

CENTRAL POLICY UNIT
HONG KONG SPECIAL ADMINISTRATIVE REGION

**CONSULTANCY STUDY ON
SOCIAL, ECONOMIC AND POLITICAL
DEVELOPMENTS
IN PAN-PEARL RIVER DELTA REGION
(EXCEPT THE GUANGDONG PROVINCE) AND
THEIR IMPLICATIONS FOR HONG KONG**

THIRD BI-MONTHLY REPORT

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Executive Summary

1. In early 2008, the Central Government and the Provincial/Autonomous Region Governments in the Pan-Pearl River Delta (Pan-RPD) region convened meetings of the People's Congress and the Chinese People's Political Consultative Conference separately. Government Work Reports for this year were presented at the meetings. The Central Government said it would adhere to the principle of "transforming the mode of economic development to give priority to quality" (好字優先，轉變經濟發展方式) in conducting macroeconomic adjustment continuously. The Provincial/Autonomous Region Governments in the Pan-PRD region have formulated various regional development strategies such as Sichuan's "Hub Economy" (樞紐經濟), Jiangxi's "Poyang Lake Area Eco-economic zone" (環鄱陽湖生態經濟區), Hainan's "Free Trade Zone", etc. Since the 11th Five-Year Plan period, there have been tremendous changes in the Mainland's regional policies. Hong Kong should enter into cooperation with Pan-PRD members in a flexible way. Cooperation of different member combinations could be formed according to the development trends of individual Pan-PRD members. Timely adjustments should be made when the actual situation changes.
2. A severe snow disaster devastated China between January and February. Not only was the transportation system paralysed, agricultural and industrial activities were also hampered by energy shortages. The disaster revealed China's weakness in military strategy and the problem of over-reliance on coal. It caused water pollution, ecological destruction, and inflation on the Mainland. Hong Kong was affected, too. In the long run, Hong Kong should strengthen its cooperation with the Mainland in weather forecast and ecological restoration. It could also consider joining future emergency relief operations in manpower and equipment. At present, Hong Kong should work with the Mainland to stabilise the supply and prices of food and other goods.
3. In February 2008, the Mainland Government showed goodwill to Taiwan and announced the establishment of four new Taiwan Farmers Venture Parks (台灣農民創業園). The parks are intended to facilitate cooperation between farmers from the Mainland and Taiwan, and for the Mainland farmers to learn from the advanced farming experiences of Taiwan farmers. Fujian is similar to Taiwan in geographical

environment and climate, but larger in size. One of four new venture parks will be set up in Fujian. While an agricultural policy of Ma Ying-jeou is to develop Taiwan into a seedling research and development centre, the Mainland's Taiwan Farmers Venture Parks could become the most desirable bases for mass cultivation. This division of work between the Mainland and Taiwan in agricultural production would yield a win-win situation. Hong Kong could provide financial, insurance, logistics, and rural tourism services. It could promote ecotype biotechnology in the Hong Kong Science Park, and join the Mainland and Taiwan in agricultural science and technology cooperation.

4. After the Chinese New Year holidays of 2008, labour shortage emerged as a problem in Jiangxi's industrial districts. The province lacks 197,000 workers in total. In particular, it is anticipated that there will be 84,037 vacancies in Ganzhou (贛州), about half of the total workforce requirement. The labour shortage problem is attributable to factors like upsurge in demand for labour, low wages, and manpower mismatch. The Jiangxi Provincial Government appeals to Jiangxi workers outside the province to go back and work in the homeland. It sets up a worker employment system, and increases the minimum wages. According to a study, there is not much surplus rural labour force on the Mainland. As the new generation of workers prefers to work in the coastal area and cities, the labour shortage problem has extended to regions in Central and Western China. Hong Kong enterprises should not transfer their manufacturing operations completely to Jiangxi under the current labour shortage situation. Instead, they should extend the geographical coverage of their operations, set up manufacturing branch in Jiangxi. More desirably, they should upgrade their operations in the Pearl River Delta region, and restructure their businesses.
5. Changsha (長沙) has a long history. Many of its historical relics and monuments, however, have been damaged or even destroyed by urbanisation and for other reasons. Based on the history of China while "differentiated" the city by local culture, Changsha has distinguished itself from Zhongyuan Culture (中原文化, or culture of the Central Plain) by unique local heritage, customs and cultural life. Together with city protection in large scale, Changsha has been successful in reserving its folklore and customs, and reverting its style and features as an ancient city. In addition, it has linked up tourism with national education. It is anticipated

that the tourism industry of Changsha will grow further with improvements in its transportation linkage with outside.

