Xiamen international shipping hub port, main hub ports of Fuzhou and Meizhou Bay (southern and northern coast), Ningde Port and Zhangzhou Gulei Port (漳州古雷港), etc. that form a large-scale, specialised and information-oriented port cluster along the west coast of the Taiwan Strait; to build the transport corridors that link the major ports and bays to the Central and Western regions, Yangtze River Delta (YRD), and Pearl River Delta (PRD), to expand the hinterland of the ports.

In addition, it is to strengthen the heavy industries in the harbour-based zones and to promote industrial clustering; to accelerate the construction of harbour-based heavy industry regimes, to foster the leap-step development of ship building and repairing industry, to construct coastal petrochemical industrial cluster in the south-eastern of China, to accelerate the development of harbour-based metallurgy industry, and to boost the development of forestry processing industry. In addition, it is to build a harbour-based pulp and paper industrial cluster and form a harbour-based industrial cluster of energy.

Furthermore, it is to accelerate the pace of "To Thrive the City by Relying on the Port" and to foster the rise of urban clusters on the west coast of the Taiwan Strait; to foster the development of harbour-based cities through interaction between ports and cities, to strengthen the development of three major central cities – Fuzhou, Xiamen and Quanzhou, to accelerate the development of the city area construction along the coast. Besides, it is to increase the overall competitiveness of coastal areas through interaction and co-development between cities. The interaction between regions will be strengthened in order to deepen the whole development into the hinterland cities.

Moreover, it is to innovate mechanism and system, enhance the vigor of marine economy development; to strengthen the integration of bay resources, harmonise the relations of cross-administrative regions in port construction and management; to strengthen the reform of marine management system; to establish international technical exchange and cooperation mechanism. Fostering convenient customs clearance of ports; refining marine development investment and financing mechanism, establishing multi-investment channels are other measures to build Fujian into a strong province of marine economy.

The promulgation of measures also include: to use the advantage of "Five Relationships"[42] to strengthen the cooperation between Fujian and Taiwan in marine economy; to propose the sustainable development of marine economy; to refine the marine disaster prevention and mitigation system; to develop the marine service industry; to strengthen marine scientific technology education, and to change the mode of fishery development, etc.

Construction of Eight Key Harbour-based Industries

The eight key harbour-based industries that Fujian plans to construct are: petrochemical, metallurgy, electricity, paper making, automobile, ship building and repairing, marine product processing, and engineering and mechanics. By 2010, the gross output value of harbour-based industry will exceed RMB500 billion, accounting for 50% or more of the gross industrial output value of the province's industrial enterprises above designated size. The harbour-based industry will operate in an intensive way and the quality of operation will be improved significantly. By 2020, the gross output value of the harbour-based industry will double that of 2010, with advantages in core technology, well-known brands and marketing network, and the new industrial system with competitiveness in domestic and overseas established.

Targets of Marine Economic Development during the Period of the 11th Five-Year Plan

During the period of the 11th Five-Year Plan, the value added of marine industry of the province will increase by 16% annually, and will achieve RMB190 billion by 2010, quadrupling that of 2000 and accounting for 18% or above of the provincial GDP. It is to construct the blue industry system and harbour-based economy intensive area, to form a batch of major counties (cities) of marine economy with a gross output value of marine industry of more than RMB10 billion and large-scale backbone enterprises specialising in marine business with a gross output value of more than RMB1 billion. The progressive comprehensive indicator of marine technology should continue to rank top nationwide. Fujian will become an important harbour-based industrial base, aquaculture- and processing-base, coastal tourism base, logistics and distribution base, and marine technology innovation and education base. A strong marine economically developed province with strong comprehensive strengths of marine industry, reasonable industrial structure, advanced

42. "Five Relationships" refer to geographically close in relationship, kin relationship, cultural relationship, commercial relationship and religious relationship.

marine technology, economical use of marine resources and friendly ecological environment will be built.

Expected Profit of the Development of Marine Economy

The development of the marine economy in Fujian would be conducive to the province in resource guarantee, expansion of development space, and participation in international economic cooperation and competition in a larger scale. It would also be conducive interaction between regions, promotion of resource integration and supplement, and introduction of conceptual innovation, technical innovation and mechanism reformation. It is beneficial to strengthen the position of Fujian as an important, convenient sea channel for inland regions, and to form a comprehensive, open-up channel for the development of China's Western Regions and the rise of Central China. The reliance on the "Five Relationships" would help enhance the industrial and economic integration between Taiwan and Fujian.

Fuzhou Develops Harbour-Based Industry

The harbour-based industry is an industry based on the resources of coastal ports, maritime trade and modern developed industries, by utilising the advantages of port and regional resources. Harbour-based industry exhibits the contribution of ports to cities and economic development.

The harbour regions of Fuzhou are mainly in Mawei Zone, Fuqing City, Changle City, Luoyuan County and Lianjiang County, where the fundamental conditions to accelerate the development of harbour-based industry are present and they are the most active regions in Fujian in respect of economic and social development. Fuzhou is striving to integrate port construction and development of heavy industries such as equipment manufacturing, metallurgy and petrochemical to construct a harbour-based industrial zone and an export processing base, to develop harbour-based industry, and to realise interaction between ports and economic zones and leaping development of Fuzhou's industries.

Four Major Harbour-Based Industrial Zones

Among the four major harbour-based industrial zones of Fuzhou, Jiangyin and Luoyuan Bay are located at the important position of the "Two Wings" which is in the layout of "One City, Two Wings and Dual Axes" of Fuzhou. In the future development, the industrial economy of Fuzhou will agglomerate in the harbour zones of Jiangyin and Luoyuan Bay, the two wings located on the north and south of Fuzhou (see **Table 8**).

Table 8: Four Major Harbour-Based Industrial Zones of Fuzhou, Fujian

Industry Zone	Current Situation	Development Target
Jiangyin Industrial Zone	Have initially formed in shape four industries: modern port logistics, pharmaceutical chemistry, electricity and energy, metallurgy and machinery	Emphasis on developing harbour-based industries such as port transportation, warehousing and logistics, electricity, iron and steel, pharmaceutical chemistry, machinery (repairing), and on stimulating economic growth and driving the development of marine industry in other neighbouring areas by developing large harbour-based projects

Table 8 (cont'd)

Industry Zone	Current Situation	Development Target
Luoyuan Bay Harbour Area	There are already a number of harbour-based industry manufacturers, e.g. YiXin, Sanjin, Fuwan, etc. in the area	Develop harbour-based industrial clusters such as energy, metallurgy, construction materials, light industry, food manufacturing, machinery manufacturing, and construct six major bases of electricity and energy, metallurgy, new construction materials, shipbuilding industry, new materials packaging and machinery
Yuanhong Investment Zone	Two important characteristic industries are in shape: food industry is located on the east and light industry is located on the west	Emphasis on the development of multi-feature industrial clusters such as port transportation, warehousing and logistics, light industry, food industry, machinery, metallurgy, shipbuilding and repairing, logistics, textiles, etc.
Changle Binhai Industrial Zone	Have initially formed six industrial bases: textiles, iron and steel, dock, electricity, chemical fibre and food	Fully support to the second phrase of coastal construction, third phrase of coastal construction, and step up improvements in infrastructure, emphasis on the development of multi-feature industrial clusters such as light industry, food industry, machinery, metallurgy, logistics and textiles

Port Logistics Industry Promotes the Development of Harbour-Based Industry

In the next five years, Fuzhou will emphasise on the construction of "One Port, Four Regions" port cluster in order to develop Fuzhou from a single river port into a seaport.

Jiangyin Port will mainly construct a berth for the fifth and sixth generation of container ships, and push forward the construction of specific berths for harbour-based heavy industries. It is to develop container, bulk cargo and chemical product transportation and construct a comprehensive, deep-water port area.

Luoyuan Bay Harbour Area will build a large-size bulk cargo berth and construct a featured bulk cargo logistics centre. It strives to build Luoyuan Bay Harbour Area into a provincial logistics and distribution base of bulk cargo.

Songxia Harbour will accelerate construction of Yuanhong Dock phase II, etc. It is to construct a new harbour-based industrial zone and a major food products transit hub of Fuzhou for the import and export of materials of Fujing Yuanhong Investment Zone and Changle Binhai Industrial Zone.

Minjiang Estuary Harbour Area will make full use of the advantages of a comprehensive range of facilities, the superior position of being adjacent to Fuzhou Economic and Technical Development Zone and Fuzhou Free Trade Zone, etc. It is to build a comprehensive harbour area with the transport functions of energy resources, raw materials, passengers and containers of Fuzhou.

