



MONTHLY UPDATE ON CHINA

December 2018



Western Triangle (Xian, Chongqing and Chengdu)

Jan Sartaj



Xinjiang
(Eastern Turkestan)

Tibet (Xizang)

Qinghai

Inner Mongolia

Ningxia

Gansu

Shaanxi

Shanxi

Hebei

Henan

Shandong

Liaoning

Jilin

Heilongjiang

Beijing Shi

Tianjin Shi

Jiangsu

Shanghai

Anhui

Hubei

Zhejiang

Jiangxi

Hunan

Fujian

Sichuan

Chongqing

Guizhou

Yunnan

Guangxi

Guangdong





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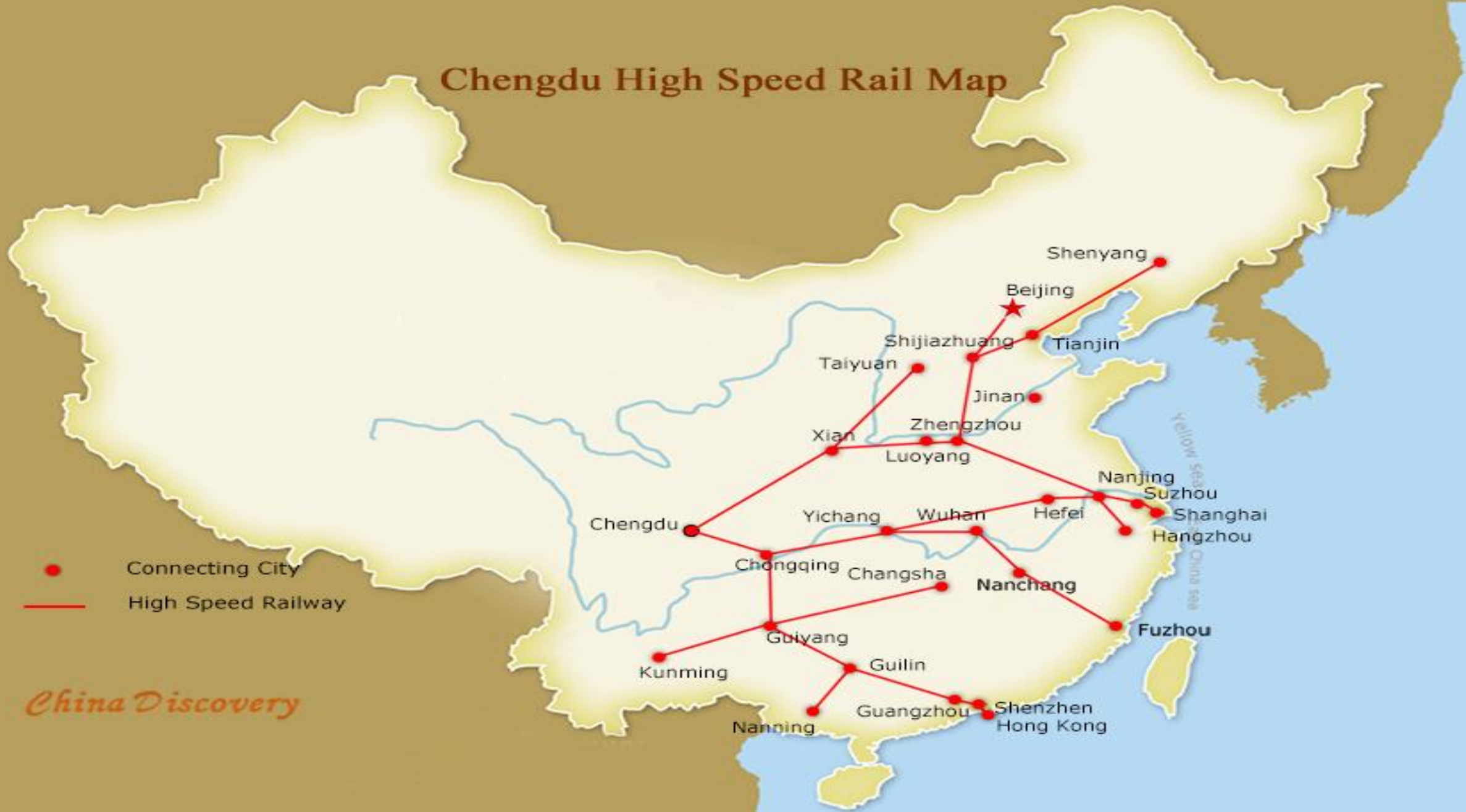
West Triangle Economic Zone

- The **West Triangle Economic Zone** is an economic zone designated by the Chinese government comprising Chengdu, Chongqing and Xi'an
- The West Triangle Economic Zone contributes nearly 40% of Western China's GDP
- Chongqing is one of China's five National Central Cities, while both Chengdu and Xi'an are Regional Central Cities
- The economies of all three cities are highly developed and serve as attractive investment locations within China



- major international companies have factories or branches in the region, including Microsoft, Ford Motors, Citigroup, and other 500 companies
- Overall, the zone has a population of 118 million and covers 220,000 square kilometres
- Various major expressways and railways run through the zone, and each of the three cities has a major international airport.

