

Editor's note: The Guangxi Zhuang autonomous region in Southwest China has made some progress in social and economic development in the past five years. Its major economic indicators — regional GDP, per-capita

GDP, revenues, industrial added value — in 2010, were double the 2005 figures.

There have been advances in the following areas: the Beibu Gulf economic zone has become a national strategic

program; work has begun on the Xijiang waterway system; there has been unity among ethnic groups; the standard of living is improving; it has held the China-ASEAN trade and investment summit, Pan-Beibu Gulf

economic cooperation forum, and other events; and vegetation covers 58 percent of the region.

Other achievements are still in the making in the region.



Opening ceremony of the China-ASEAN Expo, an annual trade and investment event in Nanning, Guangxi's capital.

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Focus on cooperation with ASEAN

By PAN YI

The Guangxi Zhuang autonomous region is leveraging its geographical location to develop economic and trade relations with Association of Southeast Asian Nations (ASEAN) members.

Its China-ASEAN free trade zone, set up in 2010, is expected to help increase those relations with Southeast Asian countries and give Guangxi new advantages in its domestic and international competition.

To take advantage of the situation, it has a strategy that gives priority to the Beibu Gulf Economic Zone and lets Guangxi play a unique role in operating the free trade zone.

ASEAN has been Guangxi's biggest trade partner 10 years running and there is still momentum in their exchanges and investment, service trade, education and cultural cooperation.

Bilateral trade with ASEAN was worth \$6.53 billion in 2010, a growth of 31.9 percent from 2009. Exports to ASEAN countries were worth \$4.59 billion of that, up 27.1 percent, while imports from ASEAN nations showed a 45.1-percent increase. ASEAN remains Guangxi's biggest export market.

This year is the China-ASEAN dialogue mechanism's 20th anniversary and Guangxi has been a frontier for cooperation between China and ASEAN.

The establishment of China-ASEAN free trade zone marked the start of a post-tariff era, and trade between the two looks set to grow even faster.

This is the third largest free trade zone in the world and the biggest free trade zone made up of developing countries.

Total population of this free trade zone is 1.9 billion, and the GDP, about \$6 trillion, while total trade volume stands at about \$4.5 trillion.

With the increase in the volume of trade, reciprocal investment is growing as well. Many Chinese companies from the interior see Guangxi as a good way to enter the ASEAN market.

Huang Gang, a Beihai Jing-guang Electronics Co executive, has explained that his company moved its manufacturing base from Shenzhen, in Guangdong province, westward to Beihai, on the Beibu Gulf in Guangxi, to explore the ASEAN markets.

The free trade zone has also helped the integration of regional economic and financial systems, and has helped Guangxi's financial institutions go global.

The Guangxi Beibu Gulf Bank, the region's first shareholding bank tailored to the free trade zone's needs, has expanded its services to new areas such as overseas investment and foreign direct investment.

The bank has good relations with 66 foreign financial institutions, and, in ASEAN nations alone, has agent relations with 32 banks.

The bank is preparing to set up its first representative office in Hanoi, Vietnam, according to the bank's governor Zhao Xijun, who explains, "Our bank is vigorously implementing an 'expand into ASEAN nations' strategy."

By the end of 2010, cross-border trade settled in yuan exceeded 12.6 billion yuan (\$1.94 billion), putting it on top of China's eight border provinces and autonomous regions, while cross-border exports settled in yuan amounted to 9.3 billion, putting it in first place in the country.

'Golden routes' propel regional development

By PAN YI

The Guangxi Zhuang autonomous region has an ambitious plan to build a "golden waterway system" for economic development and to provide a shipping channel for neighboring provinces.

The Xijiang River golden waterway plan, which was approved by the central government in 2010, will need 74.2 billion yuan (\$11.44 billion), 40.6 billion yuan of that, before 2012.

Authorities expect work on the Xijiang River system to be completed by 2012. In addition to benefiting the autonomous region, it is expected to benefit Yunnan, Guizhou and Guangdong provinces and the special administrative regions of Hong Kong and Macao.

Some estimates put the waterway's shipping capacity at the same level as the five railways that serve the Guangdong, Hong Kong and Macao region. Proposed ocean-river shipping routes would mean new ways to develop the economy of Guangxi.

By 2012, total cargo handling capacity of inland river ports is expected to increase by more than 77 million tons, to more than 100 million tons, according to Huang Huakuan, executive deputy director of the Xijiang golden waterway construction office.

By then, the waterway will basi-

cally consist of a 2,000-ton per year shipping route from Guigang to Wuzhou, a 1,000-ton route on the Youjiang river, and a 500-ton route on the Liuqian and the Honghe rivers.

By 2020, the 1,480 kilometers of routes linking the cities of Nanning, Guigang, Wuzhou, Baise, Laibin, Liuzhou and Chongzuo will all be upgraded to the 1,000-ton level.

In addition, sections of routes downstream from Nanning, Laibin and Liuzhou will be able to accommodate 2,000-tonnage vessels. And, the section downstream from Guigang will be able to accommodate 3,000-tonnage ships, Huang explained.

Huang said that the shipping routes would benefit the four provinces and the regions they pass through and be significant for developing 45 prefecture-level cities and more than 200 counties.

