

BASIC INFORMATION

Source: China City Statistical Yearbooks

	2006	2007	2008	2009
GDP (RMB bn)	107.4	133.5	166.5	90.2
GDP per capita (RMB)	23203	28134	34482	41543
FDI (US\$m)	924.2	1151.9	1200.1	857.5
FDI projects (number)	155	122	70	59
FAI (RMB bn)	81.7	131.0	183.9	246.8

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

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



Insights

- Provincial capital of Anhui Province
- Becoming more closely integrated with the Yangtze River Delta (YRD) region
- Fast-growing middle class, with GDP/capita growing 80 per cent in 2006-09

Key Industries

- Automotive
- Home appliances
- ICT
- Biopharmaceutical
- Machinery
- Food processing

Hefei's dominant industries are automotive, equipment manufacturing and the manufacture of home appliances.

The service sector, currently accounting for 42 per cent of the local economy, is growing quickly, with the largest growth in tourism.

The University of Science and Technology of China, based in Hefei, is ranked within the top 75 universities worldwide for engineering, technology and computer science.

Foreign Direct Investment

Foreign investors include:

- ABB
- Unilever
- IBM
- Hitachi Excavators
- Hyundai
- Sanyo
- Johnson Controls
- Continental AG

Opportunities

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

- Completion of passenger lines linking Hefei-Bengbu (north Anhui), Heifei-Fuzhou (Fujian), and Shangqiu (Henan)-Hefei-Hangzhou (Zhejiang)

- Begin planning and construction of intercity high-speed rail systems within Anhui Province
- Upgrade Hefei West Railway Station and build the city into a national rail hub
- Promotion of solar, PV, biomass, wind-power industries and integrate them with the city grid
- Encourage local universities to co-operate with overseas counterparts
- Complete construction of Xinqiao International Airport (operations start in Spring 2012); increase international and domestic air services; accelerate the construction of further airports in neighbouring cities

Projections

There is a national strategy to integrate Hefei further with other cities in the YRD and Anhui Province. Ambitious national rail and international air strategies will not just extend the YRD to Hefei, but also boost the economic strength of Anhui Province as a whole. Due to Hefei being the economic and political centre of Anhui, companies investing there can integrate with the provincial economy as a whole, as well as with the western parts of neighbouring province, Jiangsu. Success is most likely in automotive supply, ICT and high-level retail.

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

Hefei City Government:
www.hefei.gov.cn

Hefei Administration for Industry and Commerce:
www.hfaic.gov.cn

Hefei Industry and Economic Portal:
www.hfgj.gov.cn

Development Zones

Hefei Economic and Technological Development Area:
www.hetda.com

Hefei Hi-Tech Park:
www.hefei-stip.com.cn