



# Guangzhou Global City Development Report



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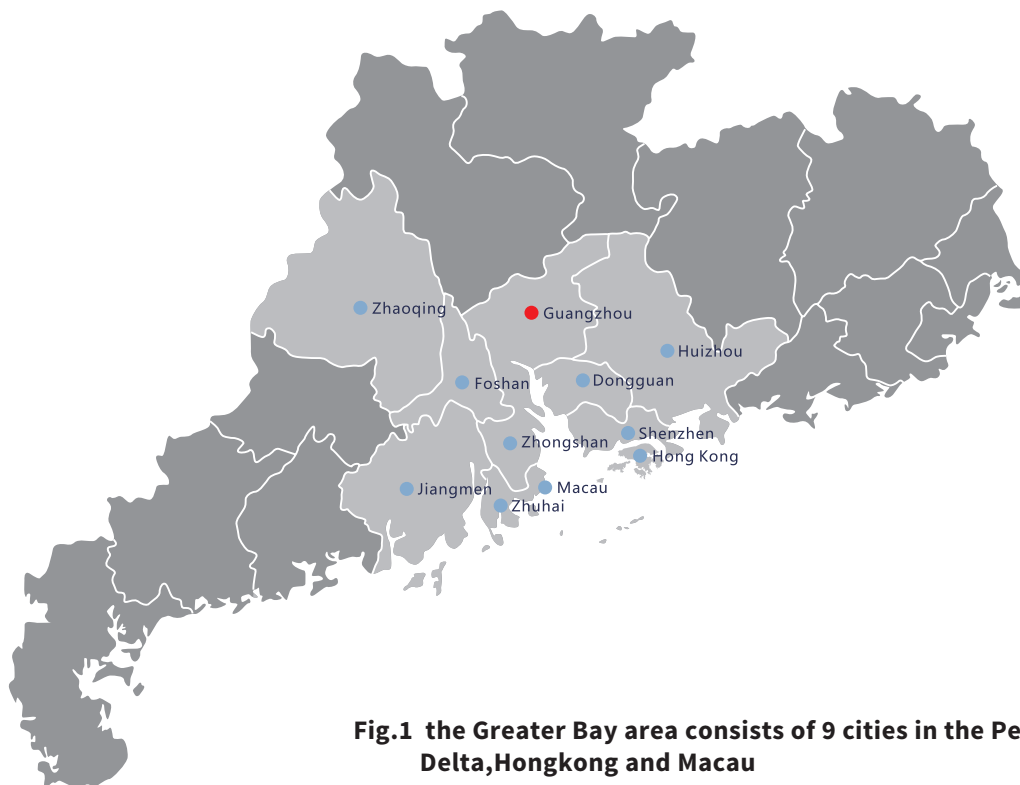
# 1 Guangzhou: A Core City in the Guangdong-Hong Kong-Macao Greater Bay Area

## 1.1 Overview of the Guangdong-Hong Kong-Macao Greater Bay Area

With a total area of 56,000 square kilometers, the Guangdong-Hong Kong-Macao Greater Bay Area (hereinafter GBA) consists of the Hong Kong SAR, Macao SAR, and nine cities in Guangdong province (namely Guangzhou, Shenzhen, Zhuhai, Foshan, Huizhou, Dongguan, Zhongshan, Jiangmen and Zhaoqing, which are also considered as the nine Pearl River Delta (PRD) municipalities). By the end of 2017, the region's population had reached around 70 million, and its regional GDP had exceeded

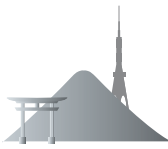



US\$150 billion, which accounted for about 12.17% of the national GDP. It is also the first bay area in the world built under the conditions of one country, two systems, three customs territories and three currencies.

Among the other bay areas including the New York Bay, San Francisco Bay and Tokyo Bay, GBA ranks the first in population, land area, port and airport throughput.



**Fig.1 the Greater Bay area consists of 9 cities in the Pearl River Delta, Hongkong and Macau**

**Tab.1 Main Indicators of International Bay Areas**

Bay Area	GDP (trillion US dollars)	Area (thousand km <sup>2</sup> )	Port container throughput (million TEU)	Airport passenger throughput (million person times)	The proportion of the tertiary industry (%)
 Tokyo Bay	1.86	36.8	7.73	117	82.3
 New York Bay	1.68	21.5	6.25	130	89.4
 GBA	1.60	56.5	65.20	186	77.6
 San Francisco Bay	0.78	17.9	23.7	76	82.8

On February 18, 2019, Chinese central government released the *Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area* (hereinafter "Outline"). As the master plan of GBA, the outline development plan states the strategic position of GBA as a vibrant world-class city cluster, a globally influential international innovation and technology hub, an important support pillar for the Belt and Road Initiative, a showcase for in-depth cooperation between the Mainland, Hong Kong and Macao,

and a quality circle for living, working and travelling. By 2022, the framework of world-class bay area and world-class urban agglomeration will be preliminarily formed. By 2035, a world-class bay area suitable for living, working and traveling will be fully built.

On the spatial arrangement, GBA will build on the four core cities of Hong Kong, Macao, Guangzhou and Shenzhen as core engines for regional development and give full play to the leading role of Hong Kong-Shenzhen,

Guangzhou-Foshan and Macau-Zhuhai alliances, deepen cooperation between Hong Kong, Shenzhen, Macao and Zhuhai, and accelerate the building of Guangzhou-Foshan integration. GBA will also promote development in the west bank of the Pearl River, to enhance

its overall strength, global influence, and deep participation in international cooperation.

### Central Government Launched Eight Policy Initiatives of GBA :

- 1.Staying in the mainland for less than 24 hours will not be counted as part of the 183-day threshold for paying individual income tax in the mainland.
- 2.High-skilled talents and urgently needed professionals from Hong Kong, Macao and overseas will benefit from tax concessions.
- 3.Residents of Hong Kong and Macao will be permitted to apply for jobs at public institutions in the Bay Area.
- 4.Encourage young people from Hong Kong and Macao to participate in innovation and entrepreneurship programs in the nine cities.
- 5.Support will be provided to enable higher education establishments and scientific research institutes in Hong Kong and Macao to participate in Guangdong's scientific and technological programs.
- 6.Border clearance procedures will be simplified within the Bay Area.
- 7.The entry and exit of vehicles from Hong Kong and Macao to the mainland will be better facilitated.
- 8.The scope of rapid customs clearance for goods across the three customs territories within the Greater Bay Area will be expanded.



## 1.2 Guangzhou in the Guangdong-Hong Kong-Macao Greater Bay Area

Known as Canton, Guangzhou is located in the core of the Guangdong-Hong Kong-Macao Greater Bay Area, and covers a total area of 7,434 square kilometers with 11 districts and a population over 14 million. The Outline enables Guangzhou to give full play to the leading role of national center city and comprehensive gateway city and focus on the construction of an international metropolis.

In 2018, Guangzhou's GDP reached US\$ 345.5 billion, up 6.2% year-on-year. Guangzhou could be considered the 38th economy in the world according to the World Bank's 2017 GDP ranking. From the perspective of economic structure, the proportion of three industries was 0.98:27.27:71.75 in 2018, and the proportion of tertiary industry was 0.73% higher than that of 2017. The added value of the modern service industry accounted for 66.5% of the total value of the service industry, up 0.4 % year on year, making it the leading force of the urban economy. From the perspective of major industries, emerging industries accelerated in Guangzhou, such as new-generation information technology, artificial intelligence, biomedicine, new energy and new materials industries, etc. In 2018, the added value of emerging industries grew by 7%, with intelligent equipment and robots up 10.4%, new-generation information technology up 9.1% and rail transit up 9 %.

*Agreement on Deepening Guangdong-Hong Kong-Macao Cooperation and Promoting Greater Bay Area Construction* in 2017, Guangzhou has been actively playing the role of the core growth pole of the GBA. Guangzhou has improved the ability to gather and allocate high-end resources and built a global city. Major cooperation platforms include the construction of Guangdong-Hong Kong industrial cooperation park and Guangdong-Macao cooperation Portuguese-speaking countries industrial park; promotion of the establishment of an innovative futures exchange in Guangzhou, a commercial bank in the GBA, and an international financial island; Guangzhou International Medicine Port and International Hospitals Group that have announced a strategic partnership to launch a medical mall in Guangzhou International Medical Port to provide more convenient "one-stop" medical services for the GBA. Nansha district of Guangzhou focuses on building a cluster of legal services in the GBA and "Belt And Road" area, and has set up five international high-end legal service institutions to create a globally competitive business environment, which are Guangdong-Hong Kong-Macao Greater Bay Area Arbitration Union, China Internet Arbitration Union, Bay Area Institute of Law and Business, Nansha Office of Belt And Road Service Mechanism and Nansha Mediation office of Belt And Road International Commercial Mediation Center.

