



# Zhongshan

*Zhongshan is located in the western part of the Pearl River Delta, north of Zhuhai and south of Guangzhou. The city has a number of distinctive towns under its jurisdiction that have well-established manufacturing bases. In addition to its export-oriented facilities, Zhongshan also is home to a large number of factories that supply the Chinese domestic market. In 2005, the city displayed strong growth across a range of economic indicators.*

## Zhongshan in figures\*

Total area (square kilometres)	1,800
Interim Census Population 2005 (million persons)	2.43
Registered Population 2005 (million persons)	1.41
Total GDP in 2005 (US\$ billion)	9.98
– GDP in primary sector (US\$ billion)	0.38
– GDP in secondary sector (US\$ billion)	6.13
– GDP in tertiary sector (US\$ billion)	3.48
Real GDP growth 2005 (percent)	15.2
Official per capita GDP in 2005 (US\$)	4,167
Gross industrial output in 2005 (US\$ billion)	27.07
Total trade in 2005 (US\$ billion)	18.69
Imports in 2005 (US\$ billion)	6.48
Exports in 2005 (US\$ billion)	12.21
Growth in exports 2005 (percent)	22.20
Utilised foreign investment in 2005 (US\$ billion)	0.65
Total retail sales of consumer goods in 2005 (US\$ billion)	3.38
Growth in consumer goods retail sales 2005 (percent)	17.9

\* Note: Statistics reported for the jurisdictions in the Pearl River Delta are based on data from the jurisdictions' Statistical Yearbooks or statistics bureaux. Data for the year 2005 are preliminary. Interim Census Population 2005 is year-end figure.

## Leading industries

Zhongshan's leading industries by gross industrial output are telecommunications equipment, computers, and other electronics, electric equipment and machinery, garments and footwear, textiles, metal products, plastic products, leather products, office equipment, chemicals, and cultural, educational, and sports goods. A number of Zhongshan's towns have made a name for themselves in the manufacture of certain products. The township of Xiaolan is noted for its hardware products, such as locks, stoves, and electrical appliances.

It also has a high concentration of audio equipment manufacturers. Shaxi is known for its production of garments and is home to possibly the world's largest sportswear mall, bringing together some 200 retailers under one roof. Dachong has a high concentration of rosewood furniture factories, while Dongfeng is noted for domestic appliances and Huangpu for cured food. The suburb of Guzhen claims to produce 60 percent of the lights and light fittings sold in China's domestic market.

### **Zhongshan – top manufacturing industries by gross industrial output (US\$ billion) 2004**

1. Telecommunications equipment, computers, and other electronics	3.29
2. Electric equipment and machinery	3.27
3. Garments, footwear, and headgear	1.68
4. Textiles	1.34
5. Metal products	1.30
6. Plastic products	1.14
7. Leather, fur, down, and related products	0.94
8. Instruments, metres, and office equipment	0.86
9. Raw chemical materials and chemical products	0.84
10. Cultural, educational, and sports goods	0.73

Zhongshan's leading tertiary sectors are wholesale and retail trade and catering services; transportation, storage, post, and telecommunications; real estate trade; and finance and insurance.<sup>35</sup> Zhongshan also has well-established commercial banking, insurance, retail, and recreation facilities services.

<sup>35</sup> Based on service sector categories reported by the Guangdong Statistical Yearbook 2005.

## Zhongshan – service sectors (US\$ billion) 2004

Wholesale and retail trade and catering services	0.62
Transportation, storage, post and telecommunications	0.50
Real estate trade	0.26
Finance and insurance	0.11
Others	0.72

### Economic plans

Zhongshan's 11<sup>th</sup> Five Year Programme has a strong focus on science and technology and related R&D activities. Priority sectors include electronic and telecommunications equipment, medicines and pharmaceuticals, new materials, advanced environmental-protection technology, optic electromechanical technology, fine chemicals, and packaging and printing. Zhongshan will continue to encourage foreign and domestic investment in science and technology, with special emphasis on R&D operations. Zhongshan also plans to upgrade its traditional industries including metal products, home appliances, lighting products, food products, and textiles. Priority tertiary sectors include logistics, commerce and trade, intermediary services, and financial services. Zhongshan aims to become the regional logistics hub for the western portion of the Pearl River Delta region and plans to construct two new logistics centres to connect it to surrounding areas.

### Development zones and industrial parks

The 70 square kilometre Zhongshan 'Torch' High-tech Industrial Development Zone was established in 1990 with the backing of China's Ministry of Science and Technology. The 'Torch Zone' includes several parts: a high-tech industrial park, an electronics and IT park, an industrial park for privately-owned businesses, a health technology

park, and a packaging and printing park. Milestones over the last 10 years include the establishment of China's first healthcare-oriented industrial base, the creation of the largest packaging and printing base in China, and the development of a high-tech products export base. The zone has its own port facilities, as well those for banking, insurance, healthcare, education, accommodation, shopping, and recreation.

### Foreign investment

Numerous foreign investors have invested in Zhongshan, including ABB Transformers, Acer, Canon, Detroit Diesel, Glaxo-SmithKline, Toshiba, Union Carbide, and Wistron. In 2001, Canon invested in a laser printer production facility in Zhongshan. Hong Kong developer, Sun Hung Kai Properties, has invested in a large-scale residential project in the city. In 2006, Kawasaki Sanko Kasei announced a new joint venture to produce resin compounds for automotive and other industrial uses.

### Transport linkages

Zhongshan is connected by highway to Guangzhou and Shenzhen by highway (around 2 hours), and to Hong Kong by ferry (75 minute ride). Zhongshan is within easy access to six national and international airports in the region. Zhongshan's port provides three 3,000-5,000 tonnage berths, as well as eleven 1,000 tonnage berths.

