

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

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Executive Summary

- 1 In the first four months of 2008, China's cumulative trade surplus decreased by 7.9% over the same period last year. This shows that the Mainland's trade activities have been affected by the international economic slowdown and the Mainland Government's measures on regulating exports. Guangdong's external trade performance was below the national average, while the other Pan-Pearl River Delta (Pan-PRD) provinces and region had above national average performances. The external trade performance was better among those provinces/region with a higher proportion of ordinary trade. Growth of trade volume between the Pan-PRD region and Hong Kong in 2007 and 2008 lagged behind the region's overall growth in external trade, indicating a weakening trade relationship between the two. Hong Kong's external trade development is essentially linked with the Pearl River Delta (PRD) region. Hong Kong should work together with Guangdong to promote the restructure of Hong Kong and local private enterprises in the PRD region, strengthen regional cooperation in technological innovation, and propel industrial upgrading together.
- 2 In early 2008, the Ministry of Construction formally endorsed the *Coordinated Development Plan for the City Agglomeration at the West Coast of the Taiwan Strait* (海峽西岸城市群協調發展規劃). The Plan sets the orientation of the city agglomeration at the west coast of the Taiwan Strait, and ascertains that the development of the region will be driven by the two major cities of Fuzhou (福州) and Xiamen (廈門). It seems that Taiwan is not interested at this concept of city agglomeration at the west coast of the Taiwan Strait, and is not likely to collaborate in its development. Nonetheless, the Plan would spur on the development of the metropolitan area of Xiamen, Quanzhou (泉州) and Zhangzhou (漳州). Hong Kong should consider focusing at Xiamen in promoting Fujian-Hong Kong cooperation. It should pay attention to the probable movements of Taiwan and Fujian in developing the "Jinmen (金門)-Xiamen Special Zone", particularly in financial and economic and trade arbitration initiatives. In the future, it should conduct more "special zone-city agglomeration" cooperation in the Mainland's. It is also worthwhile for the Greater PRD to learn from the "polycentric" sub-regional centre cooperation mode at the west coast of the Taiwan Strait.

- 3 The Fujian Provincial Government transmitted on April 21, 2008 the *Guiding Opinions on Providing Better Financial Services for the Development of the "Two Forerunning Zones"* (金融更好地服務“兩個先行區”建設的指導意見) issued jointly by the Central Sub-branch of the People's Bank of China in Fuzhou, the Fujian Banking Regulatory Bureau, the Fujian Securities Regulatory Bureau, and the Fujian Insurance Regulatory Bureau. It strives to establish a cross-Taiwan Strait currency clearing and exchange mechanism in Fujian. With increasing industrial cooperation between Taiwan and the Mainland, both parties find it necessary to have such a mechanism. The Taiwan Government, however, seems to prefer the clearing house be set up in Hong Kong. Hong Kong should consider winning over and preparing for the set up of the mechanism. This will not only be conducive in maintaining the position of Hong Kong as an international financial centre, but will also strengthen Hong Kong's role and functions in handling Taiwan-related affairs for China.
- 4 In early 2008, Jiangxi proposed to establish the "Poyang Lake Ecological and Economic Zone" (環鄱陽湖生態經濟區). It was hoped that this concept would enter the supporting list of the national policy for the Rise of the Central Region of China. The ecological and economic zone involves the six municipalities of Nanchang, Jiujiang, Shangrao, Yingtan, Fuzhou and Jingdezhen (南昌、九江、上饒、鷹潭、撫州和景德鎮). By combining the modes of "ecological protection" and "economic development", it will provide decisive contribution and is necessary to the sustainable development of Jiangxi and the Yangtze River Basin. The zone could effect Jiangxi-Hong Kong cooperation in social, ecological and public welfare aspects, such as cooperation in wetland administration, intermediary to international loans for ecological developments, and ecological technology interchange. Hong Kong should endeavour to participate in and promote ecological and environmental cooperation between the Mainland and the international society, and look for international environmental business opportunities. It could follow the mode of the Poyang Lake initiative and promote the development of the Greater PRD into a "low-carbon ecological metropolitan zone".