Opportunities for Hong Kong

The development of the harbour-based economy of Fuzhou will bring many business opportunities to Hong Kong. First, the harbour-based industrial zones of Fuzhou are close to the ports, convenient in transportation and rich in resources. Different harbour areas have their own comparative advantages. Hong Kong enterprises can selectively enter the four major harbour-based industrial zones according to their own needs. Secondly, Fuzhou is one of the best cities for deep-water harbour building in the country. With its water depth and wind shelter conditions, the shoreline of Fuzhou is capable to accommodate over 100-thousand ton deep-water berths. However, the development of harbour-based industry of Fuzhou starts late and develops slowly, and the construction of ports lack macro-planning at high-level. The port industry of Hong Kong has advantages in being multi-functional and multi-clustering. Given the low construction cost of ports in Fuzhou and the encouragement of Fuzhou municipal government to inland and overseas investments in port industry, Hong Kong enterprises, with advanced management and experience, can take this opportunity to invest in Fuzhou's port industry. Besides, it is worthwhile for the Hong Kong logistics industry to pay attention to the development of the port logistics industry of Fuzhou. The good development trend of Fuzhou port provides a good opportunity for the logistics industry of Hong Kong to expand their market.

As one of the centre ports among the coastal port cluster in Southeast China planned by the State (recently published in the *National Costal Ports Layout Plan* (全國沿海港口布局規劃)), the rapid development of Fuzhou port industry will affect the port industry of Hong Kong. However, in view of the direct economic hinterland and port throughput of Hong Kong and Fuzhou ports, there are big differences between them. Facing the development of shipping industry in other areas of the Pan-PRD region, as long as the shipping industry of Hong Kong can maintain its advantages, Hong Kong still has many opportunities for development.

Jiangxi Promotes Urbanisation Construction

The strategy of urbanisation construction implemented by Jiangxi, and the construction of city clusters have been included in Jiangxi's 11th Five-Year Plan and become one of the work foci in the next five years. This year, on top of the much focused city cluster planning of the Nanchang economic circle, Jiangxi commences to plan three major city clusters – Lake Poyang Area, Central and South Jiangxi, and West Jiangxi to increase the level of urbanisation and promote the sustainable economic development of the province.

Urban Development of Jiangxi

Jiangxi has basically formed a city system frame with the provincial capital of Nanchang as the core, the cities of Jiujiang, Jingdezhen and Ganzhou as pillars, other cities and counties as backbone, and numerous towns as foundation. The major cities are dispersed along the transportation trunks, showing development in axial directions.

According to the experts[43], the level of urbanisation of Jiangxi is low, the overall strength of the cities is weak, and the major cities are rather small in size, few in number and weak in strength. Unreasonable structure of the city frame has restricted the distribution of industries between cities and between urban and rural areas, and the formation of a relationship of cooperated work between regions. Among the existing cities, Nanchang is in the big city list, however, there are no neighbouring big cities that can match it. Thus, lots of information and potentials cannot be effectively radiated to the cities and towns in the provincial network, weakening the overall effectiveness of the province's city system. Furthermore, Nanchang does not have close connection with sub-regional centres such as Jiujiang, Ganzhou, and Shangrao. The sub-regional centres cannot play their roles, affecting the whole city system to exert its functional advantages as well as the establishment of a featured city economic zone.

Focusing on the Development of Nanchang Economic Circle

Nanchang is located at the centre of the conjunction lines of YRD, PRD and the triangle region of Fujian. It is the connection point that is accessible to the eastern, western, southern and northern parts of the country, with geographical advantage in the gradient transfer of the coastal industries. Within the six-hour (traveling time to neighbouring areas) economic circle with Nanchang as the centre, there is a population of 450 million and a huge market of industrial products. Compared with the coastal regions, Nanchang has the comparative advantage of low costs in the basic production factors, including water supply, electricity, land and labour force, etc. Together with the good ecological environment and excellent software and hardware environment for investment, Nanchang has already become a new hot spot for many famous domestic and foreign enterprises to flock over there. Though the economy of Nanchang develops rapidly, the economic output is low and the level of cooperative development is not high. In the 11th Five-Year Plan, Jiangxi emphasises on

43. Xinhuanet (新華網), http://big5.xinhuanet.com/gate/big5/www.jx.xinhuanet.com/szdt/2005-07/11/content_4608756.htm.

developing the Nanchang economic circle, improving the radial influence of the provincial city, driving the development of neighbouring cities and promoting cooperation and development of the whole regional economy.

Planning to Develop Three Major City Clusters

This year, Jiangxi will focus on drawing up the city cluster layout of Nanchang economic circle, and commence to plan three major city clusters – Lake Poyang Area, Central and South Jiangxi, and West Jiangxi. According to the plan, Jiangxi will rely on Beijing-Kowloon and Zhejiang-Jiangxi railways and expressway trunk lines to gradually form the Lake Poyang city cluster including cities like Nanchang, Jiujiang, Jingdezhen, Yingtan and Shangrao; the Central and South Jiangxi urban cluster including cities like Ganzhou, Ji'an and Fuzhou; and the West Jiangxi urban cluster including cities like Xinyu, Yichun and Pingxiang.

By 2010, there will be substantial progress in realizing the plan of Lake Poyang Area, Central and South Jiangxi, and West Jiangxi city clusters. The level of Jiangxi's urbanisation will increase from 37% last year to 45% by 2010, with five big cities having a population of over 500 000, 13 medium-sized cities having a population from 200 000 to 500 000, and over 70% of the province's cities and towns having a population of over 50 000. The constructed zone of cities at county level will reach 2 000 km^2, and the constructed zone of designated cities will reach 1 000 km^2.

By 2020, Nanchang, Jiujiang and Ganzhou will become the core of Jiangxi, while the Lake Poyang Area, Central and South Jiangxi, and West Jiangxi city clusters will be established along the Zhejiang-Jiangxi and Beijing-Kowloon traffic lines. The radial influence of cities like Nanchang, Jiujiang, Ganzhou and Shangrao will be further strengthened. The level of urbanisation of the province will achieve 50% or more.

Opportunities for Hong Kong

The development of Nanchang economic circle and three major city clusters of Jiangxi will not only bring huge changes to the economic and social development of the province, but also provide business opportunities for Hong Kong. With advantages of low cost and adequate labour force, and the further improvement of urban infrastructure and transportation in Jiangxi, the investment reward of Hong Kong businessmen will be increased.

Nanchang Strengthens the Convention and Exhibition Economy

The convention and exhibition industry is an industry of high revenue and high profit, with the profit margin of about 20%-25% or more. It is so called the "Consumption Chain of the Tertiary Industry" as it drives the development of many related industries, e.g. transportation, tourism, accommodation, catering and shopping. As a new economic pattern, the convention and exhibition economy has gradually become an important part of Nanchang's economy as well as a sunrise industry that brings new economic growth.

Convention and Exhibition Economy of Nanchang Develops Rapidly

In recent years, the convention and exhibition economy of Nanchang has developed rapidly. In 2005, over 80 conventions and exhibitions of various types were held in Nanchang, with transactions amounted to nearly RMB900 million. According to the preliminary statistics, 14 986 enterprises participated in the exhibitions and the total number of people participated was 16.586 million person-times. The China Nanchang Golden Autumn Economic and Trade Promotion Month (中國南昌金秋經貿活動月) has been held in Nanchang for four consecutive years. It has become "the name card of the city, the grand gathering of enterprises, the platform of investment promotion and the festival of people".

In the 1980's and 90's, the conventions and exhibitions were mainly held at the Exhibition Centre and Bayi Square of Nanchang. In the new century, as the demand for conventions and exhibitions increases continuously, Pedestrian Street of Shengli Road, Provincial Gymnasium, Lake Qingshan Cultural Square, Provincial Museum, etc. have been used to hold various convention activities. Exhibitions, discussion forums and trade shows have been held one after another.

The convention and exhibition industry of Nanchang has come a long way from null and scattered to large-scale and professional. The China Red Tourism Exhibition, Jiangxi Stockbreeding Exhibition, and Nanchang Green Pollution-Free Products Exhibition have showed the improvement of the industry in respect of standardisation and specialisation of labour.

On the 3rd China Convention (Festival Affairs) & Exhibition Fortune Forum (CCEFF) (第三屆全國會展(節事)財富論壇) which was held in April this year, Nanchang was awarded the Most Potential Convention and Exhibition City in China 2005; the Sheng Jin Pagoda Temple Fair won a place in the "Top 50 China Festivals" among 6 000 festivals in China; and Nanchang International Conference & Exhibition Center won the China New Conference & Exhibition Centre Award 2005.

Strengthening the Facilities Installation of Convention and Exhibition Economy

In addition to developing the convention and exhibition economy, Nanchang, on the one hand, actively strengthens the construction of hardware such as infrastructure and facilities. Especially, expansion and upgrading of the existing convention and exhibition centres will be speeded up. The transportation system, hotels and guesthouses will be improved and fully used. On the other hand, the construction of the environment software like the city image will be strengthened. It is to create a featured, fresh and colourful, organised and excellent image for the venue of convention and exhibition activities; an image of serving the convention and exhibition economy wholeheartedly for the government; an image of high quality, efficiency and industry interactions for the convention and exhibition economy; and an image of passionate, civilised and open-minded for the Nanchang people, to create an atmosphere of "Everyone takes part in the convention and exhibition activities and everything relates to the development of the convention and exhibition economy".