6. The preparatory work for the Cross-Qiongzhou Strait Passageway (瓊州海峽跨海通道) construction is entering the physical commencement stage. The form of construction and the route scheme of the passageway, however, are still under study. The construction of the passageway is conducive to China in accelerating Hainan's development and in exerting Hainan's strategic role of guarding the South China Sea. It will shorten the travel distance between Hainan and the Mainland, enabling Hainan's manufacturing, agricultural and tourism industries to extend their market coverage and, with influxes of manpower and capital, expand their operations. This might, however, trigger competition between West Guangdong and Hainan in port and logistics businesses. Hong Kong might cooperate with Hainan in producer services or construction technology and management ability. It might also conduct specific studies on this Cross-Qiongzhou Strait Passageway.
7. In February 2008, the Central Government officially approved the *Guangxi Beibu Gulf Economic Zone Development Plan* (廣西北部灣經濟區發展規劃), concluding the development pattern of "two deltas (Yangtze River Delta and Pearl River Delta), two bays (Bohai Bay and Beibu Gulf), and cross-strait (Taiwan Strait)" along the coastal area. Beibu Bay is unique on the Mainland as an "important international and regional economic cooperation zone". Its development objective is to build a logistics base, a trading base, a processing and manufacturing base and an information interflow centre for cooperation between China and ASEAN. The Central Government will support Beibu Bay in setting up free trade port zones, logistics centres, local banks, industry funds, etc., and in strengthening cooperation in the transportation, marine, energy, tourism and ecology sectors. Hong Kong should encourage its enterprises to give preference to Guangxi in transferring their operations, and to strive for the establishment of Hong Kong Enterprises Venture Parks. Hong Kong financial organisations may consider to create financing instruments such as Beibu Bay Investment Funds. The three ports of Guangxi could be turned into feeder ports for Hong Kong. Hong Kong should also promote cooperation in trade and industry information.
8. The four prefectures and cities of Central Yunnan recently suggested to form a one-hour economic circle for their "one body, two wings" (一體兩翼, Kunming-Yuxi

(昆明、玉溪) as main body, Qujing and Chuxiong (楚雄、曲靖) as two wings) region. It would help create a new growth pole for Yunnan Province, and strengthen its abilities to participate, cooperate and compete at international and regional levels. With the formation of the economic circle, the Kunming-Hanoi Economic Corridor (昆河經濟走廊) will take initial shape. However, this might not be welcome by West Yunnan, as it might be marginalised and would unlikely have significant advancements. Hong Kong should deliberate integration with the Pearl River Delta region into a metropolis, while strengthen its relationship with Central Yunnan.

9. In February 2008, the Township Enterprises Bureau of Guizhou Province (貴州省鄉鎮企業局) denominated seven districts with industry clusters formed by township enterprises. It is hoped that this would convert local featured products and resource advantages into economic profits, promote coordinated urban and rural development in Guizhou, guide enterprises strategically to specific districts, centralise public services, and strengthen the county economy. The social impacts and economic benefits of the cluster districts are considered equally important. Hong Kong should strengthen its cooperation with the Mainland on developing featured products and domestic markets of China, transform its service system, and revive its service function to the Mainland.

Appendix I : Statistical Data for the Pan-PRD Provinces/ Region

Major Economic Indicators of Fujian

	2006	2007	Jan-Feb 2008	Jan 2008	Feb 2008
Nominal Gross Domestic Product (RMB 100 million)	7,614.6	9,160.1	1,138.1	574.7	-
Real Gross Domestic Product Growth (%)	14.8	15.1	13.6	13.9	-
Urban Per Capita Annual Disposable Income (RMB)	13,753.3	15,505.0	3,961.7	1,467.3	2,494.9
Rural Per Capita Cash Income (RMB)	4,834.8	5,467.0	1,123.6	566.5	-
Consumer Price Index(Same period of preceding year=100)	100.8	105.2	106.1	105.3	106.8
Retail Sales of Consumer Goods (RMB 100 million)	2,704.2	3,187.9	656.7	330.9	325.8
Year-on-year Growth (%)	15.3	17.9	20.2	21.3	19.1
Value-Added of Industry above Designated Size (RMB 100 million)*	2,847.8	3,396.5	528.9	303.3	234.4
Year-on-year Growth (%)	24.3	21.5	19.8	19.6	21.2
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	99.2	-	103.0	103.0	103.1
City, County and Above Investment in Fixed Assets (RMB 100 million)	2,730.1	3,863.0	423.8	217.5	-
Year-on-year Growth (%)	39.4	39.7	37.2	38.7	-
Investment Completed in Real Estate Development (RMB 100 million)	787.4	1,132.5	137.2	74.3	-
Year-on-year Growth (%)	-	43.8	40.8	42.8	-
Value of Exports (USD 100 million)**	417.2	499.4	81.3	46.4	35.0
Year-on-year Growth (%)	16.1	21.0	16.0	26.0	4.9
Value of Imports (USD 100 million)**	231.7	245.2	43.6	23.4	20.2
Year-on-year Growth (%)	11.1	14.6	39.9	36.0	44.8