- 5 In early 2008, the Changsha-Zhuzhou-Xiangtan city agglomeration (長株潭城市群) of Hunan was approved to be developed into a comprehensive national base for high technology industries. Industrial bases will be established in the area for the four major high technology industries of new materials, new energies, information services, and astronautics. Under the framework of Pan-PRD regional cooperation, Hong Kong might endeavour to provide international financial and venture capital services to the high technology industrial bases in the Pan-PRD region. It might establish Hong Kong into a platform for international science and technology information and a base for international technological venture capital services, and promote international technological cooperation in the Mainland.

- 6 According to Wei Liucheng (衛留成), Party Secretary of Hainan Province, the future goal of Hainan is to establish a “free trade zone”. Under concept of free trade zone, Hainan has commenced the establishment of “International Tourism Island”, and plans to set up a Hainan-Taiwan free trade zone. Although tourism is one of the major development foci of Hainan, Hong Kong has advantages in tourist source and knowledge, and will not be impaired by Hainan’s development. Rather, Hong Kong could expand its influence on Hainan’s tourism development through its universities and training institutions. This would strengthen Hong Kong’s function as a regional knowledge and educational centre. Hong Kong might initiate a panel study to track Hainan’s free trade zone development. Using platforms like the Pan-PRD regional cooperation forum, it might explore areas of cooperation with Hainan in service sectors like tourism and trade.

- 7 During the period of 2008-2012, Guangxi will invest RMB 260 billion in the building of a multi-dimensional transportation network of railways, roads, waterways, and aviation. It would like to accelerate the transformation of the autonomous region into a regional international transportation hub connecting the ASEAN. Hong Kong enterprises and financial institutions should actively participate in related projects. Through vigorous investment, they could help strengthen the economic ties between Hong Kong and Guangxi, and propel the formation of the “Nanning-Hong Kong Economic Corridor”.

- 8 Liu Qibao (劉奇葆), new Party Secretary of Sichuan Province, has proposed to develop Sichuan into an “Economic Highland in the Western region of China”. According to him, Sichuan should develop “hub economy”, and build “One Hub (Chengdu), Three Centres (logistics, commercial, and financial), Four Bases (resources, manufacturing, science and technology, and agricultural products)”. To function effectively as a hub, Sichuan needs to establish a comprehensive transportation system, in which the railway network is considered most important. The “hub economy” of Sichuan might provide business opportunities and areas of cooperation for Sichuan and Hong Kong enterprises in the logistics, commercial, and financial sectors.

- 9 On May 12, 2008, Wenchuan County (汶川縣) in Aba Prefecture of Sichuan was struck by a magnitude 8 earthquake. The tremor was felt in Hong Kong and many regions across Asia. The earthquake not only flattened the locality, but also affected neighbouring provinces and regions, causing massive loss of human lives and property. Apart from factors like poor construction quality, low seismic design code for buildings was one of the major reasons for the enormous damage. The earthquake has little impact on the Hong Kong economy. Where appropriate, Hong Kong might consider participate in the reconstruction of the earthquake area, such as construct community centre in the area by adopting high disaster-resistant standard. It might provide technology support to improve the quality of some of the buildings in the earthquake area. It should also assess the seismic design code for buildings in Hong Kong, and from time to time examine the quake resistant performance of various building technologies.