"The golden shipping route has the full support of top leaders and has had a good response from the provinces and regions along the way. Premier Wen Jiabao has pointed to the importance of the system, comparing it with the Yangtze and Beijing-Hangzhou Grand Canal. Vice-Premier Zhang Dejiang has said that the shipping system is the 'correct strategic plan,'" said Guo Shengkun, chairman of the Guangxi People's Congress and secretary of the Guangxi Party committee.



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City of Wuzhou, Guangxi is a regional water transport hub.



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Members of the Yao ethnic group taking part in a traditional sport.

Guangxi stresses ethnic harmony

By PAN YI

Guangxi has a large number of ethnic groups and wants to improve its people's lives and increase unity among them.

In the first year of the 12th Five-Year Plan (2011-2015), the region is placing priority on social security, employment, balanced development in different areas, and the role of non-governmental organizations in social affairs to improve the people's lives, Gao Xiong, vice-chairman of the autonomous region, remarked at a meeting in March.

Guangxi will spend 880 million yuan (\$135.7 million) in 2011 in renovating old houses, improving safe drinking water, and building roads. Last year, it spent 1.02 billion yuan improving the quality of life of workers, solving housing problems and helping provide safe drinking water to 27,390 farm families.

Guangxi has suffered from natural disasters in the past five years, such as severe droughts and floods.

With an improved disaster relief and emergency management system, the region has been able to solve the housing, clothing and food problems of many victims.



LU YILIN / FOR CHINA DAILY

The Guangxi countryside is getting a new look.

It has given assistance to 17.78 million victims and has rebuilt 457,900 houses.

During that same time, the social security system operated efficiently and the needy got help in time. The relief funds amounted to more than 8 billion yuan, over the five-year period.

Guangxi emphasizes unity and harmony among its 12 ethnic groups, which include the Zhuang, Yao, Miao, Dong, Jing, Yi and Shui. The ethnic population is around 19.5 million, or 38.3 percent of the region's total.

Among the Party and government leaders at or above the county level, 43.5 percent are from ethnic groups, or 5.2 percentage points

higher than the ethnic group's portion of the total population.

The region has also spent heavily on primary and middle schools for ethnic groups to improve their basic education level.

It has spent more on the Guangxi University for Nationalities to train people for the social and economic development of the region. The improved education of ethnic groups has helped provide talented people to help with ethnic unity and harmony.

Cultural facilities are provided for ethnic groups, including museums, culture palaces, art centers, and cinemas. In addition, the region has organized traditional sports events among these groups.

Beibu Gulf offers favorable policies for overseas investors

By BIAN YI

The Beibu Gulf area, in China's Guangxi Zhuang autonomous region, has become a popular place for investors to park their funds, giving an indication of their confidence in Guangxi's future.

Yan Lugen, vice-present of the China Federation of Overseas Chinese Entrepreneurs, said he plans to spend 1 billion yuan (\$154 million) in the area, around Nanning, Guangxi's capital, on a holiday resort.

Yan, who is from Singapore and has investment projects in Nanjing, Jiangsu province, and Kunming, Yunnan province, said, "It (the Beibu Gulf area) is close to the Association of Southeast Asian Nations (ASEAN) economies and the climate is perfectly suitable for holiday travel."

Yan joined 100 overseas Chinese entrepreneurs from various countries who met in Nanning for a Beibu Gulf investment promotion event sponsored by the Guangxi government and the China Federation of Overseas Chinese Entrepreneurs, on May 24.

Previously, some overseas Chinese had already negotiated projects with the Guangxi government that were expected to cost more than 10 billion yuan.

One important reason for overseas investors to come to the Beibu Gulf economic zone is the favorable policies it offers. They were designed for western development, coastal regions, the ethnic group areas, the border region, and for bonded and free trade zones.

Another reason is its proximity to the ASEAN members. The Guangxi economic zone is the only part of China with both land and sea access to ASEAN nations, and is a window on China's opening-up.

The coast along the economic zone stretches for 1,595 km, and, it is meeting point for regional cooperation.

Nanning is the permanent site of the China-ASEAN trade and investment exposition in the economic zone. The port of Qinzhou is open to the outside world, while the city of Dongxing has been designated an experimental development zone for China.

The State approved the Beibu Gulf Economic Zone Development Plan at the beginning of 2008, marking the start of a new era for the gulf region.

During the 11th five-year plan (2006-2010), the region saw an annual GDP growth of 16.3 percent.

Qinzhou's PetroChina refinery and the APP Beihai paper and pulp project went into operation during that period.

And work on western China's first nuclear power plant began in Fangchenggang, while the output value of the Lingang industrial zone in Fangchenggang, as well as the Beihai industrial park, and Qinzhou petrochemical industrial park exceeded 10 billion yuan each.

During the 12th five-year plan (2011-2015), Guangxi is expected to speed up work on the zone, in the logistics, trade, and manufacturing bases and information center for China-ASEAN cooperation.

Guangxi is giving priority to petrochemical, iron and steel, nuclear power, electronic information, manufacturing and new energy projects in the economic zone.

At the same time, it will increase the handling capacity of ports along the gulf and improve its railways, highways, pipelines and shipping in the zone. The handling capacity of ports along the gulf is expected to reach over 336 million tons by 2015, with more than 100 berths that can accommodate 10,000-tonnage vessels.