Government Supports the Development of Convention and Exhibition Industry

Nanchang municipal government has established and issued documents which clearly state that subsidies will be provided for companies holding international and national conventions and exhibitions in Nanchang according to the government standards; award will be provided for introducers of international and national conventions and exhibitions of a stipulated scale; and relevant preferential policies will be provided for the companies which operate convention and exhibition halls. Besides, Nanchang will provide great support of manpower, finance and material resources to those conventions and exhibitions which are a part of the annual large scale convention and exhibition. Nanchang municipal government will also provide credit support to those convention and exhibition enterprises, especially the key enterprises that have good economic returns and good reputation. It will also offer favourable conditions and benefits to attract talents of the convention and exhibition industry from different places, especially the middle and high-level management, and to form an ordered, active and inspiring training and management system by providing training in a systematic way, recruiting and managing in a standardised way, and motivating in a scientific way.

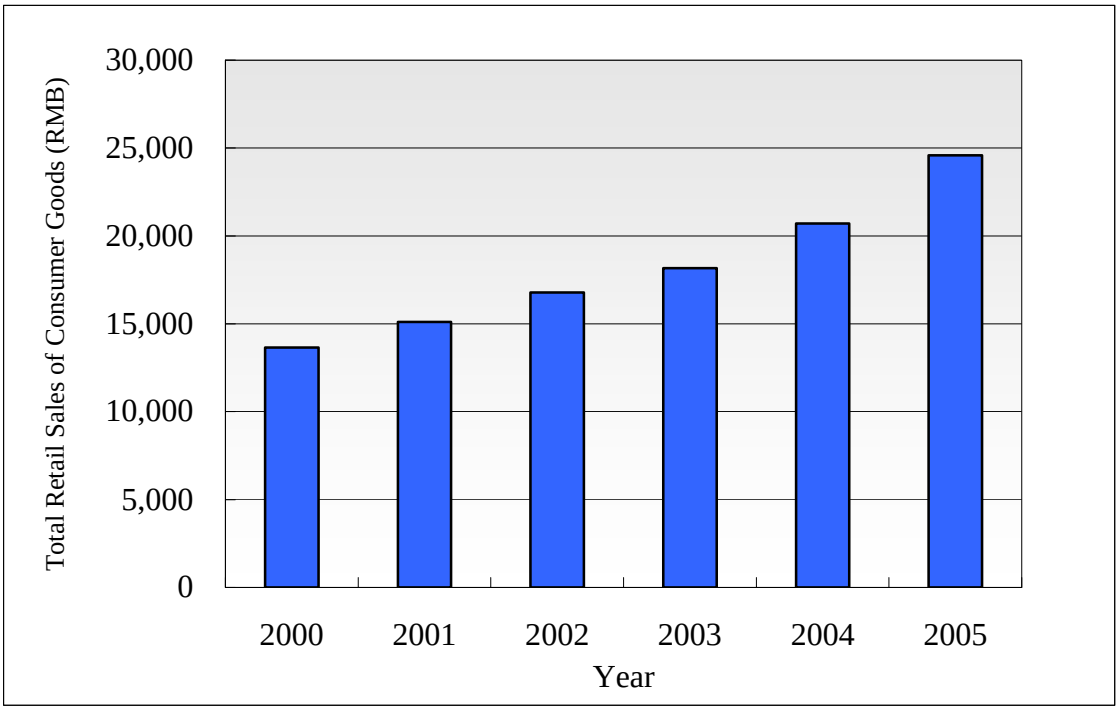
Opportunities for Hong Kong

As an "Metropolis of Convention and Exhibition of Asia", Hong Kong has experience in developing the convention and exhibition industry, with lots of professional personnel and the ability to expand in the international market. Compared with overseas exhibition companies, Hong Kong exhibition companies have the comparative advantages in geographic, economic, cultural, and linguistic aspects when entering the Mainland market. The implementation of CEPA provides new opportunities for the convention and exhibition industries of Hong Kong and the Mainland. Hong Kong enterprises can establish wholly-funded exhibition companies in the Mainland and expand their business individually. However, before entering the Mainland market, Hong Kong convention and exhibition enterprises should fully understand the exhibition culture of the Mainland. Since the Mainland governments have certain influence on the exhibitors and the contents of exhibition, it is to one's concern how the Hong Kong exhibition enterprises could maintain a good cooperative relationship with the local governments. At present, Hong Kong exhibition enterprises can choose to cooperate with the Mainland enterprises, to integrate their resources and expand the room for development, when they enter the Mainland market.

Consumption of Hunan Residents Grows Rapidly

The increase in income and change in the consumption concept of Hunan urban and rural residents have brought changes in consumption structure of Hunan. The consumption market of Hunan flourishes. In recent years, the consumption of residents has been rising and this trend goes upward continuously (see **Figure 15**). Among the three major factors that drive economic growth (investment, export and consumption), consumption contributes to 49.5% of economic growth, and continues to go up.

Figure 15: Total Retail Sales of Consumer Goods in Hunan (2000 – 2005)



Source: Statistical Information of Hunan Website.

Continuously Upgrading of Consumption Structure

The consumption structure of urban residents in Hunan has transferred from survival type of focusing on food and clothes to another stage featuring development and enjoyment. Today, except automobiles, spending in houses, transportation and communication, health care, education, entertainment, and leisure and tourism, etc. rises rapidly. According to an investigation of seven prefecture-level cities and four towns provided by the Hunan Survey Team, National Bureau of Statistics, from January to July this year, the urban per capita expenditure on transportation and communication was RMB568.9, increasing by 24.1% year-on-year. It was the fastest growing expenditure item in consumption. Expenditure on housing was the second fastest growing item, increasing by 14.9%. Expenditures on education and culture, entertainment and services, apparel, and household equipment and appliances have also showed a positive trend of growth.

Consumption in the rural areas also showed some new highlights. According to a sampling survey, in the first half of 2006, per capita living expenditure of rural households in Hunan was RMB1,180.04, which increased year-on-year by RMB102.56 or 9.5%. Among it, expenditure on housing was on top of all kinds of expenditures, increasing by 32.7%. Besides, per capita living expenditure of rural households in the service industry grew significantly at 14.7%.

Three Factors Strengthen the Rise of Consumption

The flourish of the consumption market drives the growth of the economy. According to an official of the Foreign Economy and Trade Section, Hunan Statistics Bureau, the rapid growth of consumption is caused by a combination of factors, in which, the improvement of purchasing power of people, upgrade of retail markets and upgrade of commodity structure are the main factors.

Significant growth in the income of urban and rural residents is the direct factor that drives the rapid growth of consumption. In the first half of 2006, the urban per capita disposable income of Hunan was RMB5,487, a 9.5% year-on-year growth. In respect of income structure, it was obvious that the income of the residents with low income increases more rapidly, and the purchasing power of the residents has been enhanced. The increase in employment, increase of government subsidy for low income residents, and the improvement of social security system have allowed low income residents to spend more; while the high income residents play a less important part in the consumer market. In the rural areas, the policies of direct subsidy on food, subsidy on quality selection of crop seeds, abolition of agricultural tax, and minimum purchasing price for food have strengthened the purchasing power of peasants. In the first half of this year, the rural per capita net income of Hunan was RMB1,836.2, a year-on-year growth of 8.3%.

Upgrade of retail markets is another main drive that has caused rapid growth of consumption. The entry of large-scale retail stores into the communities have greatly inspired the citizens' desire of purchasing due to the gracious shopping environment, guaranteed quality, after sales services, and lower prices, etc., resulting in a persistently increasing market share. In recent years, chain supermarkets have entered the rural areas, and have improved the rural market environment, provided easy shopping for peasants and inspired their passion of shopping.

As the commodity structure has upgraded, the quality of commodity has been improved. Household appliances enter a new era of generation. It is also a main factor that strengthens the growth of consumption rapidly. Big screen, high definition colour TV, new type of large-capacity, multi-door refrigerators, and silent, fuzzy control system of automatic drum washing machines have become the first choice of new household appliances for urban and rural residents; air conditioners, home theatres, shower water heaters, medium and high class furniture, video camera and recorder, and fitness equipment have become new hot consumer goods. According to the sales statistics of major commodities in the first half of this year, sales in most of the durable consumer goods increased rapidly; the sales of high-class household appliances that reflect the quality of life has in particular increased significantly. Some 6 196 sets of LCD TV were sold, 4.7 times of that in the same period of last year, while sales of PC amounted to 93 299 sets, a 25.7% year-on-year growth, and sales of automobiles amounted to 38 849 vehicles, a 53.3% year-on-year growth.

Opportunities for Hong Kong

The rapid growth of resident consumption of Hunan shows that the potential market of Hunan grows increasingly. It will bring many business opportunities for Hong Kong enterprises. According to the changes of consumption structure of Hunan, Hong Kong enterprises can invest in relevant industries, develop relevant products and expand their market in Hunan.