- 10 On May 9, 2008, the *Economic Development and Industry Layout Plan for the “Guiyang-Guangzhou Express Thoroughfare” of Qiannan Prefecture* (黔南州“貴廣快速通道”經濟發展及產業佈局規劃) was endorsed. With the construction of the Guiyang-Guangzhou highway and high-speed railway, the Plan suggests a layout structure of “one axis (the Express Thoroughfare itself as the main axis of industrial development, and Longli-Xiaobi, Guiding-Changming, Weng’an-Fuquan, Duyun-Dushan, Duyun-Pingtang, Libo-Sandu as secondary axes of industrial development), one belt (an industry belt comprising mainly Longli, Guiding, Fuquan, Weng’an, Duyun, and Sandu along the Express Thoroughfare), one circle (a South Economic Circle with

Duyun in the centre covering places like Pingtan, Dushan, Libo, etc.), two zones (an Economic Development Zone for Priority Industries in the “golden triangle” of Longli-Guiding-Fuquan-Weng’an-Duyun-Changming-Longli, and an Economic Development Zone for Priority Feature Tourism in Libo-Sandu), seven industry clusters (pharmaceuticals, new industries, modern logistics, feature agriculture, metallurgy, construction materials, tobacco, phosphorus coal, petrochemicals, and circulation economy). The development pattern of the Qiannan Prefecture, which is roughly divided into north and south regions, is hence formally decided. The Plan will also accelerate the formation of the Guiyang City Economic Circle. However, the conflict between industry and agriculture will become a key issue, and it is also not known how much will the Qiannan Prefecture benefit from the Express Thoroughfare. Hong Kong might participate in the agricultural product market and industry development of the region, by utilizing its own competitive advantage in area of branding, marketing, and environmental protection.

- 11 The Kunming (昆明) Municipal Government announced on April 9, 2008 its will to turn Kunming into China’s “capital of solar energy” in about three years’ time. Although Kunming used to be one of the most widespread and efficient solar energy and light heat using regions of China, its solar power industry is too small in scale, and lags behind other regions in photovoltaics. Not only will this situation not change in the near future, it is also likely that the great contemplation of “capital of solar energy” will not be realized. Hong Kong has prominent advantages in the development of solar energy industry. Together with the related service sectors, the production of manufacturing plants at the upstream and midstream researched and developed jointly by Shenzhen and Hong Kong have been supporting the downstream production of the solar energy and photovoltaics industries in the PRD region and even in whole China. Shenzhen and Hong Kong might be engaged in division of labour with the other industry centres in the Mainland. They should evade from the end-user segment of middle to low-end production, and focus on developing advanced technologies, integration systems and producer services.

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

Major Economic Indicators of Fujian

	2006	2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	Jan-Apr 2008
Nominal Gross Domestic Product (RMB 100 million)	7,614.6	9,160.1	574.7	-	-	-	2,640.0
Real Gross Domestic Product Growth (%)	14.8%	15.1%	13.9%	-	-	-	13.6%
Urban Per Capita Annual Disposable Income (RMB)	13,753.3	15,505.0	1,467.3	2,494.9	1,392.5	1,385.5	6,749.7
Rural Per Capita Cash Income (RMB)	4,834.8	5,467.0	566.5	-	-	-	2,145.8
Consumer Price Index(Same period of preceding year=100)	100.8	105.2	105.3	106.8	106.9	107.2	106.6
Retail Sales of Consumer Goods (RMB 100 million)	2,704.2	3,187.9	330.9	325.8	288.8	276.1	1,221.6
Year-on-year Growth (%)	15.3%	17.9%	21.3%	19.1%	20.3%	19.9%	20.2%
Value-Added of Industry above Designated Size (RMB 100 million)*	2,847.8	3,396.5	303.3	234.4	329.4	323.1	1,202.1
Year-on-year Growth (%)	24.3%	21.5%	19.6%	21.2%	21.9%	18.5%	20.0%
Ex-factory Price Index of Industrial Products (Same period of preceding year=100)	99.2	100.8	103.0	103.1	103.9	104.2	103.5
City, County and Above Investment in Fixed Assets (RMB 100 million)	2,730.1	3,863.0	217.5	-	-	-	1,108.4
Year-on-year Growth (%)	39.4%	39.7%	38.7%	-	-	-	25.7%
Investment Completed in Real Estate Development (RMB 100 million)	787.4	1,132.5	74.3	-	-	-	328.6
Year-on-year Growth (%)	45.7%	43.8%	42.8%	-	-	-	19.1%
Value of Exports (USD 100 million)**	417.2	499.4	46.4	35.0	43.9	50.9	176.2
Year-on-year Growth (%)	16.1%	21.0%	26.0%	4.9%	37.8%	28.3%	24.4%
Value of Imports (USD 100 million)**	231.7	245.2	23.4	20.2	26.1	25.9	95.6
Year-on-year Growth (%)	11.1%	14.6%	36.0%	44.8%	33.2%	29.1%	34.9%