Notes :

1. Data of 2006 are from China Statistical Yearbook (2007) and China Statistical Abstract (2007).

2. The year-on-year growth is not calculated at comparable prices.

3. Sources of 2007 and 2008 data are *China Monthly Economic Indicators* (《中國經濟景氣月報》), National Bureau of Statistics of China :

<http://www.stats.gov.cn/>, Province Data Net, <http://provincedata.mofcom.gov.cn/>, and Fujian Provincial Bureau of Statistics : <http://www.stats-fj.gov.cn/>.

* Includes all state-owned industrial enterprises and the non-state-owned industrial enterprises with an annual sales income of over RMB 5 million .

** Divided by destination within territory, and origin of goods within territory.

Major Economic Indicators of Jiangxi

	2006	2007	Jan-Feb 2008	Jan 2008	Feb 2008
Nominal Gross Domestic Product (RMB 100 million)	4,670.5	5,469.0	-	-	-
Real Gross Domestic Product Growth (%)	12.3	13.0	-	-	-
Urban Per Capita Annual Disposable Income (RMB)	9,551.1	11,222.0	-	-	-
Rural Per Capita Cash Income (RMB)	3,459.5	4,098.0	-	-	-
Consumer Price Index(Same period of preceding year=100)	101.2	104.8	107.9	106.8	108.9
Retail Sales of Consumer Goods (RMB 100 million)	1,428.0	1,683.1	336.5	177.7	158.8
Year-on-year Growth (%)	15.5	17.9	19.7	19.6	19.8
Value-Added of Industry above Designated Size (RMB 100 million)*	1,288.1	1,761.7	251.9	-	-
Year-on-year Growth (%)	46.0	24.6	16.1	-	-
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	109.7	-	108.9	108.3	109.6
City, County and Above Investment in Fixed Assets (RMB 100 million)	2,377.4	2,950.4	188.6	-	-
Year-on-year Growth (%)	25.0	24.2	19.2	-	-
Investment Completed in Real Estate Development (RMB 100 million)	346.0	431.7	39.7	-	-
Year-on-year Growth (%)	-	24.8	27.6	-	-
Value of Exports (USD 100 million)**	39.5	54.6	9.0	5.2	3.7
Year-on-year Growth (%)	48.9	45.5	37.3	59.6	14.1
Value of Imports (USD 100 million)**	33.0	40.2	7.9	4.1	3.7
Year-on-year Growth (%)	43.1	64.6	58.8	56.7	58.6

Notes :

1. Data of 2006 are from China Statistical Yearbook (2007) and China Statistical Abstract (2007).

2. The year-on-year growth is not calculated at comparable prices.

3. Sources of 2007 and 2008 data are *China Monthly Economic Indicators* (《中國經濟景氣月報》), National Bureau of Statistics of China :

<http://www.stats.gov.cn/>, Province Data Net, <http://provincedata.mofcom.gov.cn/>, Jiangxi Statistical Information Net : <http://www.jxstj.gov.cn/>, and Statistical Information of Guizhou, <http://www.gz.stats.gov.cn/index.shtml>.

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Major Economic Indicators of Hunan