State-Owned Enterprise of Hunan Finishes 60% of the Reform

After the New Type Industrialisation Symposium of Hunan Province (湖南省新型工業化座談會), the Hunan state-owned enterprises have speeded up their reform. As of the end of August, 645 provincial state-owned enterprises were in this round of reform. Except those enterprises planning for further expansion and those taking over the old jobs, 60.5% of the overall reform has been completed.

Measures of Provincial State-owned Enterprise Reform

Hunan has formulated and implemented the provincial state-owned plan for the economic structure and strategic adjustment of different industries. It takes the opportunity of the introduction of policies for old industrial bases and increase in the money transferred from central finance to raise funds for reform and to support the reformation of state-owned enterprises on special items. Hunan Provincial Government utilises preferential policies in the areas such as loan and credit, taxation, export, etc. to develop industries with special characteristics and preferential enterprises. It develops preferential industry clusters by introducing preferential policies of project plan, land use, taxation, and research and development and increasing the support on energy resources, equipment manufacturing, transport facilities, advanced technology, metallurgy, etc. Hunan Provincial Government increases investment of state-owned funds in the construction of urban infrastructure and public facilities, and forms a batch of large-scale utility enterprises. The specific measures of state-owned enterprise reform include:

First, strengthening a batch of preferential enterprises through combination, merger, listing on stock market and restructuring to construct big corporations. For example, eight enterprises including Zhuzhou Smelter, Zhuzhou Cemented Carbide, etc. have formed Hunan Nonferrous Metals Holding Group which has been listed in Hong Kong; Gold Group and Coal Industry Group have been formed and started operation; Packaging Group and Industrial Explosive Group are being prepared to set up. After that, it is encouraged to cooperate with central state-owned enterprises. The following projects have also been successful: Sinosteel Corporation and Hengyang Non-Ferrous Metallurgy Equipment Factory have established strategic cooperative relationship; Sinohydro Corporation has held controlling stakes of FORETIDE and reengineered it; China Minmetals Corporation has reengineered Ershisanye Construction Group. Besides, it is also an important approach to usher on strategic investors and form a batch of preferential industrial clusters.

Secondly, system transforming to revitalise weak enterprises. In the areas of general competition, provincial state-owned enterprises actively absorb civil funds, and carry out system transformation to revitalise. At the same time, efforts are being made to study the establishment of supervising systems and measures of financial assets, non-profitable assets, and natural resource assets to improve the supervision level of state-owned assets. In order to ensure no leakage of state-owned assets during their transformation, the State-Owned Assets Supervision and Administration Commission of Hunan Provincial People's Government leads to build a property exchange platform, and establish the provincial property exchange to regulate operations. At present, 43 of 160 enterprises have finished system transformation, and about 100 enterprises will complete the task of system transformation and revitalisation within this year. In which, Xiang Tan Li Yuan Hospital, owned by Xiang Tan Electrical Manufacturing Group, Inc., Ltd. has transformed system and received an investment of RMB110 million from the US Sunnylife Global, Inc. to form Xiang Tan World Friendship Hospital, which was the first case in China.

Thirdly, closing enterprises which are in insolvency and financial difficulty, and assisting employees of insolvent enterprises to be re-employed. According to the statistics, 155 of 367 insolvent enterprises have been closed until the end of June, accounting for 42.5%. Among the 33 insolvent enterprises closed last year, 21 were restructured and 88 000 employees were re-employed, attaining a re-employment rate of 79%.

Work in the Next Stage

In the next stage, the reform of provincial state-owned enterprises will further allocate resources, and strengthen the enterprises, with the focus on system transformation and revitalisation, and closing insolvent enterprises. For enterprises that require system transformation and revitalisation, assets will be activated, employees will be properly allocated, efficient assets will be utilised to attract social capital, and interaction will be taken between strategic investors, system transformation and revitalisation and investment introduction. For enterprises in insolvency, it is to finish the insolvent job and allocate employees properly and re-employ workers after re-structuring. It strives to finish the tasks of separating secondary lines of business from core business, turn those secondary lines of business into independent companies, relieving enterprises of their obligation to operate social programs by the end of this year, and finish the reforms by the end of September.

Opportunities for Hong Kong

Reforms of state-owned enterprise will bring new hot spots and opportunities for foreign investors, and leads to a high tide of investment. Some state-owned enterprises transfer share rights have a large room for development, Hong Kong enterprises can take the opportunity to take part in the reorganisation and merger of Hunan state-owned enterprises. It will only enjoy a series of preferential policies, but also utilise the state-owned enterprises with good foundation to develop new products and explore the new markets.

Hainan Actively Develops the Development Zones

National economic development zones are the most active regions in China. They are models of other economic regions, driving economic development and radiating to the domestic regions. On top of the four existing national economic development zones in Hainan, there are five new national and provincial economic development zones. The new plan of the Hainan Yangpu Economic Development Zone has been examined and approved by the Provincial Government.

Existing National Economic Development Zones in Hainan

There are four national economic development zones in Hainan which have been examined and declared by the State (see **Table 9**), including Hainan Yangpu Economic Development Zone, Haikou Free Trade Zone, Yalongwan National Tourism and Resort Zone in Sanya, Hainan, and Hainan International Science and Technology Industry Park.

Table 9: Basic Information of Four Major National Economic Development Zones in Hainan

Name	Approval Time	Area	Brief Introduction
Hainan Yangpu Economic Development Zone	March 1992	Area of the Development Zone is 31 sq. km., constructed area is 69 sq. km.	To depend on the rich petroleum and gas resources, mine and other resources and enjoy preferential policies of free trade zone, special economic zones and development zones
Haikou Free Trade Zone	October 1992	1.93 sq. km.	Divided into three functional zones: financial re-export, export processing and tax free warehouse
Yalongwan National Tourism and Resort Zone, Sanya, Hainan	October 1992	18.6 sq. km of constructed area	The only national tourism and resort zone with tropical characteristic in China
Hainan International Science and Technology Industry Park	March 1991	Constructed area of 4.67 sq. km.	To be national high technology industrial development zone with advanced technology developed projects of biological engineering, electronic information, new materials and energy

Five New National and Provincial Economic Development Zones

Recently, five new national and provincial economic development zones in Hainan were examined and approved by the National Development and Reform Commission. They are Hainan Laocheng Economic Development Zone, Haikou Guilinyang Economic Development Zone, Hainan Wenchang Economic Development Zone, Hainan Longwan Port Economic Development Zone and Hainan Lingao Jinpai Port Economic Development Zone. According to the development plan of Hainan, the five national and provincial economic development zones will strengthen their industrial characteristics, increase the amount and quality of foreign investment, and develop into a centralised zone for modern manufacturing, a conglomeration zone for foreign investment, a pioneer zone in system reform and a recycle economy demonstration zone.

Yangpu Economic Development Zone Finishes New Planning

Recently, the *Overall Planning of Yangpu Economic Development Zone (2004-2020)* (洋浦經濟開發區總體規劃 (2004－2020)) has been examined and approved by the Hainan Provincial Government in an Executive Council Meeting. In the new plan, Yangpu Development Zone is positioned as the development zone of papermaking, petrochemical and oil reserve industries, and corresponding port logistics industry, with the development area doubling to 69.04 km^2.

From January to July this year, the gross industrial output value of Yangpu Economic Development Zone was RMB3.316 billion, increasing by 41.3% year-on-year; the value added of industry was RMB835 million, increasing by 32.4% year-on-year; the national tax revenue was RMB664 million, increasing by 91.9% year-on-year. The cargo throughput of Yangpu Port was 2.346 million tons, increasing by 3.4% year-on-year.

According to the 11th Five-Year Plan, the accumulated investment in fixed assets of Yangpu will be RMB30 billion by 2010, with the gross industrial output value of RMB70 billion and port throughput of 48 million tons.

Inspiration for Hong Kong

The policy of establishing development zones in China has been accepted as one of the successful developments after China had opened up its market. By concentrating economic activities and utilising the effect of industrial clustering, the development zones in China have become the key of economic development in many regions and radiated to the surrounding regions. Hainan actively develops its development zones, with definite division of work between the four major national development zones, each of which with its own features, and supplemented them by several provincial development zones. Based on this, the industrial structure in Hainan has overcome its weak industrial foundation and improved a lot. Emerging industries have developed rapidly and supported the economic structure of Hainan jointly with the high-effective tropical agriculture and the resort and leisure tourism. The passion of the provincial governments of the Mainland for creating and developing development zones, and the mode of concentrated management of industrial parks and zones as well as the experience in promoting industrial development can be good references for Hong Kong.

Haikou Regulates Government Invested Projects

In view of unregulated operations and insufficient pre-project preparations in project construction, Haikou will strengthen the efficient and safe construction of key projects. It has established a municipal government invested projects management centre and introduced the *Provisional Regulation of Haikou City on the Management of Government Invested Projects* (海口市政府投資項目管理暫行規定), thus guarantees the safe and efficient operation of the projects.