Since the formal signing of *the Framework*



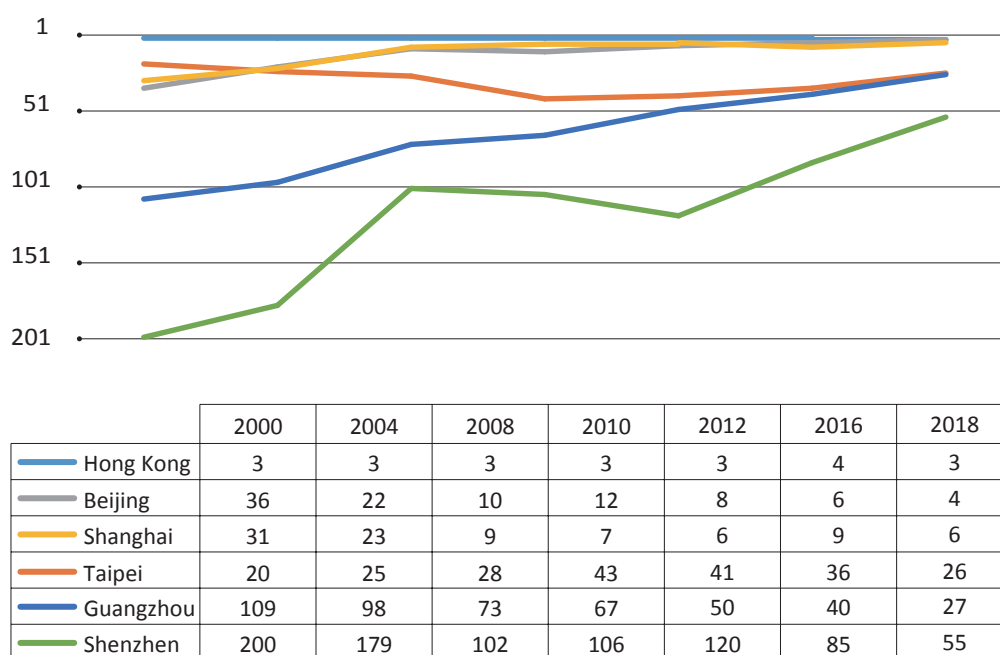
### 1.3 Guangzhou in Global City Rankings

According to the latest international authoritative city evaluation researches, Guangzhou continues to rise steadily in the ranks of "the world's first-tier cities" and its city internationalization has achieved a new level. Take the classification of world cities of Globalization and World Cities Research Network (GaWC) as an example. In "The World According to GaWC 2018", the latest GaWC world cities ranking released in November 2018, Guangzhou was identified as an "Alpha" World City in a roster of 374 candidates, ranking 27th among the 55 first tier world cities. This historic breakthrough into TOP 30 of the list made Guangzhou only behind Hong Kong, Beijing, Shanghai and Taipei among Chinese cities, and keep abreast stand in the same category with some capital cities like Moscow, Madrid, Seoul, Brussel and important center cities of developed countries like Milan, Chicago, Los Angeles, Zurich

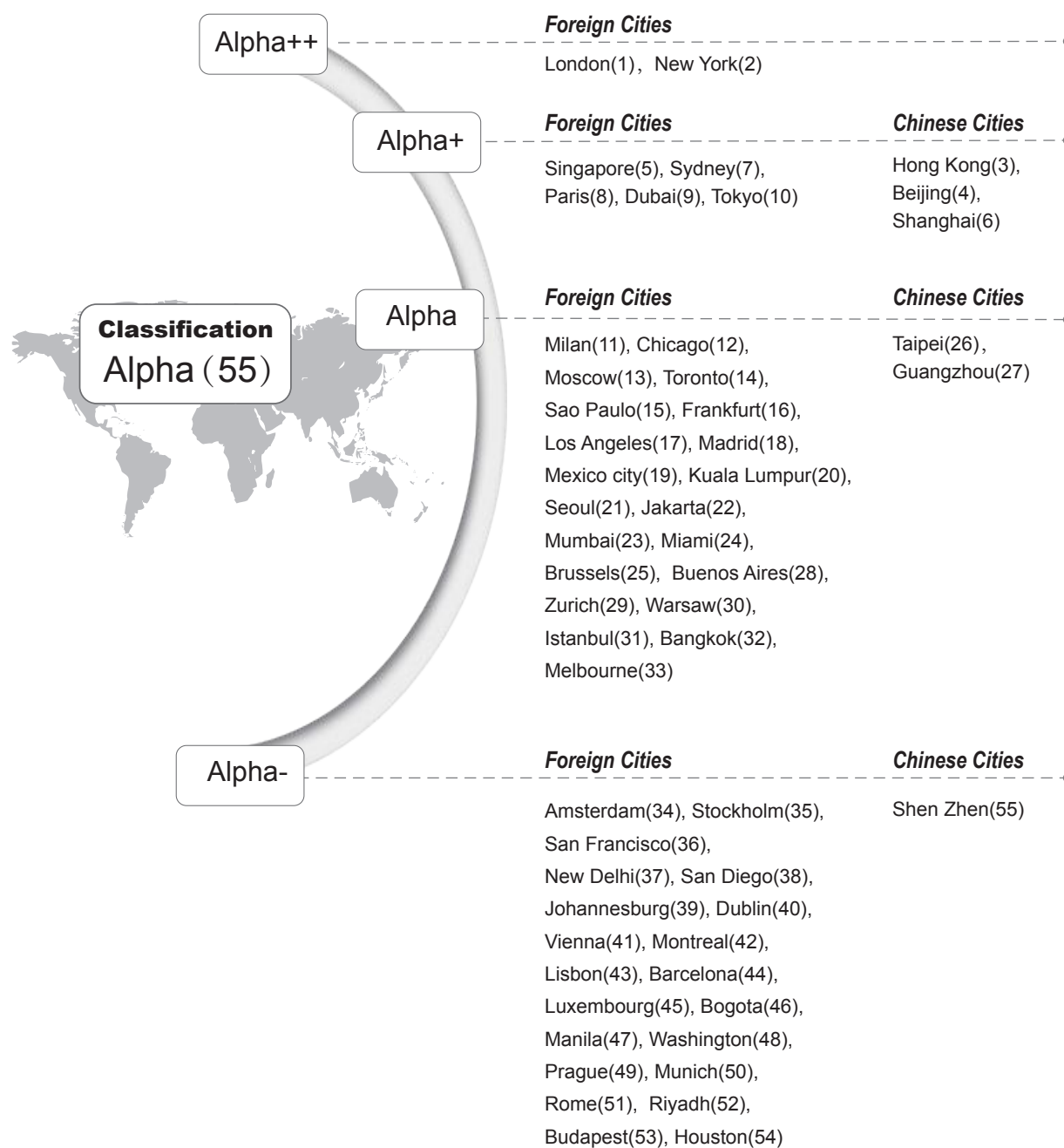
and Melbourne, etc. This clearly shows that Guangzhou has established its position as a global node city and regional hub that exerts influence on the global city network and plays a crucial role in connecting China with the world economy.

Since its first admission into Gamma- World Cities in 2000, Guangzhou has maintained a stable rising momentum. This made Guangzhou the only one among Chinese cities that has kept rising in terms of position in the list, obviously faster than its Chinese counterparts. Such rising momentum shows that the urban development strategy of Guangzhou for an internationalized metropolis is fruitful, and that the city's globalization process has kept accelerating and moved into a rapid development.

**Fig.2 Performance of Chinese Major Cities in TheWorld According To GaWC 2018**



**Fig .3 Alpha Cities in the World According to GaWC 2018**





## 2 Major International Events

Guangzhou is one of the major international exhibition and conferences destinations in China. In 2018, Guangzhou held a number of high-end international conferences and exhibitions, and strengthened its brand as "international conference capital".

### 2.1 Imperial Springs International Forum

Imperial Springs International Forum (ISIF) is an international conference co-sponsored by Chinese People's Association for Friendship with Foreign Countries (CPAFFC) and Australia China Friendship and Exchange Association (ACFEA). Founded in 2015 with the approval of the Chinese government and held annually in Conghua District, Guangzhou, ISIF is an important platform for people-to-people diplomacy and international exchanges in China. It aims to promote regional and global cooperation by exploring hot political, economic and cultural topics to enhance understanding and consensus. ISIF has been successfully held for five times. Topics on "China-Australia Economic and Trade Relations", "The 'Belt and Road' Initiative for New Opportunities and New Cooperation", "Inclusive, Sustainable and Resilient Cities in the 'Belt and Road' Initiative", and "Global Governance and China's Perspective" have been discussed in-depth by former political leaders and renowned scholars from all over the world. The forum has gained increasing popularity and influence at home and abroad.

Imperial Springs International Forum 2018 was opened in Guangzhou on December 10, 2018. Chinese vice President Wang Qishan attended the opening ceremony and delivered a keynote speech. On December 12, Chinese President Xi Jinping met

with foreign guests attending Imperial Springs International Forum 2018 at the Great Hall of the People in Beijing. The theme of this forum is "Advancing Reform and Opening-up, Promoting Win-win Cooperation". Forty former heads of state and government and leaders of international organizations, together with more than 80 experts and business leaders attended the symposium and comprehensively summarized the 40 years of China's reform and opening up. They had in-depth discussions on China's new reform and opening up measures and provided creative and constructive ideas on the reform of the global governance system and other issues widely concerned by the international community. The "Imperial Springs Initiative" was released at the Forum to call on all countries to respect and understand each other, enhance trust and work together to promote inclusive growth of the global economy and to achieve balanced development and prosperity.