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 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 2008	Feb 2008	Mar 2008	Apr 2008	Jan-Apr 2008
Nominal Gross Domestic Product (RMB 100 million)	4,670.5	5,469.0	-	-	-	-	(Jan-Mar)1,212.6
Real Gross Domestic Product Growth (%)	12.3%	13.0%	-	-	-	-	(Jan-Mar)11.6%
Urban Per Capita Annual Disposable Income (RMB)	9,551.1	11,222.0	-	-	-	-	(Jan-Mar)3,299.0
Rural Per Capita Cash Income (RMB)	3,459.5	4,098.0	-	-	-	-	(Jan-Mar)1,204.2
Consumer Price Index(Same period of preceding year=100)	101.2	104.8	106.8	108.9	108.8	108.4	108.2
Retail Sales of Consumer Goods (RMB 100 million)	1,428.0	1,683.1	177.7	158.8	149.9	144.9	631.3
Year-on-year Growth (%)	15.5%	17.9%	19.6%	19.8%	21.5%	22.2%	20.7%
Value-Added of Industry above Designated Size (RMB 100 million)*	1,288.1	1,761.7	-	-	-	182.5	640.9
Year-on-year Growth (%)	46.0%	24.6%	-	-	-	19.5%	20.1%
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	109.7	106.2	108.3	109.6	110.8	-	-
City, County and Above Investment in Fixed Assets (RMB 100 million)	2,377.4	2,950.4	-	-	-	-	733.8
Year-on-year Growth (%)	25.0%	24.2%	-	-	-	-	35.3%
Investment Completed in Real Estate Development (RMB 100 million)	346.0	431.7	-	-	-	-	123.8
Year-on-year Growth (%)	-	24.8%	-	-	-	-	27.5%
Value of Exports (USD 100 million)**	39.5	54.6	5.2	3.7	4.7	6.2	19.8
Year-on-year Growth (%)	48.9%	45.5%	59.6%	14.1%	45.9%	37.8%	39.3%
Value of Imports (USD 100 million)**	33.0	40.2	4.1	3.7	4.5	5.8	17.9
Year-on-year Growth (%)	43.1%	64.6%	56.7%	58.6%	56.9%	82.7%	63.4%

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>.