For those projects approved by the municipal government, they are included in the preliminary work plan by the Municipal Government Invested Projects Management Centre. That Management Centre will organise relevant departments and units to draft proposal, conduct feasibility study, and produce preliminary design and calculation, construction design, and budget, etc. In addition, the Municipal Government Invested Projects Management Centre will establish regulations. For major projects, they must be discussed thoroughly, strictly follow the rules of public bidding, and establish legal person responsibility system, project evaluation and approval system, and system investigating and affixing responsibility for misjudged cases, etc. In respect of construction environment for projects, it will further improve administrative efficiency and service level to create a good environment for investment.

Project Policy of Haikou Development and Reform Bureau

In respect of project policy, the Haikou Development and Reform Bureau has revised the mode of plan, formed a complete planning system guided by the 11th Five-Year Plan, with three-year flexible plan as the executive rule, annual plans and key construction projects as the contents of the whole planning, and priority is given to projects in construction, “agriculture, rural areas, farmers” projects in relation to people's livelihood, projects for improving urban facilities, accessory projects for industrial development, public security projects, and projects for city operation. The following projects are strictly restricted: projects with insufficient preparation, management not meeting standards, insufficient funds for construction; projects that increase the load of government and society, and have high costs in investment, maintenance and operation; projects that are not practical, have gone too far, and have low return on investment; projects that direct to inefficient use of land resource and saving, and projects with similar functions and repeated constructions; infrastructure for authorities, including buildings, halls, purchase of automobiles, etc. When determining the annual scale of investment on projects and arranging government investment, the projects will focus on improving urban residential environment, bringing tangible benefits to the people that are concerned by the CPC Haikou City Committee, the municipal government and the public.

In the first half of this year, the Haikou Development and Reform Bureau received and examined 283 projects, at a value of RMB8.048 billion; the approved value of the projects was RMB6.379 billion, saving RMB1.669 billion or about 21%. These provide a strong guarantee of the municipal government to manage the expenditure carefully upon its income, leading to a good investment cycle and orderly developments.

The Construction Projects Managed by Haikou Planning Bureau

The Haikou Planning Bureau has recently promulgated that before designs to newly build, expand and reconstruct a project are made, the project manager should apply for the *Conditions for Detailed Construction Planning* (建設項目修建性詳細規劃設計條件) or the *Design Essentials of Construction Engineering and Architecture Programs* (建設工程建築方案設計要點), and follow the design requirements.

The *Interim Measures of Haikou Urban Planning Disclosure System* (海口市城市規劃公示制度暫行辦法) has been implemented by the Haikou Planning Bureau. The measures regulate that the preparation of urban planning and application for examination and approval are subject to before and after disclosure, and people's opinions are consulted to expand people's right of knowing, participation and supervision. According to the regulations, the sites of projects in Haikou must set up a planning notice board which contains architectural rendering, overall construction site plan (indicating the relationship with surrounding buildings and roads), license number, planned technical indicators, name of construction unit and design unit, supervision telephone number and contact person, etc. The board will be hanged from the starting date of construction to the ending date of construction, and cannot be damaged, obstructed or removed without authorisation during this period.

Management of Government Invested Projects is on Track

The *Haikou Provisional Regulation on the Management of Government Invested Projects* (海口市政府投資項目管理暫行規定) sets forth specific requirements of decision making procedures and implementation procedures for government invested projects, and plays a positive role for solving the problems of "three surpluses" (surpluses in planning, budget estimation, and actual expenditure) and "surveying, designing and constructing at the same time". The management of Haikou government invested projects is working on track, and the constructions have made positive progress. From January to July this year, 84 key construction projects in Haikou with a total investment of RMB1.55 billion were completed, in which, there were 27 successive construction projects with a total investment of RMB1.21 billion, and 16 new construction projects with a total investment of RMB340 million. Hairui Bridge has been operated; the expressway surrounding Haikou, freight highway, etc. are under construction; reconstruction and renovation of Binjiang Road West, back streets and alleyways, Qiongzhou Highway, and Fengxiang Road, etc. have been finished; the preparation for Phase II project of Huandao Road, Haidian Island, Qiongyuan Road and Yongwan Road East, etc. are under progress.

Since the State started to implement financial policy in an active way, Haikou has been raising funds through applying and utilising national debt funds, and borrowing money from China Development Bank, etc., to expand the depth of financing. As of 30 June 2006, the accumulated amount of loans from China Development Bank was RMB5.29 billion which were mainly used to support the construction of urban infrastructure, science & technology, education, culture and health care, energy source and transportation, etc. in Haikou.

Inspiration for Hong Kong

Hong Kong investors should pay attention to the government projects invested by Haikou municipal government. They need to learn about the updated policies, laws and regulations issued by the local government, and be familiar to the management measures which are closely related to their investment activities to avoid some economic behaviour that may violate the local laws or regulations due to being unfamiliar to the policies.

Memorabilia of Pan-PRD Regional Cooperation

Fujian

Nan'an, Fujian Attracts Investment from Shenzhen

(3 August 2006) Representatives of Nan'an City, Fujian held an investment conference in Shenzhen and introduced a batch of key projects, with 81 projects signed and total investment amount of about RMB5.29 billion. At the project presentation, Nan'an City introduced 19 key projects to attract investment, involving electronics and information, water-heating valve, furniture production, fittings for cars and machinery, shoes, light textile, petrochemical industry and tourism development, etc. (*China Trade News* (中國貿易報), 10 August 2006)

Nanping Holds Project Presentation in Hong Kong

(22 August 2006) The Nanping, Fujian Hong Kong Project Presentation & Seminar 2006 (2006 福建南平・香港投資項目推介洽談會) jointly organised by Nanping municipal government, Fujian Hong Kong Economic Cooperation Promotion Committee, and the Chinese Manufacturers' Association of Hong Kong was held at Hong Kong Convention and Exhibition Centre. In these activities series, 120 projects were introduced, involving infrastructure, construction of industrial parks and zones, industry, tourism, agriculture, education, etc. (*Minbei Daily* (閩北日報), 22 August 2006)

The 10th China International Fair for Investment & Trade Signed US21.656 Billion

(8 September 2006) The opening ceremony of The 10th China International Fair for Investment & Trade (第 10 屆中國國際投資貿易洽談會) was held at Xiamen International Convention and Exhibition Centre, Fujian. 1 068 projects of different types of investments signed, with the total investment of US$21.656 billion, in which, US$15.076 billion were invested by foreign investors. (Xinhuanet.com, 11 September 2006)

Jiangxi

The First Overseas Chamber of Commerce of Jiangxi -- Singapore Jiangxi Chamber of Commerce Established in Jiujiang

(4 September 2006) The Singapore Jiangxi Chamber of Commerce, the first overseas chamber of commerce of Jiangxi, was established in Jiujiang City. Mr. Chang Yu-min (張裕民), Chairman of Singapore Jiangxi Chamber of Commerce, indicated that the Chamber of Commerce would attract more investors from Singapore to invest in Jiujiang City, and promote the exchange and cooperation between Jiangxi and Singapore in economy, trade, culture and education, etc. (Jiangxi Channel on xinhuanet.com, 5 September 2006)

Nanchang Golden Autumn Economic & Trade Promotion Month

(21 September 2006) Nanchang held the 5th Golden Autumn Economic & Trade Promotion Month (第五屆金秋經貿活動月) which was composed of investment invitation, exhibition, and tourism and recreation, and included Nanchang Multinational Companies and Fortune 500 Discussion Meeting (跨國公司暨世界 500 強企業南昌懇談會), etc. (www.ncnews.com.cn, 8 September 2006)

Hunan

Tianxin District, Changsha Attracts Investment from Shanghai

(9 August 2006) Representatives of Tianxin District, Changsha went to Shanghai to attract investment. Five categories of projects were welcomed by more than 200 investors, including RMB2.78 billion of total investment of six projects, Friday Entertainment City, Guangzhou Toyota 4S (Qingyuan) Shop, Yurun Logistics Centre, etc. (*Changsha Evening News* (長沙晚報), 10 August 2006)

Hunan Holds the Fifth Tourism Festival

(12 September 2006) Hunan held 2006 China Hunan Tourism Festival (2006 年中國湖南旅遊節), which was the 5th tourism festival that Hunan has held since 2002. By four years' efforts, this festival has become a well-known brand in tourism nationwide. (www.cnr.cn, 13 September 2006)

Hainan

Bo'ao Holds Food Festival

(20 September 2006) Aozhuang, Bo'ao held the First Food Festival to carry forward the catering culture of Qionghai City and strengthen the energy of the city. Besides exhibiting "Bo'ao fish" and its variety, and introducing the "fish culture" and the culture of "Bo'ao fish". This festival also introduced the famous menu of Aozhuang Seafood Restaurant, held "Bo'ao fish" and Famous Menu Tasting Week, Bo'ao fish cultural seminar, and build stage at the coastal arena for a singing activity during the festival. (*Hainan Daily* (海南日報), 22 September 2006)