	2006	2007	Jan-Feb 2008	Jan 2008	Feb 2008
Nominal Gross Domestic Product (RMB 100 million)	7,568.9	9,145.0	-	-	-
Real Gross Domestic Product Growth (%)	12.2	14.4	-	-	-
Urban Per Capita Annual Disposable Income (RMB)	10,504.7	12,293.5	-	-	-
Rural Per Capita Cash Income (RMB)	3,389.6	3,904.3	-	-	-
Consumer Price Index(Same period of preceding year=100)	101.4	105.6	107.1	106.1	108.1
Retail Sales of Consumer Goods (RMB 100 million)	2,834.2	3,356.5	661.6	345.8	315.8
Year-on-year Growth (%)	15.3	18.4	18.4	18.5	18.4
Value-Added of Industry above Designated Size (RMB 100 million)*	2,089.1	2,656.0	366.6	-	154.7
Year-on-year Growth (%)	28.2	24.3	7.5	-	3.4
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	104.3	-	-	108.0	109.0
City, County and Above Investment in Fixed Assets (RMB 100 million)	2,718.4	3,749.1	261.8	-	-
Year-on-year Growth (%)	23.3	34.6	24.0	-	-
Investment Completed in Real Estate Development (RMB 100 million)	556.1	761.2	58.7	-	-
Year-on-year Growth (%)	-	36.9	25.4	-	-
Value of Exports (USD 100 million)**	51.8	65.2	10.9	6.5	4.6
Year-on-year Growth (%)	34.3	28.0	24.3	40.6	6.5
Value of Imports (USD 100 million)**	28.0	31.7	6.7	3.3	3.4
Year-on-year Growth (%)	-9.8	40.2	55.0	44.5	66.2

Notes :

1. Data of 2006 are from China Statistical Yearbook (2007) and China Statistical Abstract (2007).

2. The year-on-year growth is not calculated at comparable prices.

3. Sources of 2007 and 2008 data are *China Monthly Economic Indicators* (《中國經濟景氣月報》), National Bureau of Statistics of China :

<http://www.stats.gov.cn/>, Province Data Net, <http://provincedata.mofcom.gov.cn/>, Statistical Information of Hunan : <http://www.hntj.gov.cn/>, and Statistical Information of Guizhou, <http://www.gz.stats.gov.cn/index.shtml>.

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Major Economic Indicators of Guangxi

	2006	2007	Jan-Feb 2008	Jan 2008	Feb 2008
Nominal Gross Domestic Product (RMB 100 million)	4,828.5	5,885.9	-	-	-
Real Gross Domestic Product Growth (%)	13.6	14.9	-	-	-
Urban Per Capita Annual Disposable Income (RMB)	9,898.8	12,200.0	-	-	-
Rural Per Capita Cash Income (RMB)	2,770.5	3,224.0	-	-	-
Consumer Price Index(Same period of preceding year=100)	101.3	106.1	110.8	109.4	112.2
Retail Sales of Consumer Goods (RMB 100 million)	1,600.8	1,897.9	369.8	191.1	178.7
Year-on-year Growth (%)	14.6	18.6	18.9	20.7	17.1
Value-Added of Industry above Designated Size (RMB 100 million)*	1,074.8	1,430.9	262.1	-	122.2
Year-on-year Growth (%)	35.3	26.5	20.8	-	17.1
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	109.6	-	111.6	111.5	111.8
City, County and Above Investment in Fixed Assets (RMB 100 million)	1,947.3	2,627.5	232.7	-	-
Year-on-year Growth (%)	31.5	31.7	27.1	-	-
Investment Completed in Real Estate Development (RMB 100 million)	370.0	536.7	55.0	-	-
Year-on-year Growth (%)	-	45.1	37.4	-	-
Value of Exports (USD 100 million)**	38.3	51.1	10.2	6.3	3.8
Year-on-year Growth (%)	33.4	42.3	80.1	112.6	43.9
Value of Imports (USD 100 million)**	37.8	41.7	8.7	5.0	3.7
Year-on-year Growth (%)	30.7	35.4	71.0	71.1	70.9

Notes :

1. Data of 2006 are from China Statistical Yearbook (2007) and China Statistical Abstract (2007).

2. The year-on-year growth is not calculated at comparable prices.

3. Sources of 2007 and 2008 data are *China Monthly Economic Indicators* (《中國經濟景氣月報》), National Bureau of Statistics of China :

<http://www.stats.gov.cn/>, Province Data Net, <http://provincedata.mofcom.gov.cn/>, and Guangxi Statistical Information Net, <http://www.gxtj.gov.cn/>.

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Major Economic Indicators of Hainan