## 2.2 Global Mayors' Forum & 2018 Urban Innovation Conference and the 4th Edition of Guangzhou Award

The Global Mayors' Forum, one of the series events of Guangzhou Award, was the first global high-end forum on local governance led by China. The Global Mayors' Forum & 2018 Urban Innovation Conference and the 4th Edition of Guangzhou Award kicked off in Guangzhou on December 7, 2018, jointly organized by the Chinese People's Association for Friendship with Foreign Countries, the United Cities and Local Governments, the World Association of the Major Metropolises and the municipal government of Guangzhou. More than 700 guests and representatives from 105 cities and local governments in 39 countries attended the opening ceremony. Wen Guohui, mayor of Guangzhou, chaired the opening ceremony. He Wei, Vice-chairman of national committee of the Chinese People's Political Consultative Conference (CPPCC), attended the opening ceremony and delivered a speech. Maimunah Mohd Sharif, Undersecretary General of the United Nations, sent a video message.

The theme of the forum is "Global Openness and Inclusive Innovation". The forum focused on pressing topics, such as open and inclusive innovations in urban governance, the use of blockchain for metropolitan and urban management, urban development in bay areas, the Belt and Road Initiative and urban construction, cultural inheritance and innovation for future cities, as well as urban transportation. The events are intended to encourage cities to promote international peace and development by showcasing what China has achieved in the process of deepening reform and opening-up and urbanization, and help global cities

to cooperate and achieve top results in an inclusive and innovative way.

This year's Guangzhou International Award for Urban Innovation has received 273 innovation projects from 193 cities in 66 countries and regions. The number of both countries and regions, as well as the number of participating cities, have both reached a record high. Five cities are awarded as the winning cities of the 4th Edition of Guangzhou Award: Milan of Italy, Guadalajara of Mexico, Wuhan of China, Mezitli of Turkey and New York City of the United States. Surabaya of Indonesia received the largest number of votes to win the Online Popular City. The Guangzhou Declaration at the Global Mayors' Forum was released.

The forum, the award and the conference are the result of an era during which China successfully implemented its reform and opening-up policy, and moreover is an important initiative for Guangzhou to expand foreign contacts multilaterally and build itself into an international exchange hub as well as an international metropolis.



## 2.3 China Import and Export Fair (Canton Fair)

China Import and Export Fair, also known as Canton Fair, was established in 1957. Co-hosted by the Ministry of Commerce of PRC and the People's Government of Guangdong Province and organized by China Foreign Trade Centre, it is held

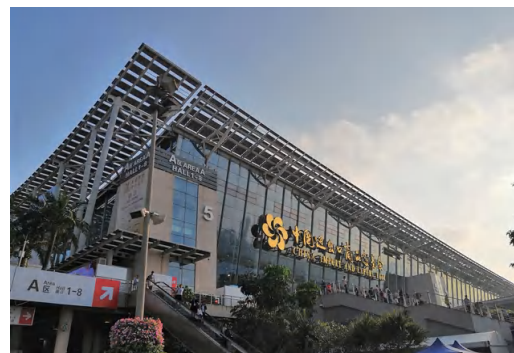
every spring and autumn in Guangzhou. Canton Fair is a comprehensive international trading event with the longest history, the largest scale, the most complete exhibit variety, the largest buyer attendance, the broadest distribution of buyers' source country

and the greatest business turnover in China.

Over the past 62 years, the Canton Fair has strengthened China's trade with the rest of the world, showcased China's image and development achievements, provided a quality platform for Chinese enterprises to explore the international market, and served as a demonstration base for the implementation of China's foreign trade development strategy. In 2018, the 123rd and the 124th Canton Fair were successfully held. By the end of 124th session, the accumulated export volume had amounted to about USD 1.3536 trillion and the total number of overseas buyers had reached 8.61 million. The exhibition area of one session totals 1.185 million m<sup>2</sup> and the number of exhibitors from home and abroad stands at nearly 25,000. In each session, about 200,000 buyers have attended the Fair from more than 210 countries and regions all over the world. It has become the No.1 promotion platform of China's foreign trade, and is known as the barometer and vane of China's foreign trade, as well as the window, epitome and symbol of China's opening to the outside world.

The new China International Import Expo in 2018 is a major policy announcement and action taken

by China to actively open up its domestic consumer market. In the meantime, the Import Show of Canton Fair provides a good opportunity for many overseas enterprises to share the huge global buyer resources of Canton Fair and to sell their products to the world. From focusing on expanding exports to paying more attention to imports, two international exhibitions have witnessed the historical changes of China's opening up and development. China will make greater use of the two markets and two resources at a higher level and on a larger scale to open China wider to the outside world, and will make new and greater contributions to China's open economy, to the development of an open world economy and to the building of a community of shared future for mankind.



## 2.4 World Route Development Forum

September 16-18, 2018, the 24th World Route Development Forum was held in Guangzhou. The theme of this year was "Gathering Guangzhou • Connecting the World", and the guests jointly drew a new blueprint for the world aviation industry. The conference attracted more than 3,500 guests from over 115 countries and regions, over 300 airlines, 700 airport management agencies, 130 government agencies and tourism agencies.

So far, the World Route Development Conference has been successfully held in London, Berlin, Dubai and other major cities in

the world. Guangzhou is the third Chinese city to host the Conference after Beijing and Chengdu. "Guangzhou is not only one of the oldest and busiest trading centers in the world, but also a thriving conference capital," Steven Small, Brand Director of the World Route Development Forum, explained the reason why Guangzhou was chosen to hold the conference, "Guangzhou not only maintains strategic focus in developing local aviation services and building infrastructure, but also is a beautiful historical city. This undoubtedly increased the attraction of Guangzhou to the merchants attending the conference."

## 2.5 Huangpu International Financial Media and Think Tank Forum

As the supporting forum for the first China International Import Expo, Huangpu International Financial Media and Think Tank Forum (hereinafter referred to as "Huangpu Forum"), the Guangzhou sub-forum of Shanghai Hongqiao International Financial Media and Think Tank Forum was held in Guangzhou from November 1st to 4th, 2018. Themed on furthering opening-up and sharing economic development, Huangpu Forum gathered more than 100 attendees from political, academic, media and business fields in order to have in-depth

discussions on China's expansion and opening up, promoting high-quality development.

Huangpu Forum is one of Guangzhou's major events in building up global exchange center and regional cultural hub. Three parallel conferences on Guangzhou development experience were held during the Forum, sharing Guangzhou's achievements in the past 40 years of reform and opening up, and bringing the new development opportunities and new impetus to the world in the new round of opening up of China.

## 2.6 Guangzhou Cultural Industry Fair

Guangzhou Cultural Industry Fair, referred to as GCIF, has been a comprehensive cultural exhibition brand established by Guangzhou since 2017 to integrate the Guangzhou Cultural Festival Exhibition brands. The first GCIF achieved breakthroughs in the scale and quality of participation in the exhibition, as it attracted great attention from all walks of life at home and abroad, and was hailed as the cultural "Canton Fair". The second GCIF took place in Guangzhou from November 30 to December 15, 2018, with the theme "Silk Road, Greater Bay Area, and Guangzhou". It consisted of summits, forums, and exhibitions focusing on culture and creative industry. GCIF converged the advantageous brands and resources of Guangzhou cultural industry, linked the cultural resources of GBA, focused on trading functions, set up an open platform, launched cultural finance, film and television performing arts, art trading and creative design, and promoted a number of major cultural products projects to build a domestic influential cultural industry platform for trade, services and publicity. More than 100 activities in 11 categories were scheduled, including trade fairs, the media and publications, animation, and intangible cultural

heritage. 18 theme events were held, including Tianhe Summit, Art Fair, Non-legacy Exhibition, Performing Arts Exchange, Cultural and Financial Forum, VR/AR Exhibition, "Golden Bull Award" Cultural and Creative Competition, and Youchuang International Film Festival. About 150 wonderful activities were organized; 25,000 original artworks and nearly 1,000 performing arts products from more than 60 countries and regions were exhibited; and more than 300 world-renowned cultural industry figures participated in the summit forum and other activities. It has promoted the signing of a number of major projects, with an intention to sign contracts of US\$1.9 billion in total, and the direct transaction reached US\$332.5 million, attracting more than 1 million people to participate in various activities, and the online reading volume reached more than 20 million. At the fair, *Analysis Report on the Status Quo and Development Trend of China's Cultural and Creative Industry (2017-2018)*, Top 50 Cultural Enterprises in Guangzhou and other important industry research papers were also released; Guangzhou Cultural Industry Promotion Association was launched; and the interpretation of cultural industry policy, the release of cultural

industry investment projects, cultural quality projects promotion were also made. With a special focus on the cultural industry cooperation, cultural exchanges and communications of GBA, the Cultural and Creative Industry Alliance of GBA was launched and the Roundtable on Cultural and Creative Industry Development of GBA was held. Guangzhou Cultural Industry Fair is one of the important measures to promote the innovation and development of cultural industry in

Guangzhou. The cultural industry has become one of the pillar industries in Guangzhou. The added value of cultural industry in 2017 reached US\$ 17.2 billion, which accounted for 5.4 % of the GDP. At present, there are 30 cultural enterprises in Guangzhou listed and issuing shares in the main board market at home and abroad, among which more than 20 cultural companies listed have a total market value of nearly US\$ 60.5 billion.

