WORKING PAPER NO. 22
NOTE ON THE PLANNING IMPLICATIONS OF MAINLAND’S TENTH FIVE-YEAR PLAN

Purpose

1. The purposes of this paper are to:-
   
a. outline the major proposals in the Mainland's Tenth Five-Year Plan; and

b. highlight the strategic implications of the major planning and development proposals in the Tenth Five-Year Plan for the "Hong Kong 2030 Study.

Background

2. National Five-Year Plan is a development strategy to set out the development goals and economic targets for the country's socio-economic development on a five-year basis. It covers different levels from national down to the city level and includes various facets of development, such as transport, environmental protection, energy and urbanization. The Tenth Five-Year Plan (2001-2005) is built upon the previous Ninth Five-Year Plan (1996-2000) which targeted, amongst others, changing the state-planned economy towards a market-oriented system. Also, during the Ninth Five-Year Plan period, the Mainland has witnessed sustained economic growth. Some major achievements are highlighted as follows:-

   Establishment of a Market-oriented System

   a. In overhauling the enormous structure of the state sector, the Central Government has implemented re-organization of the state-owned enterprises (SOEs) and government organizations, including reduction of the number of state-sector employees 1. The constitution has been amended to establish the legitimacy of private property rights and private enterprises allowed to list in the stock market. With the reduction of barriers to private trade, price liberalization has continued. In 1998, prices of 95% of the retail sales in 1998 were determined by the market, compared with 89% in 1995 2.

   b. The objective of turning around those operations of SOEs that were not cost-effective in three years, commencing in 1996, was basically achieved. Total profit of state-owned and large non-state-owned industrial enterprises taken together has soared from RMB230 billion (US$28 billion) in 1996 to RMB426 billion (US$51 billion) in 2000, representing an increase of 85%.

   Economic Growth

   c. Mainland's GDP increased by an average annual rate of 8.3% from RMB6.79 trillion (US$0.82 trillion) in 1996 to RMB8.94 trillion (US$1.08 trillion) in 2000. Per capita GDP reached RMB7,063 (US$853) in 2000, 27% higher than the 1996 figure (RMB5,576 (US$673)).

   Increasing Investment

   d. Fixed asset investment has increased from RMB2.3 trillion (US$278 billion) in 1996 to RMB3.3 trillion (US$399 billion) in 2000. Within this total, investment in electronics industry rose by almost 50%, and that in scientific research and technological services by nearly 20%.

   Spate in Trade

   e. Imports and exports continued to grow rapidly and attained a total value of RMB474 billion (US$57 billion) in 2000, compared to RMB290 billion (US$35 billion) in 1996. The pattern of trade has become more diversified, with an increasing proportion of new hi-tech and high-value added products.

3. The aforesaid tangible achievements have laid a solid foundation for the Mainland's modernization and augured further deepening of market-oriented reform under the Tenth Five-Year Plan.
Given the coverage of the Tenth Five-Year Plans on a multitude of subjects at different levels and aspects, focus of this paper would be on the major proposals of the Tenth Five-Year Plans at national, provincial and municipal levels and their strategic implications for the Hong Kong 2030 Study. The Tenth Five-Year Plans to be examined include the following:

a. the National Plan
b. the Guangdong Plan and

c. the Guangzhou Plan, Shenzhen Plan and Zhuhai Plan.

Other topical plans which have major implications for the Hong Kong 2030 Study will also be examined in the paper. A list of these plans is in Annex A. A table summing up the major proposals in the National Plan, Guangdong Plan and various municipal plans is at Annex B whereas their main thrusts are highlighted in the following paragraphs.

**National Level**

The proposals of the National Plan could be broadly summarized into three key areas:

a. to prepare for the accession to WTO;

b. to meet the challenges of globalization; and

c. to raise further the living standard of the population through relatively rapid and better quality economic growth targeted at 7% annual growth over the next five years.

To achieve the first two objectives, emphasis has been placed on economic restructuring through deepening of economic reforms, further market opening, and industrial upgrading with development of science and technology. All these would be geared towards improvement of the living standard of the population as a whole, i.e. the third objective.

Some specific proposals are highlighted as follows:

**Economic Reform and Market Opening**

a. Focus continues to be put on reform of the SOEs so as to establish a modern enterprise system with clearly delineated property rights, properly defined rights and responsibilities, separation of government and enterprises, and effective management. The share-holding system will be promoted among the large and medium-sized SOEs through listing and setting up of joint ventures. Regulation of the small SOEs will be further relaxed.

b. The Mainland's accession to WTO will bring the economy into a new phase of development, making it a more open and outward-looking economy. Major business and professional services like banking, insurance, telecommunications, external and domestic distributive trades and tourism, will be progressively opened to foreign investment and involvement. More diversified forms of foreign investment, such as build-and-operate contracts, mergers and acquisitions will be envisaged. Reform of the foreign trade system will be deepened. Participation in multilateral trading system and free trade agreements operation with other countries will be strengthened.

