



The booming southern metropolis has been and will continue to be an attractive destination for investors from China and abroad.

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## Making a new starting point in its economic development

By LAO ZHAN

After undergoing years of reforms, Guangzhou has managed to make some headway in transforming its pattern of growth, and the service industry is accounting for an increasing share in the economy, according to the city's mayor Wan Qingliang.

This can be seen at least in two ways, according to Wan. It contributed more than 60 percent of the city's GDP in 2009 and, in 2010, it accounted for more than 50 percent of the total number of employees in all industrial sectors in Guangzhou.

"These figures indicate a new starting point for Guangzhou in its economic development," Wan said.

The modern services sector, along with other strategic growth areas like advanced manufacturing, has been given priority in

development planning and resources deployment.

More than 80 percent of the city's fixed-asset investment went to the service sector in 2010, city statistics show.

The service industry achievements include the booming convention and exhibition business, finance, logistics, and creativity business, Wan said.

Its major events have included the Canton Fair, Guangzhou Expo, Auto Guangzhou, and a large number of trade shows for various industries. These have brought the city the "China's most dynamic city for conventions and exhibitions" title, for three consecutive years. And it took first place as "Forbes best business city on the Chinese mainland", in 2010.

In finance, the amount of deposits it holds, amount of equity transactions, and total revenues of financial institutions put it in third place, nationally, in 2010.

In the area of logistics, Guangzhou International Airport handled more than 40 million passengers and 1.14 million tons of cargo in 2010, putting it on the world's top 15 list.

The Port of Guangzhou handled over 400 million tons of bulk cargo and 12 million containers last year.

And, as far as the creativity business is concerned, the city's cartoon output accounts for more than 30 percent of the domestic market, while, Guangzhou International Design Week has become a major international event.

The mayor mentioned the advanced manufacturing industry, saying that Guangzhou's competitiveness in car manufacturing, shipbuilding, and nuclear power equipment puts it among the top three among all cities in terms of research, development and production.

# Guangzhou steps outside to find funds for area growth

By ZHAN LISHENG

The city of Guangzhou wants to woo more heavy-weight investors for its manufacturing, research, and service sectors, so it had two big promotions recently in Beijing and Shanghai to describe the opportunities it has to offer.

And it is looking at similar events in the coming months for Xi'an, in Shaanxi province, and Hong Kong, Macao, as well as developed countries and regions.

The capital of Guangdong province got 723 billion yuan in investment for more than one hundred projects at the Beijing event held in March. About 80 percent of these are in modern services, advanced manufacturing, emerging industries or R&D.

The investors include large State-owned enterprises (SOEs), universities, research institutes, multinationals, and other private-sector businesses.

The Shanghai event, in April, got backing for 74 projects that needed 160.04 billion yuan in capital.

The Guangzhou Party chief, Zhang Guangning, has spoken highly of the role investors have already played in his city's development.

"The high-profile, large cooperation with the investors is one of the important reasons behind Guangzhou's rapid economic growth and the city's completely new facelift," Zhang pointed out proudly.

Zhang said that the investments from large SOEs amounted to more than 300 billion yuan in the 11<sup>th</sup> Five-Year Plan (2006-2010), while committed foreign investment

for the period was above \$18 billion.

Wan Qingliang, mayor of Guangzhou, had this to add, "The new investment from the Beijing and Shanghai events will help Guangzhou perfect its industrial structure."

"Cooperating with these partners will give Guangzhou future investment potential, and will bring in professionals, technological resources, and international business expertise to help improve its development pattern."

The mayor explained that Guangzhou will have a 20-billion-yuan budget to support "strategic growth industries" — meaning modern services, advanced manufacturing and emerging industries — during the 12th Five-Year Plan (2011-2015).

Modern services generally include exhibitions and conventions, logistics, creativity projects, finance, and tourism. Advanced manufacturing covers the IT, biotechnology and new materials sectors. And

emerging industries refer to new-energy automobiles, alternative energies, environmental protection, and marine engineering.

The city of Guangzhou is also asking investors to get involved in the new China-Singapore Knowledge City, the Nansha New District, Tianhe Intelligence Town, and Guangzhou Healthcare Industry Town. All of these are considered key facilities for developing strategic industries.



The local government has made an extended effort to improve its environment to make the city a better place to live.



New facilities like Guangzhou Southern Railway Station are strengthening the city's links to the rest of the nation and the world.

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