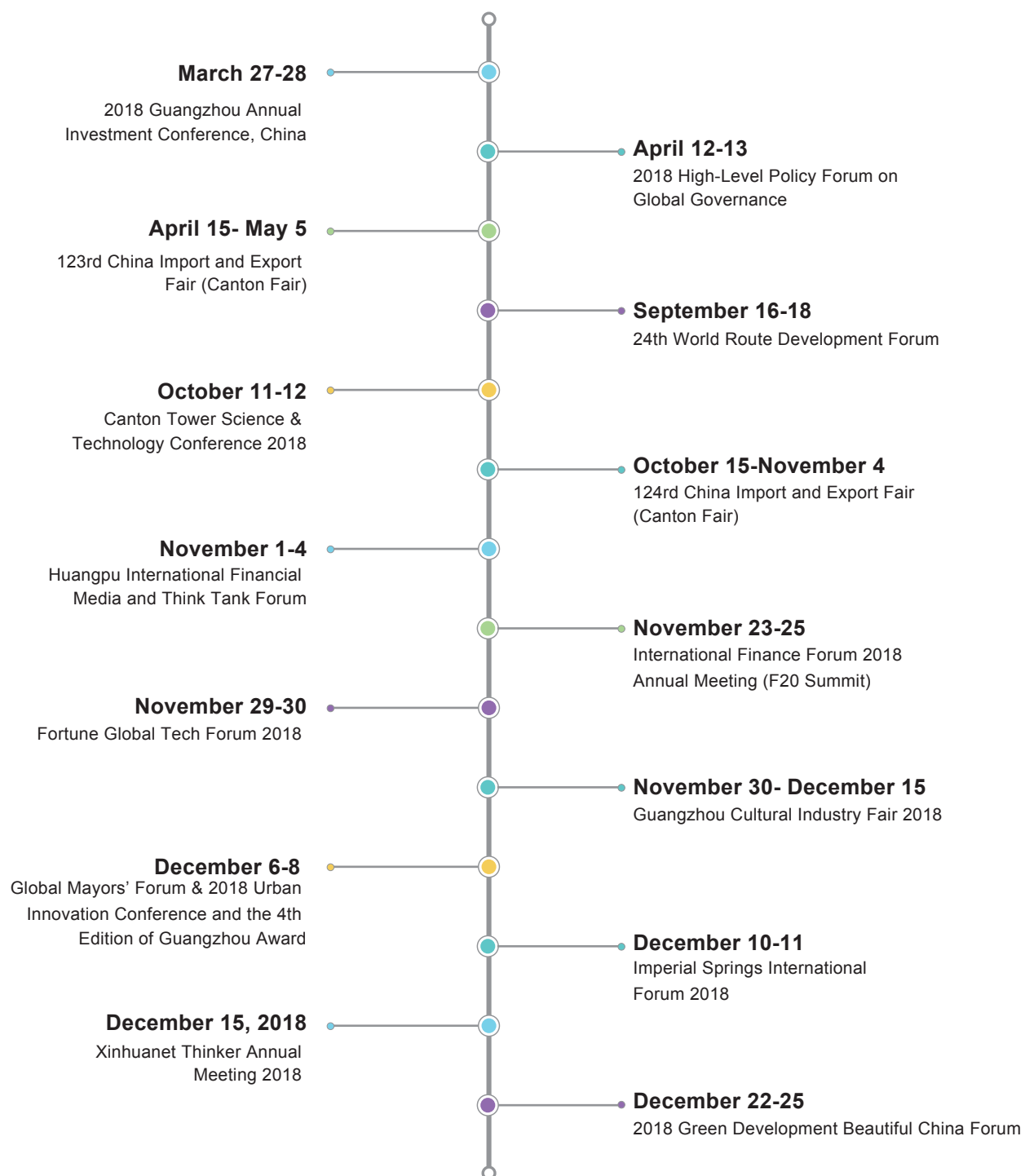
## 2.7 2018 Guangzhou Forum on Global Cities: Ranking, Trend and Practice

Sponsored by Guangzhou Academy of Social Sciences and co-organized by the Metropolis, 2018 Guangzhou Forum on Global Cities: Ranking, Trend and Practice was held in Guangzhou Baiyun International Conference Center on May 25. Expert representatives attending the seminar were from authoritative global city index and ranking system research institutions worldwide, including: the World Bank's Doing Business Program, GaWC, Mori Memorial Foundation, IESE Business School in Spain, A.T. Kearney, PricewaterhouseCoopers Consulting, Oxford Economics, Chinese Academy of Social Sciences. In the seminar, the participants gave out various theories and methods about global city research and about the future development trends of global cities, proposed a series of constructive and operational policy recommendations on how to

improve global city on rankings and international competitiveness, which provided an important reference for Guangzhou to build a leading global city, and for China's urbanization development and global city construction. Represented by the Guangzhou Academy of Social Sciences, the local think tanks in Guangzhou are playing more and more active roles in international exchanges. Guangzhou Forum on Global Cities: Ranking, Trend and Practice and related activities are committed to promoting in-depth dialogue and cooperation between global city research institutions and experts, creating an important international exchange and cooperation platform for related researches, forming an important international academic conference brand of Guangzhou, so as to enrich the connotation of Guangzhou as "the international exhibitions and conferences capital".



**Fig.4 Major International Conferences and Exhibitions in Guangzhou in 2018**



# 3 International Economy and Trade

## 3.1 Import and Export Trade Runs Stable

In 2018, the total import and export value of Guangzhou reached US\$ 148.2 billion, up 1.0% year-on-year, accounting for 13.7% of the total import and export value of Guangdong province. The total export value reached US\$ 84.7 billion

yuan, down by 3.2% year-on-year. Imports totaled US\$ 63.5 billion, up 7.1 percent year-on-year.

Guangzhou's foreign trade is in the process of transformation and upgrading. In 2018, the exports

**Tab. 2 Guangzhou's Import and Export Trade Sub-market in 2018**

Country(region)	Accumulated this year (billions of US dollars)			Year-on-year (%)		
	export	import	export & import	export	import	export & import
Total	84.74	63.51	148.25	-3.20%	7.10%	1.00%
Asia	40.93	38.16	79.09	-4.20%	8.20%	1.40%
Hong Kong,China	12.22	0.49	12.71	-3.50%	-24.90%	-4.50%
Japan	3.77	11.93	15.70	10.70%	11.50%	11.30%
Korea	1.80	8.03	9.82	-2.60%	14.90%	11.20%
ASEAN	12.00	7.61	19.61	3.90%	5.90%	4.70%
Taiwan,China	1.07	3.27	4.35	-15.30%	1.80%	-3.00%
other countries(regions) in Asia	10.07	6.83	16.90	-16.03%	4.63%	-8.83%
Africa	8.50	3.52	12.01	-15.70%	12.70%	-9.00%
Europe	13.71	10.56	24.28	-0.30%	-0.20%	-0.20%
European Union	12.25	9.55	21.80	0.00%	-1.00%	-0.40%
The Russian Federation	1.20	0.22	1.41	3.00%	44.20%	7.70%
other countries(regions) in Europe	0.27	0.80	1.07	-22.13%	1.19%	-5.52%
Latin America	5.92	1.55	7.46	7.40%	11.20%	8.20%
North America	13.78	8.02	21.80	1.10%	17.60%	6.60%
USA	12.41	7.38	19.80	-0.60%	16.30%	5.10%
other countries(regions) in North America	1.37	0.63	2.00	19.69%	35.20%	24.13%
Oceania	1.90	1.70	3.60	3.60%	-18.90%	-8.40%

Source: Guangzhou Municipal Bureau of Commerce



of two major export commodities, labor-intensive products and mechanical and electrical products, both showed a downward trend, dragging down the overall annual export performance.

From the perspective of classification, the import and export of processing trade dominated by OEM trade reached US\$ 40.1 billion, down by 3.1%, accounting for 1.1% in the whole city compared with the figure in 2017. Imports and exports of general trade totaled US\$ 69.4 billion, up 4.6%, accounting for 1.6% of total imports and exports compared with the figure in 2017.

From the regional perspective, the total import and export volume from Asia reached US\$ 77.9 billion, accounting for more than half of the total, followed by Europe and North America with a total of US\$ 23.9 billion and US\$ 21.5 billion respectively. Africa, Latin America and Oceania were the 3 continents that had relatively smaller amount of import and export trade, with a total of US\$ 11.8 billion, US\$ 7.4 billion and US\$ 3.5 billion respectively. As for the major trade partners, the EU remains the largest trade partner of Guangzhou, with a total import and export volume of US\$ 21.5 billion, followed by the United States and ASEAN with totals of US\$19.5 billion and US\$ 19.3 billion respectively.

