

chengduspecial

Chengdu growing at breakneck speed



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The Chengdu high-tech zone is home to operations of the world's renowned tech companies including Intel, Dell, Lenovo, IBM and Nokia.



Known for its good living environment, Chengdu is also one of the fastest-growing cities in China.

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At the heart of Sichuan Basin, an area long known as a "land of plenty", Chengdu is considered by many Chinese to be one of the most livable cities.

Today, the provincial capital of Sichuan is becoming a land of opportunity for domestic and foreign businesses.

With the number of its permanent residents surpassing 15 million, the city is the fourth largest in the country.

It is a hub in China's western regions for commerce, finance, transportation, communications, advanced technology, manufacturing, modern agriculture and logistics.

In a report released by the China National Information Center in 2010, Chengdu was called an "engine" for the nation's program to develop western regions, and it was billed as a "landmark city"

for investing in inland China.

The report was based on research led by renowned Chinese economist Li Yining and Nobel laureate Robert Mundell.

Fast-growing city

Chengdu is among the fastest-growing cities in China.

In October 2010, Forbes magazine released a list of the world's fastest-growing cities, and Chengdu was one of four Chinese cities on the list.

Last year, it reported a GDP of 685.46 billion yuan, increasing 15.2 percent from the previous year and 6 percentage points higher than the national average rate.

Its foreign trade grew even faster.

The city's total export and import volume stood at \$37.91 billion in 2011, growing 53.9 percent from a year ago. Its exports increased 65.5 percent to nearly \$23 billion, and imports rose 39 percent to almost \$15 billion.

Its improving economic

strength makes it possible for the city to substantially increase its budget for improving infrastructure.

The city's fixed-asset investment amounted to 500.6 billion yuan last year, up 19.2 percent from a year ago.

The investments were mostly used to build and upgrade industrial, agricultural and urban facilities, creating a better environment for both businesses and residents.

And Chengdu is one of the country's pioneers in implementing an urban-rural integration program, which has benefited city residents and farmers alike.

The incomes of urban and rural residents reached 23,932 yuan and 9,895 yuan, respectively, in 2011, growing 14.9 percent and 20.6 percent from the previous year.

Magnet for investors

With a constantly improving business environment, the city also received a record amount of investment from foreign businesses last year.

According to the statistics of the local government, actual overseas investment in Chengdu totaled \$6.55 billion in 2011, increasing 34.9 percent from a year ago.

The new investors included 11 Fortune 500 companies, the largest number in recent years. The US-based Flextronics, AXA from France and KfW from Germany are among these newcomers.

A lot of global giants with operations in Chengdu, such as US IT company Dell and French insurance company Groupama, also increased their investments last year.



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An artist rendering of the 1,578 Tianfu New Area, the planned modern manufacturing and service hub for Chengdu and its neighboring cities.

As of March 2012, a total of 212 Fortune 500 companies had set up operations in Chengdu, with their businesses covering a variety of sectors, including electronics, IT, automobiles, alternative energies, new materials, finance and commerce.

The city is becoming another global manufacturing hub for IT products. It is credited with producing half of the world's laptop computer chips and more than half of Apple's iPads.

Intel's Chengdu plant produced more than 1 billion computer chips in six years, a performance praised by the group's vice-president Robin Martin as "unprecedented" among all the Intel production facilities worldwide.

Chengdu now takes the lead in China's western regions in terms of number of overseas investors and amount of foreign investment.

To create a better environment for investment, the city's authorities are making greater

efforts to improve infrastructure and services.

The latest move is the construction of the Tianfu New Area.

This 1,578 square kilometer development zone, spanning from Chengdu to its neighboring cities, was founded in May 2011.

Designed as a modern manufacturing and services hub, the new area is expected to become an engine for Chengdu's growth and offer more business opportunities to foreign and domestic investors.



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