* 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 Hunan

	2006	2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	Jan-Apr 2008
Nominal Gross Domestic Product (RMB 100 million)	7,568.9	9,145.0	-	-	-	-	2,924.4
Real Gross Domestic Product Growth (%)	12.2%	14.4%	-	-	-	-	9.7%
Urban Per Capita Annual Disposable Income (RMB)	10,504.7	12,293.5	-	-	-	-	(Jan-Mar)3,934.5
Rural Per Capita Cash Income (RMB)	3,389.6	3,904.3	-	-	-	-	(Jan-Mar)1,385.8
Consumer Price Index(Same period of preceding year=100)	101.4	105.6	106.1	108.1	108.0	107.8	107.5
Retail Sales of Consumer Goods (RMB 100 million)	2,834.2	3,356.5	345.8	315.8	295.6	286.9	1,244.1
Year-on-year Growth (%)	15.3%	18.4%	18.5%	18.4%	21.6%	21.1%	19.8%
Value-Added of Industry above Designated Size (RMB 100 million)*	2,089.1	2,656.0	-	154.7	259.6	277.1	905.9
Year-on-year Growth (%)	28.2%	24.3%	-	3.4%	18.0%	18.7%	13.5%
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	104.3	106.1	108.0	109.0	111.0	111.5	-
City, County and Above Investment in Fixed Assets (RMB 100 million)	2,718.4	3,749.1	-	-	-	347.3	951.4
Year-on-year Growth (%)	23.3%	34.6%	-	-	-	32.8%	23.2%
Investment Completed in Real Estate Development (RMB 100 million)	556.1	761.2	-	-	-	-	217.7
Year-on-year Growth (%)	21.7%	36.9%	-	-	-	-	32.7%
Value of Exports (USD 100 million)**	51.8	65.2	6.5	4.6	6.1	7.1	24.1
Year-on-year Growth (%)	34.3%	28.0%	40.6%	6.5%	31.9%	13.3%	22.6%
Value of Imports (USD 100 million)**	28.0	31.7	3.3	3.4	4.0	4.0	14.7
Year-on-year Growth (%)	-9.8%	40.2%	44.5%	66.2%	28.6%	45.4%	44.3%

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

* 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 Guangxi

	2006	2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	Jan-Apr 2008
Nominal Gross Domestic Product (RMB 100 million)	4,828.5	5,885.9	-	-	-	-	(Jan-Mar)1,414.0
Real Gross Domestic Product Growth (%)	13.6%	14.9%	-	-	-	-	(Jan-Mar)11.3%
Urban Per Capita Annual Disposable Income (RMB)	9,898.8	12,200.0	-	-	-	-	(Jan-Mar)4,021.5
Rural Per Capita Cash Income (RMB)	2,770.5	3,224.0	-	-	-	-	(Jan-Mar)1,121.4
Consumer Price Index(Same period of preceding year=100)	101.3	106.1	109.4	112.2	110.7	111.2	110.9
Retail Sales of Consumer Goods (RMB 100 million)	1,600.8	1,897.9	191.1	178.7	180.9	180.9	731.6
Year-on-year Growth (%)	14.6%	18.6%	20.7%	17.1%	23.1%	22.4%	20.8%
Value-Added of Industry above Designated Size (RMB 100 million)*	1,074.8	1,430.9	-	122.2	-	150.6	578.7
Year-on-year Growth (%)	35.3%	26.5%	-	17.1%	25.1%	30.9%	23.2%
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	109.6	104.5	111.5	111.8	112.6	112.5	112.1
City, County and Above Investment in Fixed Assets (RMB 100 million)	1,947.3	2,627.5	-	-	-	-	708.8
Year-on-year Growth (%)	31.5%	31.7%	-	-	-	-	35.2%
Investment Completed in Real Estate Development (RMB 100 million)	370.0	536.7	-	-	-	-	154.6
Year-on-year Growth (%)	29.0%	45.1%	-	-	-	-	40.7%
Value of Exports (USD 100 million)**	38.3	51.1	6.3	3.8	6.3	6.4	22.9
Year-on-year Growth (%)	33.4%	42.3%	112.6%	43.9%	100.2%	58.8%	78.3%
Value of Imports (USD 100 million)**	37.8	41.7	5.0	3.7	4.6	5.4	18.7
Year-on-year Growth (%)	30.7%	35.4%	71.1%	70.9%	54.2%	57.4%	62.5%

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 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 Hainan

