



Pearl River Delta

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Actual situation of PRD economy

Guangdong GDP was 4.5473 trillion yuan in 2010, ranking first in China for the 22 consecutive years. It accounted for 11.4% of the country's total GDP. Guangdong GDP was higher than the GDP of Hong Kong and Taiwan, and it was close to that of South Korea.

Table 1 GDP of main PRD cities in 2010

REGION/CITY	GDP (100 million yuan)
Pearl River Delta	37673.26
Guangzhou	10748.28
Shenzhen	9581.51
Zhuhai	1208.60
Foshan	5651.52
Huizhou	1729.95
Dongguan	4246.45
Zhongshan	1850.65
Jiangmen	1570.42
Zhaoqing	1085.87



The annual GDP growth of Guangdong was 12.2%. International trade, FDI, and domestic consumption are the main boosters for the GDP growth. Each PRD city has a 25% to 30% growth of imports and exports. The FDI, which was originally motivated by labour cost advantages, is now oriented towards higher added value in production and services and is increasingly driven by the domestic market which represents a growing proportion of foreign companies' revenues.

Guangdong and Hong Kong have a very close cooperation in trade and investment. The total imports and exports between Guangdong and Hong Kong was USD 158.759 billion in 2010, accounting for more than half of the total imports and exports between the Mainland and Hong Kong. The total FDI actually used in Guangdong from Hong Kong was USD 12.91738 billion in 2010.

The total imports and exports between Guangdong and Switzerland was USD 2.644 billion in 2010, with a 20% increase year-on-year. The main exports to Switzerland are pearl, gemstone, semi-precious stone, garment, automatic data processing equipment and parts, shoes, automobile (include parts), etc. The main imports from Switzerland are pharmaceuticals, diamond, detection and automatic control device for quantitative research, machine tools, synthetic organic dyes, etc. The total FDI actually used in Guangdong from Switzerland was USD 28.39 million in 2010.

Table 2 Total Value of Imports and Exports with Main Countries and Regions in 2010

COUNTRY(REGION)	TOTAL (USD 100 million)	EXPORTS (USD 100 million)	IMPORTS (USD 100 million)
Total	7848.96	4531.91	3317.05
Asia	5114.73	2504.24	2610.49
Hong Kong, China	1587.59	1527.86	59.74
Macao, China	16.21	15.11	1.10
Taiwan, China	496.15	57.72	438.43
Japan	682.31	216.39	465.92
Republic of Korea	409.22	99.34	309.88
Philippines	88.99	30.07	58.91
Thailand	170.71	51.18	119.52
Malaysia	209.65	53.10	156.55
Singapore	173.79	84.66	89.14
Indonesia	94.17	45.00	49.17



India	96.21	78.46	17.75
Saudi Arabia	41.21	26.33	14.89
United Arab Emirates	55.71	50.85	4.86
ASEAN	806.27	313.30	492.97
Africa	182.10	120.58	61.52
Egypt	14.00	12.54	1.46
South Africa	70.42	26.91	43.50
Europe	1041.93	741.72	300.21
Belgium	47.12	32.26	14.86
Denmark	16.60	10.87	5.73
U.K.	126.37	108.66	17.70
Germany	229.04	138.58	90.46
France	102.10	65.70	36.40
Italy	75.65	54.62	21.03
Netherlands	112.19	99.78	12.41
Spain	68.00	39.97	28.03
Austria	9.53	4.75	4.78
Finland	15.69	9.22	6.47
Switzerland	26.44	7.22	19.22
Poland	22.79	21.88	0.90
Russia	60.75	45.58	15.17
EU	929.52	667.32	262.20
Latin America	298.75	203.46	95.29
Argentina	22.70	13.69	9.00
Brazil	71.89	54.24	17.65
Chile	39.31	15.76	23.54
Mexico	54.74	41.29	13.45
North America	1064.57	894.62	169.96
Canada	81.03	56.06	24.97
U.S.	983.50	838.53	144.97
Oceania and others	146.88	67.29	79.59
Australia	120.37	59.89	60.48
New Zealand	11.27	6.05	5.22

Table 3 Foreign Capital Actually Utilized in 2010

COUNTRY(REGION)	Foreign Capital Actually Utilized (USD 10,000)
Total	2026098
Asia	1486738



Hong Kong, China	1291738
Macao, China	30189
Taiwan, China	24543
Japan	51044
Philippines	91
Thailand	998
Malaysia	5133
Singapore	46482
Indonesia	877
Republic of Korea	20658
Unit Arab Emirates	5370
Brunei	8825
India	69
Africa	16967
Seychelles	1772
Mauritius	14738
Europe	78703
Germany	3657
France	52008
Italy	1736
Netherlands	9646
Belgium	60
U.K.	1859
Ireland	2010
Denmark	201
Finland	18
Sweden	500
Norway	30
Switzerland	2839
Austria	1000
Spain	2089
Latin America	303059
Panama	1953
Virgin Islands	270979
Cayman Islands	24644
Belize	263
Bahamas	1649
North America	40816
Canada	2087
U.S.	25388
Bermuda	13341
Oceania	53171
Australia	2869
Samoa	49714
East Samoa	
Marshall Islands	183
Overseas Organizations	10118
Others	36526



The infrastructure and transportation of the major PRD cities have been improved due to the 2010 Asian Games in Guangzhou and the 2011 Universiade in Shenzhen. Guangzhou received the International Sustainable Transport Award in 2011, the first city ever in China, after New York, Paris and London.

Development Outlook

For the past years, Guangdong enjoyed a rocketed GDP growth. However, in the 12th Five-year Plan (2011-2015), the provincial government lowered down the targeted GDP growth rate to 8% and proposed a 'Happy Guangdong' concept. It showed that the change of the development goal, instead of merely pursuing high economic growth, it will also boost domestic demand, innovation, workforce development, regional coordination, green development and "harmonious sharing".

Guangdong will focus on upgrading and transforming its industries, and will increase the proportion of the tertiary industries from the 44.6% of the provincial economy to 48% in five years. By then, a basic structure of modern industries will be established.

Guangdong will also strengthen the cooperation with Hong Kong and Macau under the CEPA, and the Guangdong–Hong Kong and Guangdong–Macau Cooperation Framework Agreements. Shenzhen district, Zhuhai Hengqin district, Guangzhou Nansha district and Shenzhen–Hong Kong Loop will be the important platforms for Guangdong-Hong Kong-Macau cooperation. The construction of cross-border infrastructure, such as Hong Kong-Zhuhai-Macau Bridge, Liantang/Xiangyuanwei Border, power and natural gas network, will be accelerated.

The GDP of Guangdong marine economy was 800 billion yuan in 2010, the highest in China for 16 consecutive years, and it was about 1/5 of the GDP of China marine economy. The State Council approved the development plan of the marine economy pilot zone of Guangdong in August 2011, making Guangdong one of the three national pilot provinces for the development of China's marine economy, together with Zhejiang and Shandong. Guangdong will also promote the establishment of three marine economic cooperation circles, i.e. Guangdong-Hong Kong-Macau, Guangdong-Fujian, and Guangdong-Guangxi-Hainan. By 2015, the GDP of marine economy will double and reach 1.5 trillion yuan.



According to the 12th Five-year Plan, the Guangdong government investment plan targets four major areas: 1) infrastructure (RMB 1.52 trillion); 2) modern industry (RMB 536 billion); 3) urban and rural residential communities (RMB 124 billion); 4) greenery projects (RMB 123 billion).

Source:

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