	2006	2007	Jan-Feb 2008	Jan 2008	Feb 2008
Nominal Gross Domestic Product (RMB 100 million)	1,052.9	1,229.6	-	-	-
Real Gross Domestic Product Growth (%)	12.5	14.5	-	-	-
Urban Per Capita Annual Disposable Income (RMB)	9,395.1	10,997.0	-	-	-
Rural Per Capita Cash Income (RMB)	3,255.5	3,791.0	-	-	-
Consumer Price Index(Same period of preceding year=100)	101.5	105.0	109.3	107.5	111.0-
Retail Sales of Consumer Goods (RMB 100 million)	308.3	362.0	73.0	35.6	37.3
Year-on-year Growth (%)	14.8	17.4	24.3	25.8	22.9
Value-Added of Industry above Designated Size (RMB 100 million)*	190.3	256.4	44.5	-	-
Year-on-year Growth (%)	24.8	33.8	10.5	-	-
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	100.8	-	-	104.1	105.3
City, County and Above Investment in Fixed Assets (RMB 100 million)	396.7	472.2	50.5	-	-
Year-on-year Growth (%)	16.9	18.9	21.0	-	-
Investment Completed in Real Estate Development (RMB 100 million)	89.3	127.0	16.8	-	-
Year-on-year Growth (%)	-	42.2	65.0	-	-
Value of Exports (USD 100 million)**	11.0	18.4	2.2	1.3	0.9
Year-on-year Growth (%)	29.1	26.3	7.4	25.3	-11.5
Value of Imports (USD 100 million)**	22.9	55.2	3.1	1.8	1.2
Year-on-year Growth (%)	80.8	120.0	-1.3	3.4	-7.6

Notes :

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2. The year-on-year growth is not calculated at comparable prices.

3. Sources of 2007 and 2008 data are *China Monthly Economic Indicators* (《中國經濟景氣月報》), National Bureau of Statistics of China :

<http://www.stats.gov.cn/>, Province Data Net, <http://provincedata.mofcom.gov.cn/>, and Hainan Provincial Bureau of Statistics :

<http://www.statistic.hainan.gov.cn/>.

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Major Economic Indicators of Sichuan

	2006	2007	Jan-Feb 2008	Jan 2008	Feb 2008
Nominal Gross Domestic Product (RMB 100 million)	8,637.8	10,505.3	-	-	-
Real Gross Domestic Product Growth (%)	13.3	14.2	-	-	-
Urban Per Capita Annual Disposable Income (RMB)	9,350.1	11,098.0	-	-	-
Rural Per Capita Cash Income (RMB)	3,002.4	3,546.7	-	-	-
Consumer Price Index(Same period of preceding year=100)	102.3	105.9	107.7	107.2	108.1
Retail Sales of Consumer Goods (RMB 100 million)	3,421.6	4,015.6	752.9	376.3	376.6
Year-on-year Growth (%)	14.8	17.4	19.8	19.5	20.2
Value-Added of Industry above Designated Size (RMB 100 million)*	2,786.6	3,580.7	602.9	-	-
Year-on-year Growth (%)	29.0	25.4	25.2	-	-
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	101.9	-	107.7	107.4	108.1
City, County and Above Investment in Fixed Assets (RMB 100 million)	3,927.6	5,045.8	485.1	-	-
Year-on-year Growth (%)	31.3	28.5	37.1	-	-
Investment Completed in Real Estate Development (RMB 100 million)	914.5	1,331.5	136.0	-	-
Year-on-year Growth (%)	-	45.6	43.6	-	-
Value of Exports (USD 100 million)**	56.8	86.1	14.0	8.3	5.7
Year-on-year Growth (%)	38.7	30.0	30.6	49.7	9.8
Value of Imports (USD 100 million)**	50.0	57.8	12.0	6.4	5.7
Year-on-year Growth (%)	39.5	31.4	90.4	70.1	117.8

Notes :

1. Data of 2006 are from China Statistical Yearbook (2007) and China Statistical Abstract (2007).

2. The year-on-year growth is not calculated at comparable prices.

3. Sources of 2007 and 2008 data are *China Monthly Economic Indicators* (《中國經濟景氣月報》), National Bureau of Statistics of China :

<http://www.stats.gov.cn/>, Province Data Net, <http://provincedata.mofcom.gov.cn/>, and Statistical Information of Sichuan, <http://www.sc.stats.gov.cn/>

* Includes all state-owned industrial enterprises and the non-state-owned industrial enterprises with an annual sales income of over RMB 5 million .

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Major Economic Indicators of Guizhou