### 3.2 Sustained Growth in Attracting Foreign Investment

In recent years, China's economy has maintained a good momentum of overall stability and progress. The huge potential of the domestic market is being gradually unleashed by the expanding market access, better business environment and greater openness. China's actual use of foreign capital in 2018 was US\$ 13.38 billion, a record high. The use of foreign capital in Guangzhou is in line with the national trend. In 2018, there were 5,376 FDI enterprises newly approved in Guangzhou, year-on-year increase of 118.6%. The contracted foreign capital reached US\$ 39.9 billion, up by 198.4%. The actual use of foreign capital reached US\$6.6 billion, up by 5.1%. Guangzhou has been

increasingly characterized as a gathering place of foreign investment in Guangdong Province. The proportion of foreign capital actually used in Guangzhou to Guangdong Province is increasing year by year, from 20.2% in 2015 and 24.4% in 2016 to 27.5% in 2017.

Guangzhou fully implements the management mode of pre-establishment national treatment (PENT) with a negative list before admitting foreign investment. As long as it does not involve the implementation of special management measures on access stipulated by the State, the establishment and change of foreign enterprises only need to be filed on the Internet, and the

required materials are reduced by more than 90% compared to those in the past. In 2018, Guangzhou issued the Pilot Program for Comprehensive Reform of the Business Environment in Guangzhou, which clearly proposes to speed up, increase efficiency and reduce burdens for enterprises, and create a preferred place for worldwide enterprises to invest and develop. The Program covers 43 specific measures in eight parts, including the reform of examination and approval services, the examination and approval system for construction projects, the enterprise investment management system, trade facilitation, the system and mechanism for scientific and technological innovation, the stimulation and protection of entrepreneurship, market supervision and the reform of the business environment in key regions. In terms of streamlining administration and delegating power, the approval and filing authority for foreign investment in Guangzhou has been delegated to the district level. At present, nearly 98% of foreign investment matters have been handled directly by the districts, and the establishment and alteration of foreign-funded enterprises for filing are also handled 100% by the district to facilitate foreign-funded enterprises. Guangzhou has also made great efforts to build an e-platform for foreign capital

management, streamlining procedures for managing foreign investment.

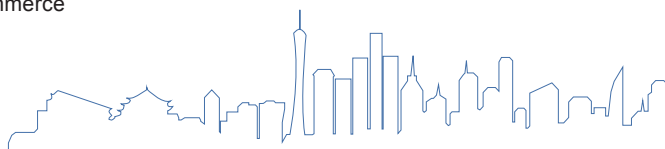
From the perspective of sources of investment, the source of actual use of foreign capital is still dominated by Hong Kong, though it dropped significantly in 2018. The actual used foreign capital from Hong Kong was US\$4.0 billion, down by 22.0% compared with the previous year, accounting for 61.1% of the total amount of the actual used foreign capital in the whole city. Hong Kong, South Korea, Japan, Bermuda and Singapore are the top five countries (regions) where actual used foreign capital of Guangzhou came from. The actual investment from the Belt and Road en-route countries and regions was US\$273 million, up by 121.4%. 24 developed countries invested US\$1.58 billion in Guangzhou, up by 216.4%. Foreign capital actually used from South Korea was particularly outstanding, reaching US\$ 778 million, an increase of 228 times over the previous year. Contractual foreign investment reached US\$ 1.86 billion, an increase of 287.9% over the previous year. This is mainly due to the fact that the 8.5 generation OLED panel project of LG, Korea, has been established in Guangzhou Development Zone with a total investment estimated to be US\$70 billion. It is planned to be put into operation in June 2019.



**Tab. 3 Top 10 FDI Sources of Guangzhou in 2018**

Country(region)	Number of Enterprises		Amount of Contracted Capital		Amount of Capital Actually Used	
	2018	Year-on-year ±%	2018 (In billion USD)	Year-on-year ±%	2018 (In billion USD)	Year-on-year±%
Total	5376	118.6	39.96	198.4	6.61	5.1
Hong Kong,China	3989	324.4	33.68	287.9	4.04	-22.0
South Korea	77	45.3	1.86	893.3	0.78	22780.6
Japan	19	72.7	0.30	-82.2	0.41	49.0
Bermuda	1		0.34		0.32	
Singapore	52	4.0	0.24	-58.9	0.27	126.4
The British Virgin Islands	16	128.6	0.83	289.7	0.18	5.1
Netherlands	4	33.3	0.06	183.7	0.06	2371.1
UK	23	35.3	0.03	239.6	0.03	-38.2
Samoa	1	-66.7	0.02	-58.8	0.03	66.6
USA	69	43.8	0.45	1391.4	0.02	60.1

Source: Guangzhou Municipal Bureau of Commerce



### **Foxconn's 10.5-Generation Display Full Ecological Industrial Park**

Foxconn's 10.5-Generation Display Full Ecological Industrial Park is located in Zengcheng Economic and Technological Development Zone of Guangzhou, with an estimated total investment of US\$9.2 billion. The main part of the project was completed in 2018, with trial production scheduled in June 2019 and formal mass production on September 15, 2019. It is estimated that the annual output value will reach about US\$ 13.9 billion after delivery. A factory will be built for display, intelligent TV and electronic whiteboard, and will engage in the research and development of high-end display technology products. Through the highest level of mass production, SDP will accelerate the mass production of 8K image life, create the landscape of Guangzhou's 8K ecosystem, and lead the new fashion of 8K life.

### **Cisco Smart City**

Located on the south bank of Guangzhou Higher Education Mega Center (HEMC), Cisco Smart City is the core area of Guangzhou international innovation city. It is the first leading smart city model in China with the smart manufacturing cloud industry as the core, total investment exceeding US\$ 3 billion, and output value exceeding US\$ 15 billion. With Internet of everything, big data cloud computing and smart manufacturing as the core industries, IoT technology incubation, smart city, technology experience display and other related industries will be developed. An ecological system of the whole industry chain through the upper, middle and lower reaches will be built, so that China's science and technology innovation industry will reach a new height. In 2018, Cisco's partners have successively settled in Cisco Smart City. As of December 2018, a total of 27 partner companies, including Guangdong Inspur Group Co. LTD., CCI (China) Co., LTD., DHC Software Co., LTD., and Guangdong Yisheng Information Technology Co. LTD., have completed commercial registration, with a total registered capital of US\$ 84 million.

### 3.3 Asia and Oceania are the major destinations of Guangzhou's outbound investment

165 Guangzhou's foreign-invested enterprises (institutions) were set up in 2018, with a year-on-year increase of 10.7%. Foreign direct investment amounted to US\$ 1.7 billion. Asia and Oceania are the major destinations of Guangzhou's outbound investment. In 2018,

Guangzhou invested in 113 projects in Asia, accounting for more than 60% of the total, of which the contractual investment amount from Chinese side was US\$ 907 million, accounting for 42.1%.

**Tab.4 OFDI Portfolio of Guangzhou in 2018**

	Number of new companies (institutions)	Contractual Investment from Chinese Side (Unit: in Million USD)		
		Amount (millions of US dollars)	Year-on-year $\pm\%$	Proportion(%)
Total	165	2155	-17	100
Asia	113	907	-53.13	42.11
Hong Kong, China	78	460	30.69	21.36
Singapore	8	344	265.45	15.98
Africa	8	88	-64.26	4.07
Europe	16	220	-34.73	10.2
Latin America	4	180	528.38	8.35
The British Virgin Islands	2	150	-	6.96
North America	21	165	237.68	7.68
USA	20	125	154.76	5.79
Oceania	3	595	82036.05	27.59
Australia	1	551	76038.73	25.58

Source: Guangzhou Municipal Bureau of Commerce

The contractual investment from Chinese side in Guangzhou was mainly concentrated on the secondary and tertiary industries. The contractual investment from Chinese side in the secondary industry was US\$ 821 million, accounting for 38.1% of the total. The contractual investment from Chinese side in the tertiary industry was US \$1.3 billion, accounting for 59.7% of the total. In the secondary industry, the Chinese side's contractual investment in the

manufacturing was US\$ 765 million, accounting for 35.48% of the total agreed investment. Tertiary industry investment was mainly concentrated on the wholesale and retail industry, project number of which accounted for 38.2% of the total. Fastest growth was seen in scientific research and technology services, with US\$ 422 million contractual investment from Chinese side, up 3.6 times year-on-year.



## 4 Comprehensive Transport Hub Construction

In 2018, Guangzhou issued the Master Plan for Guangzhou Comprehensive Transportation Hub (2018-2035), aiming at expanding international transportation functions as the core, promoting the integration of airport, seaport and land port, creating an open, three-dimensional and intelligent comprehensive passenger transport hub and multimodal comprehensive freight transport hub, exploring the construction of a free trade port, and accelerating the construction of an international metropolis.

### 4.1 International Aviation Hub

In 2018, the passenger throughput of Guangzhou Baiyun Airport was close to 69.7 million, up by 5.9% over last year. The cargo and postal throughput was 1.89 million tons, with a year-on-year growth of 6.2%, ranking the 13th in the world. 18 international air routes of Guangzhou Baiyun International Airport have been launched or resumed, so that its air route network covers more than 210 navigation points on five continents, with more than 300 routes.