Chengdu High Speed Rail Map



China Discovery

Formation

- The creation of the zone was originally proposed by Chongqing in 2009, as part of the 12th Chinese 5-year plan. Xi'an and Chengdu agreed to the proposal
- It was hoped that the consolidation of three major cities into one zone would accelerate the development of other areas in Western China
- The creation of such an economic zone serves a larger part within the China Western Development policy

China Western Development policy

- the China Western Development policy aimed to attract foreign investment
- This was to be done by creating a more stable investing environment through infrastructure construction
- The creation of a new economic zone would encourage cooperation between cities, which would lead to greater economic development and prosperity
- The federal government's strategy in both the West Triangle and Western China in general is to provide large amounts of monetary investment in order to provide an industrial and infrastructure base

Chengdu Economy

- China's western centre of logistics, commerce, finance, science and technology, as well as a hub of transportation and communication
- an important base for manufacturing and agriculture
- the World Bank's 2007 survey report on global investment environments declared Chengdu "a benchmark city for investment environment in inland China
- Important locally based companies include Chengdu Sugar and Wine Co. Ltd., Chengdu Food Group, Sichuan Medicine Co. Ltd., Chengdu Automobile Co. Ltd. etc., which support the city's food, medicine, machinery and information technology industries

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- Among the world's 500 largest companies, 133 of them have subsidiaries or branch offices in Chengdu
- These corporations include Intel, Cisco, Sony and Toyota that have assembly and manufacturing bases. Also, Motorola, LM Ericsson, and Microsoft have centres in Chengdu
- Chengdu ranked world's third best metro economy in Brookings report
- The Institute, looked at the Gross Domestic Product (GDP), GDP per capita, Purchasing Power Parity (PPP), employment, and population of the 300 largest metropolitan economies. The reports says that these areas account for 36 percent of global employment growth, and 67 percent of global GDP growth
- <http://www.chinadaily.com.cn/a/201808/17/WS5b763dd9a310add14f386595.html>

Chongqing Economy

- Chongqing was separated from Sichuan province and made into a province-level municipality in March 1997
- With an annual output capacity of 1.2 million automobiles, Chongqing produces 15% of China's total output
- Changan Automotive Corp (China's fourth largest automaker), Lifan Hongda Enterprise, and Ford Motor Company all produce automobiles in Chongqing, with the US car giant having 3 plants
- The municipality is also one of the nine largest iron and steel centres in China and one of the three major aluminum producers

Xi'an Economy

- Xi'an is the largest economy of Shaanxi province, with a GDP of 324.1 billion Yuan in 2010
- accounts for approximately 41.8% of Shaanxi's total GDP
- At least fifty-eight countries have established over 2,560 enterprises in Xian
- These include ABB Group, Mitsubishi, Toshiba, Fujitsu, Coca-Cola, and Boeing
- export goods include lighting equipment and automobile parts, while its major import goods are mechanical and electrical products. Internationally, Xi'an's largest trade partner is the United States

Economy of each city

- Chongqing: \$309.1 billion
- Chengdu. 220.2 billion
- Xian. 118.4 billion

Major highways and expressways passing through the West Triangle Economic Zone include

- Sichuan-Tibet Highway
- China National Highway 055
- China National Highway 213
- China National Highway 317
- China National Highway 318
- China National Highway 319
- China National Highway 321
- China National Highway 210
- China National Highway 212
- Chongqing-Chengdu Expressway
- Chongqing-Dazhou-Xi'an Highway
- China National Highway 210
- China National Highway 211
- China National Highway 312

Major Rail lines connecting Western triangle

- Zhengzhou–Xi'an High-Speed Railway
- Datong–Xi'an Passenger Railway
- Xi'an–Baoji High-Speed Railway
- Xi'an–Chengdu High-Speed Railway
- Chengdu–Chongqing High-Speed Railway
- Chengdu–Dujiangyan High-Speed Railway
- Chongqing–Guiyang Railway
- Chongqing–Xiangyang Railway
- Chongqing–Huaihua Railway
- Chongqing–Suining Railway
- Chongqing–Lichuan Railway
- Chongqing–Lanzhou Railway

Thank You