	2006	2007	Jan-Feb 2008	Jan 2008	Feb 2008
Nominal Gross Domestic Product (RMB 100 million)	2,282.0	2,710.3	-	-	-
Real Gross Domestic Product Growth (%)	11.6	13.7	-	-	-
Urban Per Capita Annual Disposable Income (RMB)	9,116.6	10,678.4	-	-	-
Rural Per Capita Cash Income (RMB)	1,984.6	2,374.9	-	-	-
Consumer Price Index(Same period of preceding year=100)	101.7	106.4	111.4	110.9	111.9
Retail Sales of Consumer Goods (RMB 100 million)	689.8	821.8	158.1	82.5	75.6
Year-on-year Growth (%)	13.7	19.1	20.8	23.3	18.2
Value-Added of Industry above Designated Size (RMB 100 million)*	747.4	843.7	-	-	-
Year-on-year Growth (%)	27.6	16.8	-	-	-
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	104.3	-	-	109.6	111.3
City, County and Above Investment in Fixed Assets (RMB 100 million)	1,048.7	1,286.1	85.9	-	-
Year-on-year Growth (%)	16.6	22.1	4.7	-	-
Investment Completed in Real Estate Development (RMB 100 million)	186.8	248.5	16.6	-	-
Year-on-year Growth (%)	-	33.0	-9.7	-	-
Value of Exports (USD 100 million)**	13.5	14.7	2.3	1.4	0.9
Year-on-year Growth (%)	19.0	41.1	44.4	69.0	16.4
Value of Imports (USD 100 million)**	8.6	8.1	2.0	1.1	0.9
Year-on-year Growth (%)	-4.7	39.3	77.8	79.7	75.0

Notes :

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2. The year-on-year growth is not calculated at comparable prices.

3. Sources of 2007 and 2008 data are *China Monthly Economic Indicators* (《中國經濟景氣月報》), National Bureau of Statistics of China :

<http://www.stats.gov.cn/>, Province Data Net, <http://provincedata.mofcom.gov.cn/>, Statistical Information of Guizhou, <http://www.gz.stats.gov.cn/index.shtml>, and Guangxi Statistical Information Net, <http://www.gxtj.gov.cn/>.

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Major Economic Indicators of Yunnan

	2006	2007	Jan-Feb 2008	Jan 2008	Feb 2008
Nominal Gross Domestic Product (RMB 100 million)	4,006.7	4,721.8	-	-	-
Real Gross Domestic Product Growth (%)	11.9	12.3	-	-	-
Urban Per Capita Annual Disposable Income (RMB)	10,069.9	11,496.0	-	-	-
Rural Per Capita Cash Income (RMB)	2,250.5	2,600.0	-	-	-
Consumer Price Index(Same period of preceding year=100)	101.9	105.9	107.8	107.3	108.3
Retail Sales of Consumer Goods (RMB 100 million)	1,188.9	1,394.5	244.1	124.9	119.2
Year-on-year Growth (%)	14.9	17.3	19.1	19.0	19.3
Value-Added of Industry above Designated Size (RMB 100 million)*	1,271.5	1,700.0	284.3	-	-
Year-on-year Growth (%)	27.3	17.0	12.1	-	-
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	104.6	-	-	107.1	108.5
City, County and Above Investment in Fixed Assets (RMB 100 million)	1,924.1	2,798.9	174.3	-	-
Year-on-year Growth (%)	20.8	26.1	-6.4	-	-
Investment Completed in Real Estate Development (RMB 100 million)	332.2	422.9	54.7	-	-
Year-on-year Growth (%)	-	27.3	46.6	-	-
Value of Exports (USD 100 million)**	30.6	47.4	7.4	4.1	3.3
Year-on-year Growth (%)	28.3	39.6	42.8	71.0	18.6
Value of Imports (USD 100 million)**	33.2	40.4	9.3	5.2	4.1
Year-on-year Growth (%)	27.1	42.7	62.4	86.3	38.3

Notes :

1. Data of 2006 are from China Statistical Yearbook (2007) and China Statistical Abstract (2007).

2. The year-on-year growth is not calculated at comparable prices.

3. Sources of 2007 and 2008 data are *China Monthly Economic Indicators* (《中國經濟景氣月報》), National Bureau of Statistics of China :

<http://www.stats.gov.cn/>, Province Data Net, <http://provincedata.mofcom.gov.cn/>, Statistical Information of Guizhou, <http://www.gz.stats.gov.cn/index.shtml>, and Guangxi Statistical Information Net, <http://www.gxtj.gov.cn/>.

* Includes all state-owned industrial enterprises and the non-state-owned industrial enterprises with an annual sales income of over RMB 5 million