In April 2018, the second terminal of Guangzhou Baiyun International Airport was officially put into use. This is the largest single terminal in China, with a designed capacity of 45 million passengers per year. This terminal was awarded the “Global Five-Star Terminal” by SKYTRAX, the global authority of civil aviation transportation research and certification, indicating that Baiyun Airport has successfully ranked among the world's top airports for its comprehensive service. Guangzhou Baiyun International Airport also won the 9th place in the 2018 ASQ Global Service Best Airport.

Guangzhou Baiyun international airport, a national airport economy demonstration zone, will reach 80 million passenger throughput within three years, and its total output value of the aviation industry will reach more than US\$ 6 billion. By 2025, with the completion of Baiyun airport's third terminal, fourth and fifth runways, and the comprehensive transportation system of the demonstration zone, the total output value of aviation and related industries will exceed US\$ 15 billion.

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**Tab. 5 International Destinations of Guangzhou Baiyun International Airport**

Region	Country	Destination
South East Asia	Philippines	Laoag, Manila
	Cambodia	Phnom Penh, Siem Reap
	Laos	Vientiane
	Malaysia	Penang, Kota Kinabalu, Kuala Lumpu, Pulau Langkawi, Johor Bahru
	Myanmar	Yangon
	Thailand	Krabi, Bangkok, Phuket, Chiang Mai, Changwat Suratthani
	Singapore	Singapore
	Indonesia	Bali, Jakarta
	Vietnam	Phu Quoc Island, Ha Noi, Ho Chi Ming City, Da Nang, Nihau Trang
East Asia	Republic of Korea	Busan, Jeju, Seoul
	Japan	Osaka, Tokyo Fukuoka, Nagoya
West Asia	United Arab Emirates	Dubai
	Azerbaijan	Baku
	Qatar	Doha
	Saudi Arabia	Jeddah, Riyadh
	Iraq	Bagdad
	Iran	Teheran
	Jordan	Amman

Region	Country	Destination
South Asia	Pakistan	Lahore
	Maldives	Male
	Bangladesh	Dhaka
	Nepal	Katmandu
	Sri Lanka	Colombo
	India	Delhi
Europe	Germany	Frankfurt
	Russia	Moscow
	France	Paris
	Finland	Helsinki
	Netherlands	Amsterdam
	Turkey	Istanbul
	Italy	Rome
	United Kingdom	London
Oceania	Australia	Brisbane, Melbourne, Perth, Sydney
	New Zealand	Auckland, Christchurch

Region	Country	Destination
Africa	Egypt	Cairo
	Ethiopia	Addis Ababa
	Kenya	Nairobi
	Mauritius	Mauritius
America	Canada	Vancouver
	United States	San Francisco, Los Angeles, New York, Saipan

Source: Guangzhou Baiyun International Airport

## 4.2 International Shipping Center

In 2018, the port cargo throughput of Guangzhou Port was 612 million tons with an increase of 3.7%, and the port container throughput was 21.91 million TEUs with an increase of 7.6%. From the perspective of operation, 12 new international container liner routes were launched in 2018. So far, Guangzhou port has 208 container routes that reach more than 400 ports in more than 100 countries and regions. After setting up the east America office and the European office, Guangzhou port established the west America office and the Singapore office in the year 2018, to expand the international shipping cooperation and exchange network. Guangzhou port actively explored international port business training and successfully held 3 International Port Personnel Training Courses to train 35

foreign port personnel from Indonesia, Djibouti, Egypt, Malaysia, Poland, Russia, Sudan, Thailand and other countries, and to deliver talents for the international shipping industry.



**Tab.6 World's Top Container Ports in 2018**

Ranking	City	Country
1	Shanghai Port	China
2	Singapore Port	Singapore
3	Ningbo-Zhoushan Port	China
4	Shenzhen Port	China
5	Guangzhou Port	China
6	Busan Port	South Korea
7	Hong Kong Port	China
8	Qingdao Port	China
9	Tianjin Port	China
10	Dubai Port	United Arab Emirates

### 4.3 Comprehensive Road Network

In terms of railway hub construction, the Guangzhou-Shenzhen-Hong Kong high-speed railway has been officially launched, reducing travel time between Guangzhou and Hong Kong from over 2 hours to 47 minutes. In terms of road hub construction, the Hong Kong-Zhuhai-Macao Bridge has been officially launched and connected to the rapid road network of the Pearl River Delta Loop. The two projects have improved the passenger transportation network and completed the one-hour traffic circle in the GBA.

Guangzhou is actively building an international transit “multimodal transport” center. In July 2018, Guangzhou Customs first passed the transfer of bonded goods in the form of “road railway transport” through China-EU lines. The logistics time from Guangzhou Nansha Bonded Logistics Zone to Europe via China-EU lines can be reduced from 45 days to 15 days. Goods from Southeast Asia can be transported to Nansha and then to Europe through China-EU lines, which can greatly improve operation efficiency.



## 5 International Exchanges

### 5.1 International Friendship Network

International friendly relations have become a booster for promoting international cooperation in various fields of Guangzhou including economy, trade, education, science and technology, culture, tourism, sports, etc. Guangzhou-Auckland-Los Angeles Tripartite Economic Alliance continued to develop and the 2018 Annual Summit of the Tripartite Economic Alliance was held in Los Angeles. To promote exchanges and cooperation among educational institutions, Guangzhou initiated the establishment of the Alliance of International Friendship Cities' Universities. People-to-people friendly exchanges have been expanding. In 2018, a series of themed activities were held, including the Guangzhou International Sister City Cultural Art Troupe Tour, "Sun Journey" trans-Eurasia Bicycle Rally, International Youth Football Exchange Match, Guangzhou Youth Symphony Orchestra Europe Tour, "2018

Guangzhou Culture Week & Guangdong Music Africa Tour", and Guangzhou Impression Sculpture Exhibition. At the 2018 The International Sister Cities Conference of China, Guangzhou and Fukuoka won the "International Sister City Exchange and Cooperation Award" and the "Friendship Exchange and Cooperation Award to China" respectively, indicating that the achievements and experience of the exchange between Guangzhou and Fukuoka are widely recognized.
































On the basis of the international friendship network, Guangzhou expands the city's overseas offices and promotion network. 10 cooperation projects have been introduced to Guangzhou from Silicon Valley, Boston and Tel Aviv offices. The platform for expanding foreign exchanges and cooperation is functioning well.

### 5.2 Foreign Consulates in Guangzhou

In 2018, Guangzhou added two consulates general of Uruguay and Venezuela. The number of consulates general of foreign countries in Guangzhou reached 63, a figure remaining the second largest in mainland China after that for Shanghai. The consulates in Guangzhou have played an important role in promoting Guangzhou's international exchanges. The foreign consulates participated in important international events such as the Guangzhou International Investment Annual Conference and

the International Tourism Exhibition, and visited Guangzhou Port, Nansha Pilot Free Trade Zone, Conghua Ecological Industrial Zone and other key development areas of Guangzhou, to deliver comprehensive and objective information about Guangzhou's development to their dispatching countries, becoming an important link to enhance the exchanges and practical cooperation between Guangzhou and its dispatching countries in science and technology, economy and trade, humanities and other aspects.

**Fig.5 Foreign Consulates in GuangZhou (As of Dec.2018)**

Continent	Nation
Asia	 JAPAN  THAILAND  VIETNAM  MALAYSIA  PHILIPPINES  CAMBODIA  REPUBLIC OF KOREA  INDONESIA
	 SINGAPORE  INDIA  KUWAIT  NEPAL  PAKISTAN  ISRAEL  IRAN  TURKEY
	 SRI LANKA  LAOS  KYRGYZSTAN  QATAR  UNITED ARAB EMIRATES  SAUDI ARABIA
Europe	 POLAND  GERMANY  UNITED KINGDOM  FRANCE  NETHERLANDS  DENMARK  ITALY  SWITZERLAND
	 BELGIUM  RUSSIA  GREECE  AUSTRIA  NORWAY  SPAIN  UKRAINE  PORTUGAL
North America	 UNITED STATES OF AMERICA  CANADA  CUBA  MEXICO
South America	 ARGENTINA  BRAZIL  CHILE  COLUMBIA  ECUADOR  PERU  URUGUAY  VENEZUELA
Africa	 ANGOLA  COTE DIVOIRE  ETHIOPIA  MALI  NIGERIA  SUDAN  SENEGAL  REPUBLIC OF THE CONGO
	 UGANDA  ZAMBIA
Oceania	 AUSTRALIA  NEW ZEALAND

**Fig.6 List of International Sister Cities of Guangzhou(As of Dec. 2018)**



## 5.3 International Organization Contacts

Guangzhou attaches great importance to the exchanges and cooperation with international organizations and professional institutions, participates in multilateral activities held by international organizations, shares urban governance experience, discusses strategies for sustainable urban development, and contributes wisdom to the innovation of global urban governance.

