

BASIC INFORMATION Source: China City Statistical Yearbooks

	2006	2007	2008	2009
GDP (RMB bn)	240.6	288.0	343.4	370.2
GDP per capita (RMB)	37075	41271	49012	52683
FDI (US\$m)	7668.9	2260.6	1057.9	1085.0
FDI projects (number)	1086	514	251	259
FAI (RMB bn)	159.1	160.7	196.2	222.2

GROUPING BY ACTIVITY	GRADE
Overall	2
Overall domestic	2
Overall export	3
R&D	3
Sales	2

GROUPING BY CATEGORY	GRADE
Air	3
Rail	3
Automotive	2
Built Environment	2
Energy	3
Education	3
Health	3
Retail	1



Insights

- Second-largest industrial city in Shandong Province
- Known for apple and wine production (home of Changyu Wines)
- Largest shipbuilding base in Shandong
- Growing automotive centre

Key Industries

- Automotive
- Ship building
- Food processing
- Electronics
- Gold mining

Yantai's established industries include machinery, electronics, food processing and gold mining. In the field of machinery, Yantai focuses on automobiles and shipbuilding. There are over 350 auto parts manufacturers in the area. The county-level city of Penglai has become the largest shipbuilding base in Shandong.

In the first half of 2010, Dong Yue Auto, a joint venture between GM and SAIC, produced 130,000 complete cars, 310,000 engines and 210,000 automatic transmissions. In July 2010, the company started the construction of its new plant in the Yantai Economic and Technological Development Area. With the increased capacity at Dong Yue, the annual output of complete cars in Yantai is anticipated to reach one million units by 2015.

This level of expansion in the automotive sector is expected to lead to an additional 120 parts manufacturers and 360 other suppliers setting up in Yantai by 2015.

Foreign Direct Investment

Foreign investors include:

- GM
- GE
- Foxconn
- Mitsubishi
- LG
- Associated British Foods

Opportunities

The following are projects which the city government is promoting in the next five years.

- Construction of a new airport, adding international and domestic services
- Development of a 15km² solar PV energy-generating area
- Development of the Laizhou and Changdao inshore wind-power projects and the Qixia Tianli biomass energy project
- Encouragement for private investment into the healthcare sector

Projections

The development of Dong Yue is a significant boost to Yantai's automotive sector. Opportunities for new suppliers in the automotive sector have increased substantially. There are also good opportunities for trade and investment in Yantai's agri-business and other key industries.

Useful Contacts

UK Support

UK Trade & Investment:
www.ukti.gov.uk

British Embassy Beijing:
www.ukinchina.fco.gov.uk

China-Britain Business Council:
www.cbcc.org

British Chamber of Commerce in China:
www.britcham.org

Local Government

Yantai City Government:
www.yantai.gov.cn

Yantai Administration for Industry and Commerce:
www.ytaic.gov.cn

Yantai Foreign Affairs Office:
wsb.yantai.gov.cn

Development Zones

Yantai Economic and Technological Development Area:
www.yantaiinvest.gov.cn

Yantai Export Processing Zone:
www.yantaiepz.gov.cn