

CHENGDU 成都

PROVINCE: SICHUAN 四川省

BASIC INFORMATION

Source: China City Statistical Yearbooks

	2006	2007	2008	2009
GDP (RMB bn)	275.0	332.4	390.1	450.3
GDP per capita (RMB)	25171	26525	30855	35215
FDI (US\$m)	3049.4	3422.6	2245.2	2797.0
FDI projects (number)	363	365	279	214
FAI (RMB bn)	190.0	239.5	299.4	402.6

GROUPING BY ACTIVITY	GRADE
Overall	1
Overall domestic	1
Overall export	3
R&D	1
Sales	1

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



Insights

- Provincial capital of Sichuan Province
- Together with Chongqing, the centre of a large cluster of regional cities

- 2009 FDI (at US\$2.8 billion) is equivalent to the rate in 2006

Key Industries

- Pharmaceuticals
- Aerospace
- Food processing
- Petrochemical
- Automotive
- ICT

Chengdu has witnessed rapid economic development in recent years. Closely linked with Chongqing, they form the two largest economies in the region.

Chengdu's major industrial sectors include pharmaceuticals, food processing, automotive, aerospace, petrochemicals and ICT. The city's service sector already accounts for 50 per cent of the economy and is predicted to grow to 60 per cent within the next 10 years. Tourism is growing particularly quickly.

Chengdu has a strong history of Traditional Chinese Medicine (TCM) and over 6,000 medical equipment and pharmaceutical companies are registered there. Together with 148 registered drug brands, this ranks Chengdu as one of China's preeminent pharmaceutical centres.

Foreign Direct Investment

Foreign investors include:

- Intel
- Motorola
- Alcatel
- Oracle
- Toyota
- Lafarge
- Standard Chartered Bank
- HSBC
- KPMG
- Unilever
- Burberry
- Ernst & Young

FDI in 2009 reached US\$2.8 billion, second in Western China behind Chongqing (US\$4 billion) and comparable with Wuhan. There has been a growing number of high-tech, software and hardware firms establishing themselves in Chengdu.

Opportunities

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

- Forming a Western China rail hub by upgrading the Chengdu-Kunming line and extending lines to Ya'an, Chongqing, Lanzhou, Xi'an and Guizhou.
- Boosting energy provision of non-fossil fuels (solar, nuclear, wind) to 30 per cent of supply.

Projections

High-tech industries such as integrated circuit design and software development should continue to be attracted by good local R&D and educational facilities.

The strengthening of rail and air logistics will strengthen Chengdu's position as the vanguard of Southwest China. However, most growth will be in the service industries and ICT rather than Chengdu's more traditional sectors of aerospace and pharmaceuticals.

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

Chengdu City Government:
www.chengdu.gov.cn/echengdu

Chengdu Administration of Industry and Commerce:
www.cdgs.gov.cn

Invest Chengdu:
www.chengduinvest.gov.cn

Development Zones

Chengdu Economic and Technological Development Zone:
damian.gov.cn

Chengdu Hi-Tech Industrial Development Zone (including Chengdu Export Processing Zone):
www.cdht.gov.cn