	2006	2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	Jan-Apr 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	-	-	-	-	(Jan-Mar)3,697.1
Rural Per Capita Cash Income (RMB)	3,255.5	3,791.0	-	-	-	-	(Jan-Mar)1,290.2
Consumer Price Index(Same period of preceding year=100)	101.5	105.0	107.5	111.0	109.4	109.9	109.5
Retail Sales of Consumer Goods (RMB 100 million)	308.3	362.0	35.6	37.3	34.1	36.1	143.1
Year-on-year Growth (%)	14.8%	17.4%	25.8%	22.9%	21.9%	24.2%	23.7%
Value-Added of Industry above Designated Size (RMB 100 million)*	190.3	256.4	-	-	-	-	-
Year-on-year Growth (%)	24.8%	33.8%	-	-	-	7.6%	7.3%
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	100.8	102.7	104.1	105.3	106.2	106.2	-
City, County and Above Investment in Fixed Assets (RMB 100 million)	396.7	472.2	-	-	-	-	139.1
Year-on-year Growth (%)	16.9%	18.9%	-	-	-	-	32.2%
Investment Completed in Real Estate Development (RMB 100 million)	89.3	127.0	-	-	-	-	44.9
Year-on-year Growth (%)	26.0%	42.2%	-	-	-	-	66.6%
Value of Exports (USD 100 million)**	11.0	18.4	1.3	0.9	1.2	1.2	4.6
Year-on-year Growth (%)	29.1%	26.3%	25.3%	-11.5%	25.0%	10.9%	12.3%
Value of Imports (USD 100 million)**	22.9	55.2	1.8	1.2	2.3	3.0	8.4
Year-on-year Growth (%)	80.8%	120.0%	3.4%	-7.6%	62.4%	26.4%	21.3%

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/>, and Hainan Provincial Bureau of Statistics : <http://www.statistic.hainan.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 Sichuan

	2006	2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	Jan-Apr 2008
Nominal Gross Domestic Product (RMB 100 million)	8,637.8	10,505.3	-	-	-	-	(Jan-Mar)2,555.5
Real Gross Domestic Product Growth (%)	13.3%	14.2%	-	-	-	-	(Jan-Mar)14.5%
Urban Per Capita Annual Disposable Income (RMB)	9,350.1	11,098.0	-	-	-	-	(Jan-Mar)3,631.2
Rural Per Capita Cash Income (RMB)	3,002.4	3,546.7	-	-	-	-	(Jan-Mar)1,237.0
Consumer Price Index(Same period of preceding year=100)	102.3	105.9	107.2	108.1	107.9	107.6	107.7
Retail Sales of Consumer Goods (RMB 100 million)	3,421.6	4,015.6	376.3	376.6	351.3	363.3	1,467.5
Year-on-year Growth (%)	14.8%	17.4%	19.5%	20.2%	21.5%	21.8%	20.7%
Value-Added of Industry above Designated Size (RMB 100 million)*	2,786.6	3,580.7	-	299.3	416.2	373.7	1,394.2
Year-on-year Growth (%)	29.0%	25.4%	-	26.6%	28.8%	24.6%	25.1%
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	101.9	103.9	107.4	108.1	109.2	110.8	108.8
City, County and Above Investment in Fixed Assets (RMB 100 million)	3,927.6	5,045.8	-	-	-	-	1,645.4
Year-on-year Growth (%)	31.3%	28.5%	-	-	-	-	36.1%
Investment Completed in Real Estate Development (RMB 100 million)	914.5	1,331.5	-	-	-	-	417.1
Year-on-year Growth (%)	-	45.6%	-	-	-	-	40.7%
Value of Exports (USD 100 million)**	56.8	86.1	8.3	5.7	8.4	11.6	34.0
Year-on-year Growth (%)	38.7%	30.0%	49.7%	9.8%	73.5%	71.0%	52.7%
Value of Imports (USD 100 million)**	50.0	57.8	6.4	5.7	6.2	9.0	27.3
Year-on-year Growth (%)	39.5%	31.4%	70.1%	117.8%	70.1%	100.0%	89.1%

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 .