New Large-Scale Tourism Product in Sanya

(24 September 2006) Hairun Pearl Technology Industrial Park, Sanya, Hainan is opened. It is a large-scale experience type of tourism product processing and exhibition site that integrates R&D, design, processing, distribution, exhibition and accessory services, etc. The most attractive feature of the Park is that tourists may design the pearl jewellery they like. (www.hinews.cn, 25 September 2006)

Pan-PRD (9+2)

Labour Unions of Different Provinces in Pan-PRD Jointly Protect Labour Rights and Interests

(16 August 2006) The relevant leaders from the general labour unions of 12 provinces (cities, districts), including Guangdong, Sichuan, Hunan, Jiangxi, Henan, etc., held the Pan-PRD Labour Unions Protecting Rights and Interests for Migrant Workers Symposium and Two-way Rights and Interests Protection Agreement Signing Ceremony (泛珠三角·省際間工會維護農民工合法權益座談會暨雙向維權協議簽訂儀式) at Pearl Island Hotel, Guangzhou. (www.people.com.cn, 17 August 2006)

The 11th Conference of Leading Cadres of the Party and Government from 13 Cities of Fujian, Guangdong and Jiangxi Discusses the Construction of a Five-Hour Transportation Circle

(30 August 2006) The 11th Conference of Leading Cadres of the Party and Government from 13 cities of Fujian, Guangdong and Jiangxi (閩粵贛 13 市黨政領導第 11 次聯席會議) was held in Meizhou. The leaders from 13 cities, including Xiamen, Shantou, Ganzhou, Chaozhou, Quanzhou, Fuzhou, Jieyang, Zhangzhou, Yingtan, Meizhou, Sanming, Shanwei, and Longyan of Southwest Fujian, East Guangdong and Southeast Jiangxi, led the staff of development and reform commissions, development plan departments, economy and trade departments, investment invitation departments, transportation departments, and tourism departments, etc. to discuss regional economic and trade cooperation and sign the *Opinions on Cooperation between 13 Cities of Fujian, Guangdong and Jiangxi in Logistics Development* (閩粵贛 13 市物流發展合作實施意見). At present, the preparation of the Transport Plan of 13 Cities of Fujian, Guangdong and Jiangxi (閩粵贛 13 市交通規劃) is nearly finished. The Plan determines the goal of building a five-hour transportation circle, and establishes a three-dimensional transportation system with high-grade roads as the base, supplemented by railway, water and air transports. (*Nanfang Daily* (南方日報), 31 August 2006)

The Third Pan-PRD Publishing Forum

(12 September 2006) The 3rd Pan-PRD Publishing Forum (第三屆泛珠三角出版論壇) was held in Kunming, Yunnan. Representatives from the press and publication bureaus of nine provinces/region attended the Director General Conference to discuss the strategy of cooperation. More than 50 projects of over 50 publishing companies from nine provinces/region had been introduced and discussed. (*Spring City Evening* Online Edition (春城晚報網路版), 14 September 2006)

The Third Pan-PRD Administration of Industry and Commerce Executives Conference

(12 September 2006) The 3rd Pan-PRD Administration of Industry and Commerce Executives Conference (第三屆泛珠三角區域工商行政管理部門高層聯席會議) was held in Kunming, Yunnan, and the Industry and Commerce Information on Pan-PRD Regional Cooperation Website (http://aic.pprd.org.cn) was launched on the same date. In addition, representatives from the administrations of industry and commerce of the nine provinces/region signed the *Agreement on Cooperation of Administrations of Industry and Commerce in Pan-PRD in Boosting Construction of Socialist New Rural Area* (泛珠三角區域工商行政管理機關推進社會主義新農村建設合作協議). (Yunnan Channel on xinhuanet.com, 13 September 2006)

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Fujian

	2004	2005	2006 Jan-Jun	2006 May	2006 Jun	2006 Jul
Nominal Gross Domestic Product (Rmb100 mn)[2]	6,053	6,560	3,157	-	-	-
Real Gross Domestic Product Growth (%)[2,5]	12.1	11.3	12.8	-	-	-
Urban Per Capita Disposable Income (Rmb)[2]	11,175	12,321	7,247	1,065	1,032	1,056
Rural Per Capita Net Income (Rmb)[2,3]	4,089	4,450	2,357	-	-	-
Consumer Price Index (%)[2]	4.0	2.2	0.2	0.4	1.0	0.9
Retail Sales of Consumer Goods (Rmb100 mn)[2]	1,996	2,346	1,302	211	221	213
Year-on-year growth (%)[2,5]	14.7	13.8	14.6	14.2	14.2	13.8
Value-added of Industry (Rmb100 mn)[2,6]	1,846	2,274	1,249	213	244	221
Year-on-year growth (%)[2,5,6]	23.5	17.9	19.2	20.7	15.8	14.9
City, County and Above Investment in Fixed Assets (Rmb100 mn)[2,4]	1,601	1,986	1,092	793	1,092	1,269
Year-on-year growth (%)[2,4,5]	29.0	24.1	42.8	45.0	42.8	39.7
Value of Exports (US$100 mn)[7,8]	294.0	348.5	191.4	33.9	34.5	34.9
Year-on-year growth (%)[5,7,8]	39.1	18.5	15.1	-	-	-
Value of Imports (US$100 mn)[7,8]	181.5	195.9	111.2	18.6	18.8	18.6
Year-on-year growth (%)[5,7,8]	27.9	8.0	10.3	-	-	-
Foreign Direct Investment (US$100 mn)[9]	53.2	62.3	39.0	-	-	4.6

Notes:
1 - Values are all in nominal terms.
2 - 2004, 2005 & Jan-Jul 2006 data source: Fujian Provincial Bureau of Statistics Website.
3 - Jan-Jun 2006 data refer to cash income, normally announced only in March, June, September and December.
4 - 2006 monthly data are year-to-date data.
5 - Real growth rate.
6 - Including all state-owned enterprises and non-state-owned enterprises with annual turnover of Rmb5 million and above.
7 - Classification according to source and destination of product.
8 - 2004 & 2005 data source: Fujian Provincial Bureau of Statistics Website; 2006 data source: China Customs.
9 - Actually utilised amount of foreign direct investment. 2004 data source: China Commerce Yearbook 2005; 2005 & 2006 data source: Fujian Provincial Bureau of Statistics Website.

Jiangxi

	2004	2005	2006 Jan-Jun	2006 May	2006 Jun	2006 Jul
Nominal Gross Domestic Product (Rmb100 mn)[2]	3,496	4,056	1,840	-	-	-
Real Gross Domestic Product Growth (%)[2,5]	13.2	12.8	12.6	-	-	-
Urban Per Capita Disposable Income (Rmb)[2]	7,560	8,620	4,881	736	744	718
Rural Per Capita Net Income (Rmb)[2,3]	2,953	3,266	1,523	-	-	-
Consumer Price Index (%)[2,4]	3.5	1.7	0.4	0.5	0.4	0.5
Retail Sales of Consumer Goods (Rmb100 mn)[2]	1,060	1,236	678	115	112	104
Year-on-year growth (%)[2,5]	14.8	15.0	15.3	-	-	-
Value-added of Industry (Rmb100 mn)[2,6]	618	829	523	105	114	99
Year-on-year growth (%)[2,5,6]	26.1	23.6	21.9	-	-	-
City, County and Above Investment in Fixed Assets (Rmb100 mn)[2]	1,488	1,934	799	152	233	166
Year-on-year growth (%)[2,5]	36.0	30.9	37.7	-	-	-
Value of Exports (US$100 mn)[7,8]	19.9	24.4	16.3	2.9	3.3	3.5
Year-on-year growth (%)[5,7,8]	32.5	22.3	37.1	-	-	-
Value of Imports (US$100 mn)[7,8]	15.4	16.2	13.4	1.8	2.8	3.8
Year-on-year growth (%)[5,7,8]	50.3	5.4	-	-	-	-
Foreign Direct Investment (US$100 mn)[2,9]	20.5	24.2	14.3	2.6	4.4	1.5

Notes:
1 - Values are all in nominal terms.
2 - 2004, 2005 & Jan-Jul 2006 data source: Jiangxi Statistical Information Net.
3 - Jan-Jun 2006 data refer to cash income, normally announced only in March, June, September and December.
4 - 2006 monthly data are year-to-date data.
5 - Real growth rate.
6 - Including all state-owned enterprises and non-state-owned enterprises with annual turnover of Rmb5 million and above.
7 - 2004 & 2005 data source: Jiangxi Statistical Information Net; Jan-Jul 2006 data source: China Customs.
8 - Classification according to source and destination of product.
9 - Actually utilised amount of foreign direct investment.