** Divided by destination within territory, and origin of goods within territory.

Major Economic Indicators of Guangdong

	2006	2007	Jan-Feb 2008	Jan 2008	Feb 2008
Nominal Gross Domestic Product (RMB 100 million)	26,204.5	30,673.7	-	-	-
Real Gross Domestic Product Growth (%)	14.6	14.5	-	-	-
Urban Per Capita Annual Disposable Income (RMB)	16,015.6	17,699.3	-	-	-
Rural Per Capita Cash Income (RMB)	5,079.8	5,624.0	-	-	-
Consumer Price Index(Same period of preceding year=100)	101.8	103.7	107.6	106.6	108.7
Retail Sales of Consumer Goods (RMB 100 million)	9,118.1	10,598.1	2,082.8	1,042.7	1,040.2
Year-on-year Growth (%)	15.7	16.2	18.7	19.1	18.2
Value-Added of Industry above Designated Size (RMB 100 million)*	11,780.9	13,079.2	2,039.3	-	921.1
Year-on-year Growth (%)	25.1	18.3	12.7	-	12.1
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	101.4	101.3	103.0	102.8	103.2
City, County and Above Investment in Fixed Assets (RMB 100 million)	6,553.7	7,522.7	752.1	-	-
Year-on-year Growth (%)	11.3	13.7	26.4	-	-
Investment Completed in Real Estate Development (RMB 100 million)	1,843.5	2,510.1	313.9	-	-
Year-on-year Growth (%)	-	36.2	47.2	-	-
Value of Exports (USD 100 million)**	3,054.6	3,692.5	549.9	316.5	233.5
Year-on-year Growth (%)	26.8	22.2	15.8	26.3	4.1
Value of Imports (USD 100 million)**	2,363.7	2,648.0	402.5	215.0	187.4
Year-on-year Growth (%)	19.3	17.5	11.8	8.0	16.0

Notes :

1. Data of 2006 are from China Statistical Yearbook (2007) and China Statistical Abstract (2007).

2. The year-on-year growth is not calculated at comparable prices.

3. Sources of 2007 and 2008 data are *China Monthly Economic Indicators* (《中國經濟景氣月報》), National Bureau of Statistics of China :

<http://www.stats.gov.cn/>, Province Data Net, <http://provincedata.mofcom.gov.cn/>, and Statistical Information of Guangdong, <http://www.gdstats.gov.cn/>.

* Includes all state-owned industrial enterprises and the non-state-owned industrial enterprises with an annual sales income of over RMB 5 million.

** Divided by destination within territory, and origin of goods within territory.

Nine Pan-PRD Provinces/Region: Statistics at a Glance (2007)

	Fujian	Jiangxi	Hunan	Guangxi	Hainan	Sichuan	Guizhou	Yunnan	Guangdong
Nominal Gross Domestic Product (RMB 100 million)	9,160.1	5,469.0	9,145.0	5,885.9	1,229.6	10,505.3	2,710.3	4,721.8	30,673.7
Real Gross Domestic Product Growth (%)	15.1	13.0	14.4	14.9	14.5	14.2	13.7	12.3	14.5
Urban Per Capita Annual Disposable Income (RMB)	15,505.0	11,222.0	12,293.5	12,200.0	10,997.0	11,098.0	10,678.4	11,496.0	17,699.3
Rural Per Capita Cash Income (RMB)	5,467.0	4,098.0	3,904.3	3,224.0	3,791.0	3,546.7	2,374.9	2,600.0	5,624.0
Consumer Price Index(Same period of preceding year=100)	105.2	104.8	105.6	106.1	105.0	105.9	106.4	105.9	103.7
Retail Sales of Consumer Goods (RMB 100 million)	3,187.9	1,683.1	3,356.5	1,897.9	362.0	4,015.6	821.8	1,394.5	10,598.1
Year-on-year Growth (%)	17.9	17.9	18.4	18.6	17.4	17.4	19.1	17.3	16.2
Value-Added of Industry above Designated Size (RMB 100 million)*	3,396.5	1,761.7	2,656.0	1,430.9	256.4	3,580.7	843.7	1,700.0	13,079.2
Year-on-year Growth (%)	21.5	24.6	24.3	26.5	33.8	25.4	16.8	17.0	18.3
City, County and Above Investment in Fixed Assets (RMB 100 million)	3,863.0	2,950.4	3,749.1	2,627.5	472.2	5,045.8	1286.1	2,798.9	7,522.7
Year-on-year Growth (%)	39.7	24.2	34.6	31.7	18.9	28.5	22.1	26.1	13.7
Value of Exports (USD 100 million)**	499.4	54.6	65.2	51.1	18.4	86.1	14.7	47.4	3,692.5
Year-on-year Growth (%)	21.0	45.5	28.0	42.3	26.3	30.0	41.1	39.6	22.2
Value of Imports (USD 100 million)**	245.2	40.2	31.7	41.7	55.2	57.8	8.1	40.4	2,648.0
Year-on-year Growth (%)	14.6	64.6	40.2	35.4	120.0	31.4	39.3	42.7	17.5
Utilised Foreign Direct Investment (USD 100 million)***	40.6	31.0	32.7	12.9	11.3	17.7	1.27	5.0	171.3

Notes :

1. The year-on-year growth is not calculated at comparable prices.

2. Data Sources : National Bureau of Statistics of China : <http://www.stats.gov.cn/>, and Provincial Bureaus of Statistics of the Pan-PRD Provinces/ Region.