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

Major Economic Indicators of Guizhou

	2006	2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	Jan-Apr 2008
Nominal Gross Domestic Product (RMB 100 million)	2,282.0	2,710.3	-	-	-	-	(Jan-Mar)499.2
Real Gross Domestic Product Growth (%)	11.6%	13.7%	-	-	-	-	(Jan-Mar)-2.0%
Urban Per Capita Annual Disposable Income (RMB)	9,116.6	10,678.4	-	-	-	-	(Jan-Mar)3,154.6
Rural Per Capita Cash Income (RMB)	1,984.6	2,374.9	-	-	-	-	(Jan-Mar)643.1
Consumer Price Index(Same period of preceding year=100)	101.7	106.4	110.9	111.9	111.8	111.4	111.5
Retail Sales of Consumer Goods (RMB 100 million)	689.8	821.8	82.5	75.6	74.9	73.8	306.8
Year-on-year Growth (%)	13.7%	19.1%	23.3%	18.2%	20.8%	27.1%	22.3%
Value-Added of Industry above Designated Size (RMB 100 million)*	747.4	843.7	-	-	82.0	89.6	281.0
Year-on-year Growth (%)	27.6%	16.8%	-	-	20.4%	18.0%	3.8%
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	104.3	105.0	109.6	111.3	114.3	115.2	-
City, County and Above Investment in Fixed Assets (RMB 100 million)	1,048.7	1,286.1	-	-	-	-	292.1
Year-on-year Growth (%)	16.6%	22.1%	-	-	-	-	5.5%
Investment Completed in Real Estate Development (RMB 100 million)	186.8	248.5	-	-	-	-	66.6
Year-on-year Growth (%)	-	33.0%	-	-	-	-	23.2%
Value of Exports (USD 100 million)**	13.5	14.7	1.5	0.9	1.1	1.4	4.8
Year-on-year Growth (%)	19.0%	41.1%	69.0%	16.4%	24.6%	25.8%	33.8%
Value of Imports (USD 100 million)**	8.6	8.1	1.1	0.9	1.5	1.3	4.8
Year-on-year Growth (%)	-4.7%	39.3%	80.0%	75.0%	187.3%	120.9%	115.8%

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/>, 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 .

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Major Economic Indicators of Yunnan

	2006	2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	Jan-Apr 2008
Nominal Gross Domestic Product (RMB 100 million)	4,006.7	4,721.8	-	-	-	-	(Jan-Mar)1,056.5
Real Gross Domestic Product Growth (%)	11.9%	12.3%	-	-	-	-	(Jan-Mar)9.6%
Urban Per Capita Annual Disposable Income (RMB)	10,069.9	11,496.0	-	-	-	-	(Jan-Mar)3,421.0
Rural Per Capita Cash Income (RMB)	2,250.5	2,600.0	-	-	-	-	(Jan-Mar)822.2
Consumer Price Index(Same period of preceding year=100)	101.9	105.9	107.3	108.3	109.9	109.8	108.9
Retail Sales of Consumer Goods (RMB 100 million)	1,188.9	1,394.5	124.9	119.2	118.1	119.2	481.4
Year-on-year Growth (%)	14.9%	17.3%	19.0%	19.3%	20.9%	22.7%	20.4%
Value-Added of Industry above Designated Size (RMB 100 million)*	1,271.5	1,700.0	-	-	-	-	569.7
Year-on-year Growth (%)	27.3%	17.0%	-	-	-	-	11.2%
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	104.6	105.7	107.1	108.5	109.9	109.3	108.7
City, County and Above Investment in Fixed Assets (RMB 100 million)	1,924.1	2,798.9	-	-	-	-	579.5
Year-on-year Growth (%)	20.8%	26.1%	-	-	-	-	12.7%
Investment Completed in Real Estate Development (RMB 100 million)	332.2	422.9	-	-	-	-	138.7
Year-on-year Growth (%)	-	27.3%	-	-	-	-	67.8%
Value of Exports (USD 100 million)**	30.6	47.4	4.1	3.3	4.3	4.5	16.0
Year-on-year Growth (%)	28.3%	39.6%	71.0%	18.6%	17.8%	2.7%	21.5%
Value of Imports (USD 100 million)**	33.2	40.4	5.2	4.1	5.4	4.0	18.6
Year-on-year Growth (%)	27.1%	42.7%	88.6%	38.3%	47.5%	15.3%	45.2%