Hunan

	2004	2005	2006 Jan-Jun	2006 May	2006 Jun	2006 Jul
Nominal Gross Domestic Product (Rmb100 mn)[2]	5,612	6,474	3,206	-	-	-
Real Gross Domestic Product Growth (%)[2,5]	12.0	11.6	12.2	-	-	-
Urban Per Capita Disposable Income (Rmb)[2]	8,618	9,524	5,487	-	-	781
Rural Per Capita Net Income (Rmb)[2,3]	2,838	3,118	1,836	-	-	-
Consumer Price Index (%)[4]	5.1	2.3	0.4	0.8	0.8	0.9
Retail Sales of Consumer Goods (Rmb100 mn)[2]	2,070	2,459	1,348	228	230	225
Year-on-year growth (%)[2,5]	14.0	14.4	14.9	15.7	15.5	14.9
Value-added of Industry (Rmb100 mn)[2,6]	1,198	1,536	925	165	192	164
Year-on-year growth (%)[2,5,6]	24.1	20.6	20.5	21.2	21.3	18.0
City, County and Above Investment in Fixed Assets (Rmb100 mn)[2]	1,690	2,194	1,083	219	321	229
Year-on-year growth (%)[2,5]	36.0	29.8	31.8	-	-	-
Value of Exports (US$100 mn)[7,8]	31.0	37.5	21.6	3.9	4.6	4.3
Year-on-year growth (%)[5,7,8]	44.3	20.9	17.6	-	-	-
Value of Imports (US$100 mn)[7,8]	23.4	22.6	13.2	2.4	2.4	2.0
Year-on-year growth (%)[5,7,8]	47.2	-3.5	-13.3	-	-	-
Foreign Direct Investment (US$100 mn)[2,9]	16.4	23.3	12.1	3.2	2.3	2.1

Notes:
1 - Values are all in nominal terms.
2 - 2004, 2005 & 2006 data source: Statistical Information of Hunan Website.
3 - Jan-Jun 2006 data refer to cash income, normally announced only in March, June, September and December.
4 - 2004 data source: Statistical Information of Hunan Website; 2005 data source: China Statistical Abstract 2006;
May & Jul 2006 data source: Hunan Provincial Department of Commerce; Jan-Jun & Jun 2006 data source: China Statistical Data, China.com.cn.
5 - Real growth rate.
6 - Including all state-owned enterprises and non-state-owned enterprises with annual turnover of Rmb5 million and above.
7 - 2004 & 2005 data source: Statistical Information of Hunan Website; 2006 data source: China Customs.
8 - Classification according to source and destination of products.
9 - Actually utilised amount of foreign direct investment. May & Jul 2006 data source: Hunan Provincial Department of Commerce.

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	2004	2005	2006 Jan-Jun	2006 May	2006 Jun	2006 Jul
Nominal Gross Domestic Product (Rmb100 mn)[2]	790	904	492	-	-	-
Real Gross Domestic Product Growth (%)[2,5]	10.4	10.1	11.6	-	-	-
Urban Per Capita Disposable Income (Rmb)[2,3]	7,736	8,124	5,023	722	692	693
Rural Per Capita Net Income (Rmb)[2,4]	2,818	3,004	1,785	-	-	-
Consumer Price Index (%)[2]	4.4	1.5	1.4	1.7	1.9	2.3
Retail Sales of Consumer Goods (Rmb100 mn)[2]	219.0	269.0	148.3	25.4	24.1	24.0
Year-on-year growth (%)[2,5]	14.4	13.4	14.2	16.0	13.8	13.4
Value-added of Industry (Rmb100 mn)[2,6]	123.5	148.5	85.9	15.0	15.1	15.1
Year-on-year growth (%)[2,5,6]	18.4	18.6	18.4	17.9	15.3	18.5
City, County and Above Investment in Fixed Assets (Rmb100 mn)[2,7]	235.3	351.5	162.6	28.4	39.2	26.8
Year-on-year growth (%)[2,5,7]	16.6	20.8	16.2	-	-	23.7
Value of Exports (US$100 mn)[8,9]	10.9	10.2	4.4	0.8	0.7	0.9
Year-on-year growth (%)[5,8,9]	26.0	-6.4	7.9	-	-	-
Value of Imports (US$100 mn)[8,9]	23.1	15.7	8.0	0.8	2.6	0.9
Year-on-year growth (%)[5,8,9]	63.8	-32.0	45.4	-	-	-
Foreign Direct Investment (US$100 mn)[2,10]	6.7	6.8	3.1	0.3	1.1	1.4

Notes:
1 - Values are all in nominal terms.
2 - 2004, 2005 & 2006 data source: Statistical Bureau of Hainan Province Website.
3 - Jul 2006 data source: Xinhuanet, 26 Aug, 2006.
4 - Jan-Jun 2006 data refer to cash income, normally announced in March, June, September and December.
5 - Real growth rate.
6 - Including all state-owned enterprises and non-state-owned enterprises with annual turnover of Rmb5 million and above.
7 - Jul 2006 data source: National Bureau of Statistics of China.
7 - Classification according to source and destination of products.
8 - 2004 & 2005 data source: Statistical Bureau of Hainan Province Website; 2006 data source: China Customs.
9 - Actually utilised amount of foreign direct investment.

Major Economic Indicators of Nine Pan-PRD Provinces/Region (Jan-Jun 2006)

	Fujian	Jiangxi	Hunan	Hainan	Guangxi	Yunnan	Guizhou	Sichuan	Guangdong
Nominal Gross Domestic Product (Rmb100 mn)[3,4]	3,157	1,840	3,206	492	2,013	1,670	930	3,727	11,417
Real Gross Domestic Product Growth (%)[2,3,4]	12.8	12.6	12.2	11.6	13.6	10.6	11.8	13.3	14.4
Urban Per Capita Disposable Income (Rmb)[3,5]	7,247	4,881	5,487	5,023	5,174	5,030	4,672	4,757	8,531
Rural Per Capita Cash Income (Rmb)[3,5]	2,357	1,523	1,836	1,785	1,590	1,130	881	1,635	2,899
Consumer Price Index (%)[3,6]	0.2	0.4	0.4	1.4	0.7	2.0	-	1.8	1.7
Retail Sales of Consumer Goods (Rmb100 mn)[3,4]	1,302	678	1,348	148	775	528	339	1,590	4,434
Year-on-year growth (%)[2,3,4]	14.6	15.3	14.9	14.2	13.8	14.7	13.6	14.5	15.6
Value-added of Industry (Rmb100 mn)[3,5,7]	1,249	523	925	86	512	559	317	1,250	4,868
Year-on-year growth (%)[2,3,5,7]	19.2	21.9	20.5	18.4	21.8	14.9	17.6	24.1	18.5
Total Investment in Fixed Assets (Rmb100 mn)[3,4]	1,234	-	1,274	170	882	-	478	1,980	3,231
Year-on-year growth (%)[2,3,4]	39.9	-	31.8	16.6	37.0	-	24.3	37.7	20.5
City, County & Above Investment in Fixed Assets (Rmb100 m	1,092	799	1,083	163	766	746	419	-	1,600
Year-on-year growth (%)[2,3,4]	42.8	37.7	31.8	16.2	41.7	31.3	21.0	-	15.3
Value of Exports (US$100 mn)[8]	191.4	16.3	21.6	4.4	16.3	13.3	5.7	23.1	1,326.9
Value of Imports (US$100 mn)[8]	111.2	13.4	13.2	8.0	16.1	16.4	4.0	22.5	1,068.0
Foreign Direct Investment (US$100 mn)[3,9]	39.0	14.3	12.1	3.1	1.8	1.2	-	6.2	68.3

Notes:
1 - Values are all in nominal terms.
2 - Real growth rate.
3 - Data source: Provincial/Regional Statistical Reports.
4 - Guizhou data source: worldbydata.com, 10 Aug, 2006.
5 - Guizhou data source: Guizhou Daily, 18 July, 2006.
6 - Yunnan data source: Private Economy News, 24 July, 2006.
7 - Including all state-owned enterprises and non-state-owned enterprises with annual turnover of Rmb5 million and above.
8 - Classification according to source and destination of products. Data source: China Customs.
9 - Actually utilised amount of foreign direct investment; Sichuan data source: Chengdu Daily, 19 July, 2006.