### **2018 Annual Meeting of World Economic**

**Forum** On January 23, the 2018 Annual Meeting of the World Economic Forum was held in Davos, Switzerland. The theme of the Meeting was "Creating a Shared Future in a Fractured World". More than 2,500 leaders from all walks of life including political, business, international, academic, media, and art fields attended the conference. More than 400 discussions set up the platform for leaders from all walks of life to promote exchanges, to seek consensus and cooperation, to clarify the roles and responsibilities of all parties in cooperation, and to jointly address major political, economic and social challenges. Guangzhou delegation attended more than 40 events including the opening ceremony of the forum and the special session on China. To promote Guangzhou's international image, Guangzhou delegation hosted the 2018 Guangzhou International Communication Year Promotion Conference on the forum, in which the 2018 World Route Development Forum, Guangzhou International Investment Annual Conference and the Guangzhou City New Logo were introduced to foreign mainstream media such as Wall Street Journal, CNBC, Bloomberg, and Fortune Magazine and to other participating companies. Guangzhou delegation reached a wide range of cooperation consensus with 24 world-renowned enterprises including Cisco Systems, Qualcomm, AT&T Corporation, Thermo Fisher Scientific, Siemens, Dassault Systemes S.A., Novartis and AB InBev, as well as the executive director of the World Economic Forum and the mayor of Fukuoka, Japan.

### **2018 METROPOLIS Board of Director Meeting**

On August 26, 2018 METROPOLIS Board of Director Meeting was held in Johannesburg, Gauteng, South Africa. The theme is "Inclusive Metropolitan Cities and City Regions". The conference was attended by leaders of Gauteng province, mayor of Berlin and other local government leaders, experts from international organizations and think tanks such as the South African Cities Alliance, Sustainability ICLEI Africa - Local Government Urban Systems and Strategic Alliances, Human Science Research Council, South African Research Chair in Spatial Analysis and City Planning, and Gauteng City-Region Observatory, and mayors from 137 cities around the world and experts and scholars in urban development studies. Guangzhou delegation attended the meeting and met with the core members of the Metropolis, such as Acting President of the Metropolis, Mayor of Berlin, President of the United Cities and Local Governments (UCLG), President of the South African Cities Alliance, and Governor of Gauteng. They discussed and deliberated on the important issues of the development of the Metropolis, and exchanged views on the content, policies, processes and practices of building inclusive cities. Guangzhou will continue to strengthen communication with the Metropolis, to deepen pragmatic cooperation, and to play the role better as the Founding Member, Co-Chair City and Asia Pacific Office of the Metropolis.

### **The 9th World Urban Forum**

On February 7, under the guidance of UN-HABITAT, the 9th World Urban Forum was held in Kuala Lumpur, Malaysia by the Malaysian government, with the theme "Cities for 2030, Cities For All: Implementing the New Urban Agenda". In the forum, six high-end roundtables, eight dialogues, 20 special forums, five conferences, 17 roundtables, a large number of multilateral conferences and partner side events, as well as training events and exhibitions were held, attracting more than 20,000 guests from all over the world. Guangzhou delegation participated in the forum and, together with the Metropolis, co-hosted

the side event on "Urban Innovation In Implementation Of The Global Agendas" under the Local Action Section. A diverse panel consisting of representatives from General Assembly of Partners, Steering Committee of World Urban Campaign, Development Bank of Latin America, Asia-Pacific Innovation Economic Research Institute, City of Copenhagen, Municipality of La Paz, South African Cities Network, and Guangzhou Academy of Social Sciences, engaged each other and the audience in a dialogue on how urban innovation is leading to the implementation of the global agendas.

#### **The 12th Asia-Pacific Cities Summit**

On August 1, the 12th Asia-Pacific Cities Summit (APCS) was held in Fukuoka, Japan by the Fukuoka City Government and UN-HABITAT, with the theme of "Sustainable Living in Urban Construction". 33 cities from Japan, China, Indonesia, New Zealand, the Philippines, South Korea, Russia and Singapore, and international organizations such as the World Bank and the Asian Development Bank attended the summit. Guangzhou delegation attended the summit and delivered a speech at the opening ceremony. Guangzhou delegation deemed that with the development of cities, there are air pollution, traffic congestion, garbage besieged cities,

heavy rains, and other "urban diseases" of varying degrees, and the task of urban governance is arduous. To promote urban governance, we need to start with the most immediate and practical issues that people are most concerned about, and to create a pattern of social governance featuring co-construction, co-governance and shared benefits, and we also need to call on the participants to uphold the spirit of openness and innovation, to look to the world, and to learn the governance wisdom from the world's advanced cities.

Furthermore, Guangzhou strengthens in-depth cooperation with international organizations and professional institutions through lots of efforts, such as co-hosting the seminar on solid waste treatment and resource utilization with C40 Urban Climate Leadership Alliance, co-hosting the International City Innovation Leadership Seminar with the Asia-Pacific Office of UCLG and the Metropolis. It has also established international cooperation networks with international organizations such as UN-HABITAT, UNESCO, World Bank, and world-renowned universities and urban rating research institutes to promote international practices and researches in urban innovation and internationalization, and to promote global resource sharing.

## **5.4 City Image Branding**

The year 2018 was designated as the International Year of Urban Image Communication and the Year of International Brand Promotion of Guangzhou. Large-scale international communication activities for city image branding were launched. The "2018 Guangzhou International Communication Year" promotion road shows were held at major events such as the Davos Forum in Switzerland and the Boao Forum for Asia. The "Guangzhou Night" was held for the fourth consecutive year at the Davos Forum in summer. Three friendship story-sharing sessions were held in Papua New Guinea, Brunei and Panama, to share stories of mutual benefits such as people-to-people and historical exchanges between Guangzhou and these countries. Roundtable of Guangzhou International Image

Communication Year on China Development Forum (CDF) and other 36 city promotion conferences and story-sharing secessions were held to showcase stories and a vivid image of Guangzhou.

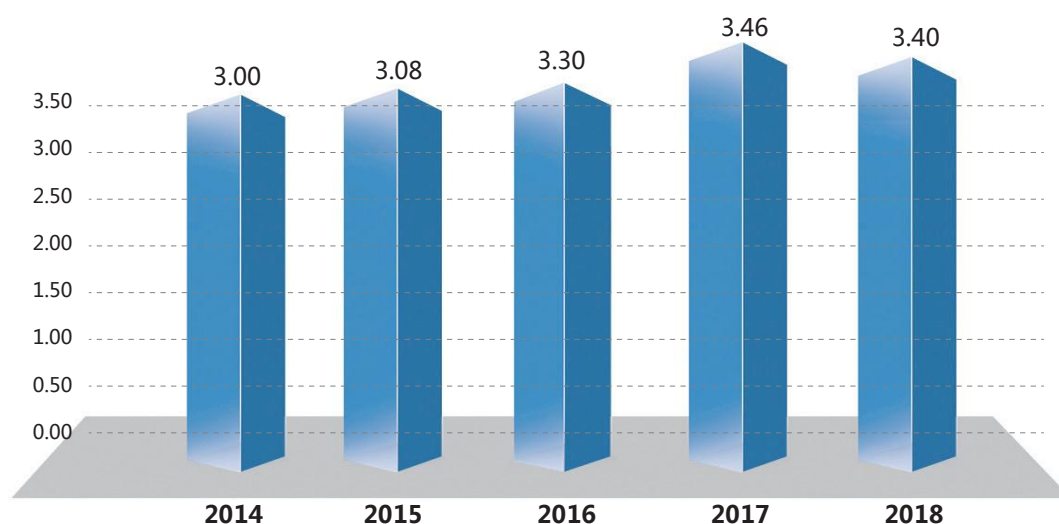


## 5.5 Word Tourist Attraction

The number of overnight stays in Guangzhou reached 900 million in 2018, a slight increase of 0.02% year-on-year. The foreign exchange income from tourism reached US\$ 6.5 billion, up 2.7% year-on-year. Guangzhou Tourism Bureau has been further publicizing its tourism to the world through various means. In 2018, 10 new Guangzhou Tourism Overseas Promotion Centers were established and the total number has reached 20, covering major inbound tourism sources including European and

American countries. The promotion centers held more than 10 promotion events and traveled to 14 countries and regions including Cuba and Mexico to carry out tourism exchanges and cooperation. *International Tourism Celebrities·Happy Guangzhou Tour*, one of the major activities of Guangzhou's tourism promotion in 2018, invited 20 internationally renowned families from 10 key source cities in 9 countries to come to Guangzhou for Chinese New Year and achieved good promotion effect.

**Fig.7 Foreign Tourists in Guangzhou 2014-2018 (Unit:Million Tourists)**



Source: Guangzhou Bureau of Culture, Radio and Television, and Tourism

## 5.6 International Cultural Exchanges

In 2018, Guangzhou sent 95 performance groups overseas for international cultural exchanges. Cultural exchange projects including *Guangzhou Culture Week*, *We & Guangzhou* and *Flower City in Silk Road—Maritime Silk Road Cultural Tour* continued to be carried out, promoting the world tour of Cantonese Opera, Cantonese music, Cantonese Puppet Show, Lingnan Acrobatics, Original drama, Original drama, Lingnan modern song and dance, etc. Showing the charm and artistic spirit of Guangzhou to the world, such

cultural exchanges have become an important channel to promote Lingnan culture and tell the Guangzhou story. Guangzhou launched a series of special cultural promotion activities--*Bloom in Four Seasons • Happy Guangzhou*. As China's unique folk landscape, Guangzhou winter jasmine flower market with a history of more than 200 years has travelled overseas for the first time to Paris and Barcelona, and successfully amplified Guangzhou's image as World Flower City.