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 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

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Major Economic Indicators of Guangdong

	2006	2007	Jan 2008	Feb 2008	Mar 2008	Apr 2008	Jan-Apr 2008
Nominal Gross Domestic Product (RMB 100 million)	26,204.5	30,673.7	-	-	-	-	(Jan-Mar)7,194.4
Real Gross Domestic Product Growth (%)	14.6%	14.5%	-	-	-	-	(Jan-Mar)10.5%
Urban Per Capita Annual Disposable Income (RMB)	16,015.6	17,699.3	-	-	-	-	(Jan-Mar)5,745.4
Rural Per Capita Cash Income (RMB)	5,079.8	5,624.0	-	-	-	-	(Jan-Mar)1,945.0
Consumer Price Index(Same period of preceding year=100)	101.8	103.7	106.6	108.7	107.6	108.1	107.7
Retail Sales of Consumer Goods (RMB 100 million)	9,118.1	10,598.1	1,042.7	1,040.2	985.6	982.6	4,051.0
Year-on-year Growth (%)	15.7%	16.2%	19.1%	18.2%	16.5%	19.4%	18.3%
Value-Added of Industry above Designated Size (RMB 100 million)*	11,780.9	13,079.2	-	921.1	1,171.4	1,214.4	4,447.3
Year-on-year Growth (%)	25.1%	18.3%	-	12.1%	13.5%	13.0%	13.7%
Ex-factory Price Index of Industrial Products(Same period of preceding year=100)	101.4	101.3	102.8	103.2	104.2	104.1	103.6
City, County and Above Investment in Fixed Assets (RMB 100 million)	6,553.7	7,522.7	-	-	-	-	1,279.8
Year-on-year Growth (%)	11.3%	13.7%	-	-	-	-	15.1%
Investment Completed in Real Estate Development (RMB 100 million)	1,843.5	2,510.1	-	250.2	190.9	164.4	759.5
Year-on-year Growth (%)	-	36.2%	-	42.4%	-3.3%	12.4%	29.8%
Value of Exports (USD 100 million)**	3,054.6	3,692.5	316.5	233.5	317.6	329.0	1,196.3
Year-on-year Growth (%)	26.8%	22.2%	26.3%	4.1%	16.6%	13.2%	15.1%
Value of Imports (USD 100 million)**	2,363.7	2,648.0	215.0	187.4	229.5	245.8	877.5
Year-on-year Growth (%)	19.3%	17.5%	8.0%	16.0%	12.8%	15.1%	12.6%

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/>, and Statistical Information of Guangdong, <http://www.gdstats.gov.cn/>.

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附錄二：中英詞彙對照

Comprehensive National Base for High Technology industries	綜合性國家高技術產業基地
<i>Coordinated Development Plan for the City Agglomeration at the West Coast of the Taiwan Strait</i>	《海峽西岸城市群協調發展規劃》
<i>Economic Development and Industry Layout Plan for the “Guiyang-Guangzhou Express Thoroughfare” of Qiannan Prefecture</i>	《黔南州“貴廣快速通道”經濟發展及產業佈局規劃》
Economic Highland in the Western region of China	西部經濟高地
Free Trade Zone	自由貿易區
<i>Guiding Opinions on Providing Better Financial Services for the Development of the “Two Forerunning Zones</i>	《關於金融更好地服務“兩個先行區”建設的指導意見》
Hub Economy	樞紐經濟
Nanning-Hong Kong Economic Corridor	南寧－香港經濟走廊
One Hub (Chengdu), Three Centres (logistics, commercial, and financial), Four Bases (resources, manufacturing, science and technology, and agricultural products)	一樞紐(成都)、三中心(物流、商貿、金融)、四基地(資源、製造、科技、農產品)
Poyang Lake Ecological and Economic Zone	環鄱陽湖生態經濟區