Nine Pan-PRD Provinces/Region: 10-year Economic Trend (1996-2005)

Nominal growth (%)	Fujian	Jiangxi	Hunan	Hainan	Guangxi	Yunnan	Guizhou	Sichuan	Guangdong	Total
Real Gross Domestic Product (%)[3]	11.5	10.7	10.1	8.6	9.4	8.6	9.4	10.1	11.4	10.0
Per Capita Nominal Gross Domestic Product (%)[4]	9.6	11.0	10.0	8.0	8.4	8.7	10.1	9.6	10.8	9.6
Above Designated-sized Value-added of Industry (%)[5,9]	26.5	28.2	29.2	25.3	28.1	34.6	28.1	30.6	23.8	28.3
City, County & Above Investment in Fixed Assets (%)	13.4	24.0	17.5	8.0	16.7	16.6	20.3	15.1	11.9	15.9
Retail Sales of Consumer Goods (%)	13.5	11.7	11.4	9.6	10.9	10.9	11.9	9.3	13.1	11.4
Value of Exports (%)[10]	17.6	14.4	11.6	11.6	7.9	9.5	10.9	11.1	15.5	12.2
Value of Imports (%)[10]	11.6	16.2	13.4	8.7	7.9	9.9	11.2	11.3	14.9	11.7
Foreign Direct Investment (US$100 mn)[6,7,8,11]	418.5	93.5	105.1	58.8	57.3	12.5	4.8	51.9	1,118.8	1,921.2
Urban Per Capita Disposable Income (%)	10.6	9.9	7.4	5.6	6.5	8.7	7.6	7.7	7.1	7.9
Rural Per Capita Net Income (%)	8.2	8.1	8.4	7.1	5.8	7.4	5.7	9.4	5.8	7.3

Notes:

1 - All data above are nominal growth (%) except foreign direct investment.

2 - 1996-2004 data source: China Statistical Yearbook; 2005 data source: Provincial/Regional Statistical Communiques.

3 - Data source: CEIC Data.

4 - Average growth in 1997-2005.

5 - Average growth in 2001-2005; 2001-2004 data source: China Statistical Yearbook; 2005 data source: Provincial/Regional Statistical Communiques.

6 - 1996-2005 is cumulative data, not nominal growth (%).

7 - 2004 and 2005 data source: Provincial/Regional Statistical Communiques.

8 - Sichuan 2004 data source: China Commerce Yearbook 2005.

9 - Including all state-owned enterprises and non-state-owned enterprises with annual turnover of Rmb5 million and above.

10 - Classification according to source and destination of products.

11 - Actually utilised amount of foreign direct investment.

Nine Pan-PRD Provinces/Region: Statistics at a Glance (2005)

	Fujian	Jiangxi	Hunan	Hainan	Guangxi	Yunnan	Guizhou	Sichuan	Guangdong	Total
Land Area (10,000 sq km)[2,4]	12.1	16.7	21.2	3.5	23.7	39.4	17.6	48.5	17.9	200.6
Population (10,000 persons)[7]	3,535	4,311	6,732	828	4,925	4,450	3,931	8,750	9,194	46,656
Natural Growth Rate (‰)[7]	6.0	7.8	5.2	8.9	8.2	8.0	7.4	2.9	7.0	6.8
Non-agricultural (%)[3,5]	30.9	26.1	21.4	37.8	18.5	16.4	15.8	22.3	48.7	26.4
Tertiary-educated (%)[3,6,11]	4.6	4.7	5.2	5.2	5.2	3.8	4.5	3.6	5.2	4.7
Illiterate and Semi-illiterate (%)[3,6,12]	15.3	9.1	7.4	7.4	8.1	16.4	17.0	11.5	6.9	11.0
Life Expectancy (Numbers of years)[1,6]	72.6	69.0	71.0	72.9	71.3	65.5	66.0	71.2	73.3	70.3
Nominal Gross Domestic Product (Rmb100 mn)[7]	6,560	4,056	6,474	904	4,063	3,472	1,942	7,385	21,701	56,557
Per Capita Gross Domestic Product (Rmb)[7]	18,557	9,408	9,617	10,918	8,250	7,802	4,940	8,440	23,603	11,282
Real Gross Domestic Product Growth (%)[7]	11.3	12.8	11.6	10.1	12.7	9.0	11.5	12.6	12.5	11.6
Industrial Structure: Primary (%)[7]	12.6	19.0	19.4	33.1	22.2	18.9	18.5	20.3	6.3	18.9
Secondary (%)[7]	49.2	47.2	40.2	25.9	37.0	41.7	42.4	41.3	49.5	41.6
Tertiary (%)[7]	38.2	33.8	40.4	41.0	40.8	39.4	39.1	38.4	44.1	39.5
Urban per Capita Annual Disposable Income (Rmb)[7]	12,321	8,620	9,524	8,124	8,917	9,266	8,147	8,386	14,770	9,786
Rural Per Capita Annual Net Income (Rmb)[7]	4,450	3,266	3,118	3,004	2,495	2,042	1,877	2,803	4,691	3,083
Average Wage (Rmb)[3,6]	15,603	11,860	13,928	12,652	13,579	14,581	12,431	14,063	22,116	14,535
Retail Sales of Consumer Goods (Rmb100 mn)[7]	2,346	1,236	2,459	269	1,397	1,034	607	2,981	7,883	20,212
Total Value-added of Industry (Rmb100 mn)[7]	2,870	1,456	2,200	167	1,263	1,200	712	2,513	9,891	22,272
Above Designated-sized Value-added of Industry (Rmb100 mn)[7,13]	2,274	829	1,536	149	833	1,018	562	2,034	8,290	17,525
Total Fixed Asset Investment (Rmb100 mn)[7]	2,345	2,293	2,540	377	1,776	1,743	1,015	3,462	6,957	22,508
City, County & Above Investment in Fixed Assets (Rmb100 mn)[7,10]	1,986	1,934	2,194	352	1,596	1,066	916	3,081	5,847	18,972
Real Estate Investment (Rmb100 mn)[7]	540	301	448	71	287	234	153	699	1,498	4,231
Total Sales of Commercial Housing (Rmb100 mn)[8]	511	183	213	45	213	143	84	327	1,382	3,101
Average price (Rmb / sqm)[8]	2,836	1,501	1,559	2,573	2,037	2,059	1,548	1,632	3,754	2,167

(continued)	Fujian	Jiangxi	Hunan	Hainan	Guangxi	Yunnan	Guizhou	Sichuan	Guangdong	Total
Total External Trade (US$100 mn)[7,14]	544.3	40.6	60.1	25.9	51.8	47.4	14.0	79.0	4,280.0	5,143.1
Value of Exports (US$100 mn)[7,14]	348.5	24.4	37.5	10.2	28.8	26.4	8.6	47.0	2,382.0	2,913.4
Value of Imports (US$100 mn)[7,14]	195.9	16.2	22.6	15.7	23.1	21.0	5.5	32.0	1,898.0	2,230.0
Trade Balance (US$100 mn)[7,14]	152.6	8.2	14.9	-5.5	5.7	5.4	3.1	15.0	483.4	682.8
Tourism Foreign Exchange Receipts (US$100 mn)[7,15]	13.1	1.0	3.9	0.8	3.2	5.3	1.0	3.2	64.0	95.5
Foreign Visitors (visitor times)[7,16]	1,974	373	720	432	1,462	3,476	276	1,063	18,970	28,746
Utilised Foreign Direct Investment (Rmb100 mn)[7,17]	62.3	24.2	23.3	6.8	3.8	1.9	1.1	11.0	123.6	258.0
Number of Foreign Bank Branches[3,9]	12	0	0	1	0	1	0	2	44	60
Bank Loans (Rmb100 mn)[7]	5,413	3,019	4,590	996	3,057	3,988	2,304	6,743	23,261	53,371
Per Capita Savings Deposits (Rmb)[2,4]	8,385	4,738	4,557	6,743	4,059	4,037	2,359	4,981	17,679	6,393
Hong Kong-listed Companies[18]	3	3	1	1	0	2	0	5	33	48

Notes:
1 - 2000 data.
2 - 2003 data.
3 - 2004 data.
4 - Data source: CEIC Data.
5 - Data source: China Population Statistical Yearbook 2005.
6 - Data source: China Statistical Yearbook 2005.
7 - Data source: Provincial/Regional Statistical Reports.
8 - Data source: China Monthly Statistics.
9 - Data source: Almanac of China's Finance and Banking 2005
10 - Yunnan data is 2004 data.
11 - Refer to proportion of 6 years old and above population.
12 - Refer to proportion of 15 years old and above population.
13 - Including all state-owned enterprises and non-state-owned enterprises with annual turnover of Rmb5 million and above.
14 - Classification according to source and destination of products.
15 - Hainan data is 2004 data.
16 - Including tourists from Hong Kong, Macao and Taiwan.
17 - Actually utilised amount of foreign direct investment.
18 - The statistics is up to 30 April 2006. The data before 15 September 2004 is based on the Twelfth Monthly Report of this series, others are based on their registered addresses.
Data source: Hong Kong Exchanges and Clearing Ltd website, securities companies websites & relevant news reportings.

ENGLISH-CHINESE GLOSSARY OF TERMS

Economic development zone	經濟開發區
Eco-tourism	生態旅遊
Exhibition economy	會展經濟
Kejia Culture	客家文化
Marine economy	海洋經濟
Harbour-based industry	臨港工業
Red tourism	紅色旅遊
Reform of state-owned enterprises	國企改革
Urban clusters	城市群
Urbanisation	城市化