

# BAOTOU 包头

PROVINCE: INNER MONGOLIA 内蒙古自治区

## BASIC INFORMATION

Source: China City Statistical Yearbooks

	2006	2007	2008	2009
GDP (RMB bn)	164.5	194.5	231.7	244.5
GDP per capita (RMB)	37039	43499	51547	54229
FDI (US\$m)	407.5	240.0	475.2	387.6
FDI projects (number)	113	51	41	36
FAI (RMB bn)	61.5	64.7	80.8	101.0

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

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



## Insights

- Largest industrial city of Inner Mongolia
- Centre of China's rare-earth industry
- GDP and GDP/capita approximately doubled in 2006-09
- FDI quadrupled between 2006-09
- GDP/capita is one of the highest in China

## Key Industries

- Iron & steel
- Rare-earth mining and manufacturing
- Non-ferrous metals
- Excavating machinery
- Heavy-duty transport
- Chemical
- Electric power & electronics
- Aluminium processing

Baotou is the largest economy of the Inner Mongolia Autonomous Region, with a GDP of RMB 217 billion in 2009, an increase of 23 per cent over the previous year.

The main industries are mining, iron & steel and rare-earth metals, while developing sectors include heavy trucks and wind-power equipment.

The development of machinery, equipment and components for trucks, earth-moving equipment and wind power is encouraged.

## Foreign Direct Investment

Baotou is one of few cities to have seen an increase in FDI in real terms in the period 2006-2009. FDI in 2009 reached US\$950 million, an increase of 16 per cent over the previous year.

FDI falls mainly within the sectors of wind-power equipment manufacture and wind farms, mining and mining-

equipment manufacture, and automotive component manufacture.

## Opportunities

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

- Forestation
- Water treatment
- Monitoring of water quality
- Monitoring of air quality
- Non-fossil fuel energy, mainly nuclear and wind. To account for 11.4 per cent of consumption by 2015

Due to industrial upgrading and efficiency requirements there are opportunities for UK companies to be involved in the supply chain and for training within the mining and electric-generation industries.

## Projections

Further investment in rare-earth metals will continue to drive Baotou's GDP and FDI.

Although environmental issues have been sidelined in favour of economic development, they are being quickly addresses, generating further opportunities.

## Useful Contacts

### UK Support

#### UK Trade & Investment:

[www.ukti.gov.uk](http://www.ukti.gov.uk)

#### British Embassy Beijing:

[www.ukinchina.fco.gov.uk](http://www.ukinchina.fco.gov.uk)

#### China-Britain Business Council:

[www.cbcc.org](http://www.cbcc.org)

#### British Chamber of Commerce in China:

[www.britcham.org](http://www.britcham.org)

### Local Government

#### Baotou City Government:

[www.baotou.gov.cn](http://www.baotou.gov.cn)

#### Baotou Economic Commission:

[www.btetc.gov.cn](http://www.btetc.gov.cn)

### Development Zones

#### Baotou National Rare-Earth Hi-Tech Industrial Development Zone:

[www.rev.cn](http://www.rev.cn)