* Includes all state-owned industrial enterprises and the non-state-owned industrial enterprises with an annual sales income of over RMB 5 million .

** Divided by destination within territory, and origin of goods within territory.

*** Data source of 2007 : Provincial Bureaus of Statistics of the Pan-PRD Provinces/ Region.

Nine Pan-PRD Provinces/Region: 10-Year Economic Trend (1997 - 2006)

Average Annual Growth Rate	Fujian	Jiangxi	Hunan	Hainan	Guangxi	Sichuan	Guizhou	Yunnan	Guangdong	Total
Real Gross Domestic Product Growth	11.4%	10.7%	10.0%	9.5%	9.9%	10.3%	9.7%	8.8%	12.1%	10.9%
Nominal Per Capita Gross Domestic Product	9.9%	12.0%	11.4%	9.3%	11.3%	11.3%	11.3%	9.3%	11.7%	12.7%
Value-Added of Industry above Designated Size*	14.3%	24.1%	18.3%	10.8%	18.4%	18.6%	19.2%	16.9%	14.8%	16.9%
City, County and Above Investment in Fixed Assets	18.9%	20.9%	19.0%	17.8%	16.3%	18.8%	17.0%	10.5%	19.1%	18.2%
Retail Sales of Consumer Goods	11.8%	11.0%	11.8%	9.8%	10.1%	12.2%	11.2%	10.9%	13.5%	12.2%
Value of Exports	16.9%	15.2%	15.2%	2.4%	5.4%	18.3%	13.0%	10.9%	17.0%	16.6%
Value of Imports	13.0%	4.7%	22.5%	9.0%	20.8%	28.0%	18.3%	17.1%	17.5%	16.8%
Utilised Foreign Direct Investment (USD 100 million) **	404.9	118.7	124.8	60.2	55.8	65.2	15.1	15.5	1,267.1	2,127.4
Urban Per Capita Annual Disposable Income ***	9.4%	9.9%	8.1%	7.6%	7.6%	7.9%	8.3%	6.8%	7.2%	8.1%
Rural Per Capita Net Income ***	6.3%	5.7%	5.8%	6.7%	4.4%	6.7%	4.8%	5.6%	4.3%	5.6%

Notes:

1. Unless otherwise specified, this table presents average growth rates for the period of 1997 to 2006.

2. Data source of 1997 : *China Compendium of Statistics 1949-2004* (《新中國五十五年統計資料彙編》).

3. Data source of 2006 : *2007 China Statistical Yearbook*.

* The item refers to all state-owned industrial enterprises and the non-state-owned industrial enterprises with an annual sales income of over RMB 5 million. The growth rates are for the period of 1998-2006, as the National Bureau of Statistics of China started to compile this data after 1998. Data source of 1998 : *China Compendium of Statistics 1949-2004*. Data source of 2006 : Provincial Bureaus of Statistics of the Pan-PRD provinces/ region.

**Cumulative data. Data source of 1997-2004 : *China Compendium of Statistics 1949-2004*. Data source of Fujian, Jiangxi, Hunan and Hainan in 2005 : Provincial Bureaus of Statistics of the provinces. Data source of 2006 : Provincial Bureaus of Statistics of the Pan-PRD provinces/ region.

***Due to adjustment on statistical definition of urban/rural population, quite significant disparities were identified for these two items across the concerned period. Hence the average growth rates of the Pan-PRD provinces/ region are simple average ones, instead of weighted average that would take population into account.

Appendix II : Glossary

Chinese People's Political Consultative Conference	中國人民政治協商會議
Cross-Qiongzhou Strait Passageway	瓊州海峽跨海通道
Guangxi Beibu Gulf Economic Zone Development Plan	廣西北部灣經濟區發展規劃
Hub Economy	樞紐經濟
Kunming-Hanoi Economic Corridor	昆河經濟走廊
“One body (Kunming-Yuxi), Two wings (Qujing and Chuxiong)”	一體兩翼
People's Congress	人民代表大會
Poyang Lake Area Eco-economic Zone	環鄱陽湖生態經濟區
Taiwan Farmers Venture Park	台灣農民創業園
Transforming the mode of economic development to give priority to quality	好字優先，轉變經濟發展方式
Zhongyuan Culture (Culture of the Central Plain)	中原文化