## 6 Prospects of Guangzhou: A Historic City With New Vitality

2018 marks the 40th anniversary of China's reform and opening-up and the fifth anniversary of the Belt and Road Initiative. Over the past 40 years, China has grown into the world's second largest economy. The core concepts of the Belt and Road Initiative have increasingly become an international consensus. In the grand celebration of the 40th anniversary of the country's reform and opening on December 18, 2018, President Xi Jinping delivered a speech, pointing out that China will firmly expand its opening-up, implement a proactive opening-up policy, form a new pattern of all-round, multi-level and wide-ranging opening-up, and continuously promote the building of a community of shared future for mankind. The Guangdong-Hong Kong-Macao Greater Bay Area, where Guangzhou is located, is one of the most open and economically dynamic areas in China. Many international agencies have predicted that the economic scale of the GBA will be quadrupled to around US\$ 7858 billion by 2035. At that time, GBA is expected to be an important engine of the Chinese economy and the world economy. Guangzhou, with its long history, has become the core engine of regional development in the new era, stimulating new vitality for development. Guangzhou will make full use of the opportunity of building world-class bay area, comprehensively enhance the function of international business center and comprehensive transportation hub, cultivate and enhance the function of science, technology, education and culture center, and focus on building an international metropolis.

### 6.1 Build the Core Engine of the International First-class Bay Area

As one of the core growth poles, Guangzhou will give full play to promote development of the GBA. Guangzhou strives to be the innovation engine of the GBA, by building Guangzhou-Shenzhen-Hong Kong-Macao innovation and technology corridor, the GBA youth innovation and entrepreneurship base, and the GBA science and technology achievements transformation base, to promote regional collaborative innovation and build an international science and technology innovation center. Guangzhou intends to jointly build an internationally competitive modern industrial system by developing major cooperation platforms such as Guangdong-Hong Kong Industrial In-depth Collaboration Park and Industrial Park for Lusophone Countries under cooperation between Macao and Guangdong, and by building distinctive development platforms such as Guangzhou

-Hong Kong-Macao International Health Industry City, South Railway Station Business District, Airport Economic Demonstration Zone, and Pazhou Digital Economy Innovation Pilot Area. Guangzhou will also make efforts to strengthen its financial service in the GBA by establishing Guangzhou Innovative Futures Exchange, GBA International Commercial Bank, and an international financial island, to build a financial service center for technology. Efforts will also be made to develop Guangzhou into the center of Lingnan culture and a gateway for external cultural exchange, by jointly carrying out cultural heritage protection and inheritance and by comprehensively strengthening cooperation in education, medical care and old-age care with other cities, to promote cultural prosperity and form a high-quality living circle in the GBA.

## 6.2 Promote High-quality Economic Development

With the leading economic volume among the world cities, Guangzhou will highlight the importance of high-quality economic development in the future. Guangzhou will put more emphasis on strategic emerging industries, by building up 10 value innovation parks around the industries of new energy vehicles, intelligent equipment, new display, artificial intelligence, biomechanics and the Internet, and by fostering several new industrial clusters. Advanced service industries will be enhanced, as great support will be given to the development of legal, accounting, consulting, advertising, actuarial, human resources and other professional service industries, the construction of an international industrial design center, and new forms of service-oriented manufacturing such as supply chain management, customized services, integrated general contracting, and value-added

information services. As to improve the foreign trade and investment efficiency, further innovative measures on service trade such as (the Pilot Measures On Banking, Information Services and Legal Services) will be applied; new forms of foreign trade such as the trial of market procurement and trade and comprehensive pilot zones for cross-border e-commerce will be accelerated; and cross-border trade facilitation will be improved by the application of single window system, intelligent customs clearance, and digital ports. Guangzhou will continue to welcome investment from the world's top 500, China's top 500 enterprises, and the leading enterprises that occupy the core of the industrial chain. Guangzhou will further the strength of international exhibition capital and actively introduce world-famous exhibitions.

## 6.3 Optimize International Business Environment

The municipal government of Guangzhou continuously improves local business environment year on year. This year, Guangzhou starts to benchmark the business environment standards of World Bank and aims to create a modern and international business environment. Focusing on building the preferred and best destination for global corporate investment, Guangzhou will systematically carry out 6 reforms including investment facilitation, trade facilitation, and market supervision systems and so on, and 11 reform initiatives such as real estate registration, payment of taxes and fees, and access to electricity. Guangzhou will further carry out three national pilot reforms, namely, shortening the start-up time of enterprises, reforming the examination and approval system for engineering construction projects and optimizing the tax and business environment. Guangzhou will make full efforts to promote the reform of "digital government", improve the "Guangzhou speed" and "Guangzhou

efficiency" of examination and approval system reform, and promote commercial registration to "lead the whole country". As to the market supervision, a new market supervision system with "credit + supervision" as the core will be established, and a national intellectual property trading center will be set up to crack down on infringement and counterfeiting and to strengthen the protection of intellectual property rights.





## 6.4 High-level Building International Exchange Center

Guangzhou started to implement the Three-year Action Plan for the Construction of an International Exchange Center in 2018. Under the Plan, several major tasks of constructing international exchange center will continue to advance. Guangzhou will participate more deeply in the joint development of the Belt and Road Initiative by establishing a multi-level and multi-field cooperation mechanism and by enhancing production capacity cooperation with countries and regions along the BRI. The international high-end conference platform will be consolidated by hosting influential international conferences such as the World Port Conference, China Cruise Industry Development Conference, and 21st Century Maritime Silk Road Expo. 2019 marks the 40th anniversary of international friendship city exchanges of Guangzhou. Guangzhou will further expand the exchanges between friendship cities through a series of actions such as promoting the establishment of the Guangzhou-Frankfurt-Lyon Tripartite Economic Alliance, implementing the "Guangzhou Scholarship Program of International Friendship City Exchange and Cooperation", and building an international friendly cities database to share resources with friendly cities. As the co-chair city of

UCLG, the co-chairman of the Metropolis and the Asia-Pacific Office of the Metropolis, Guangzhou is to enhance its appeal in international organizations by optimizing the functions of the Asia-Pacific office of the Metropolis and promoting all-round exchanges and cooperation among member cities. Guangzhou will also extend cooperation with international organizations in key areas, actively participate in international exchange activities and cooperative studies, and introduce the development models and experience of Chinese cities to the world, so as to provide useful reference for global urban sustainable development. To support the construction of international exchange center, a new highland for international talents will be built, and more competitive talent policies will be applied. Convention on Exchange of Overseas Talents will be held regularly; "Talent green card" will be provided to international talents for national treatment; a national human resources service industrial park with high standards will be built; Nansha International Talent Zone for starting up business will be established; and more overseas talent workstations will be set up to introduce a group of leading talents and innovation teams in science, technology and innovation.

## 6.5 Expand City Branding and Cultural Exchanges

Guangzhou is currently in the beginning of a long-term campaign of global city branding promotion. A long-term planning of the international city brand promotion is about to come into force and provide guidance to the people from all walks of life. Road show and story-sharing sessions for city features promotion have achieved good social effects and will be employed more on the important international conventions and exhibitions such as World Economic Forum, Boao Forum for Asia, China Development Forum, World Cities Culture Forum, etc. Efforts will also be made to hold key urban cultural exchange projects such as *Guangzhou Culture Week*, *We & Guangzhou* and *Flower City in Silk Road--Maritime Silk Road Cultural Tour*, and to carry out Lingnan cultural

boutique repertoire tour, Non-legacy art shows and Heritage exhibitions to consistently introduce Cantonese Opera, Canton music, Cantonese Puppet Show, and Acrobatics to the world. Tourism is considered a good way to improve international communication. Guangzhou intends to optimize the international reputation through tourism by making full use of the 144-hour transit visa-free policy and the tax rebate policy to attract more overseas travelers. The city is to mobilize, socialize and visualize the city image products by employing new technologies such as 5G, big data, cloud computing, internet of things and artificial intelligence, to make the contents more readable and to deliver the stories of Guangzhou in a more internationalized manner.



## <Guangzhou Global City Development Report 2019>

is issued by Guangzhou Urban Innovation Research Center of Guangzhou Academy of Social Sciences.

### Guangzhou Academy of Social Sciences (GZASS)

is a leading think tank and a distinguished academic institution in southern China sponsored by the municipal government of Guangzhou. Its researches center on Guangzhou aiming to provide policy consultancy to authorities at all levels. Adopting a new model of Research Hub + Network & Entity + Platform, GZASS is developing towards a modern think tank with international perspective.

### Guangzhou Urban Innovation Research Center (GUIRC)

is a comprehensive think tank on urban innovation and sustainable development research established by Guangzhou Academy of Social Sciences and the Guangzhou municipal government. Major contributions include: “Guangzhou Global City Development Report” Series, Global City Index Database, etc.



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