**Development of the Western Region**

c. Development of the Western Region is aimed at rectifying the widening regional disparity in economic development. It is also seen as a way to lift the domestic consumption demand in the Mainland. Initial focus is on the infrastructure projects linking up the Western Region with the Eastern Region, such as highway, rail networks, oil pipeline and electricity supply network.

**Urbanization**

d. On urbanization, a high priority is accorded to expansion of existing urban centres and township development. Amongst others, development of medium and small-sized cities as centres for a broader area is encouraged. Some regional centres (区域中心城市) (including Beijing, Shanghai and Guangzhou) will be further enhanced as growth poles, focussing on the development of finance, IT, trade, education and culture, etc. The entire process is expected to generate employment for increasing the level of income of and raise the standard of living of the rural population.
Infrastructure

c. The government will strive not only to increase public investment in infrastructure, but also to improve the set-up, raise the quality and expand the channel of funding for infrastructure construction. On transport, a safe, efficient and well-integrated system, comprising road, railway, port and airport, is to be built. Investments will be made on railway (e.g. Beijing-Kowloon and Beijing-Guangzhou Railways), highway (e.g. Beijing-Zhuhai and Tongjiang-Sanya national highways) and port (e.g. Shenzhen port). Rapid transit system for passengers will be developed in various parts of the Mainland with Beijing, Shanghai and Guangzhou as centres. In parallel with the said "hardware" development, it is also proposed that management of the transport system should be reformed towards the objective of redefining the functions of Government and enterprises (政企分开) with a view to enhancing private sector role and foreign investment in the management and operations of the transport enterprises. For the railway, it is proposed that management of the railway network and the operations of the freight and passenger railway (网运分离) should be separated. As to energy, the structure of supply and distribution is to be upgraded, with greater attention being given to environmental protection. A target of developing a production capacity of 40 billion m³ of natural gas in the Tenth Five-Year Plan period has been set. To promote the use of natural gas, gas pipeline from the west to the east (西气东输) would be developed. Guangdong is also identified as a pioneer in the introduction of Liquefied Natural Gas (LNG).

Sustainable Development

f. Greater emphasis has been given to sustainable development. Population growth will continue to be strictly controlled, yet with emphasis on quality bringing-up and nourishment. On natural resources, in addition to stepping up exploration and development, focus is being put on thrifty use and careful protection. A system of charging for the use of these resources will be set up. Measures to prevent air pollution, water pollution and noise pollution will be strengthened.

Provincial Level

9. During the Tenth Five-Year Plan period, Guangdong Province will strive to upgrade its overall industrial structure and promote industrialization, urbanization and wider application of IT. Efforts will also be made to rationalize its industrial system, with priorities set in the order of "secondary, tertiary and primary sectors". Electronic IT industry, electrical machine industry and petrochemical industry have been identified as the three pillar industries. Guangzhou and Shenzhen are identified as the twin "centres" for Guangdong's overall urbanization.

10. On infrastructure, the Guangdong Plan will focus on "five networks, two rails and two ports" (五网、两铁、两港). One of the targets in improving the transport network is to link up all municipal cities by expressways in 2005. Yet, many infrastructure projects (e.g. Guangzhou outer-ring road and Shantou-Meizhou Expressway) covered in the current Guangdong Plan are continuations of the proposals from the previous Five-Year Plans. A new proposal in the Guangdong Plan is the PRD inter-city rapid transit system planned to link the major PRD cities so that travelling within these cities can be achieved in half an hour.

Municipal Level

11. At the municipal level, different cities within Guangdong Province have drawn up their own Tenth Five-Year Plans. Emphasis of this paper however is on the major cities including Guangzhou, Shenzhen and Zhuhai which have a more direct interface with Hong Kong. The main foci of these plans are set out in the following:-

Guangzhou

a. The Guangzhou Plan aims at establishing itself as a core service hub and enhancing its function as a regional industrial base. Its economic priorities are set in the order of tertiary, secondary and primary sectors. Its three key industries are IT, automobile and petrochemical industries.

b. The Guangzhou Plan targets to cap the total population at 11.3 million and develop the city as 4 major hubs, viz. airport, port, railway and road. For example, the New Baiyun International Airport to be completed in 2003 will serve as one of the top three air passenger hubs in the Mainland. The Guangzhou Port (including the additional berths in Nansha and Xinsha ports) will strengthen the port functions of the city. Efforts will also be made to improve its railway (e.g. upgrading of the Guangzhou railway stations) and road facilities (e.g. construction of Beijing-Zhuhai and Guangzhou-Huizhou expressways) to enhance its role as the provincial nodal point. Moreover, targets have been set to complete underground line 2 and commence line 3 in the Tenth Five-Year Plan period.

Shenzhen

c. The Shenzhen Plan indicates using the development of finance, hi-tech and logistics as its principal growth engine. A hi-tech industrial belt will be developed, cutting across Shenzhen from the west to the east. A university park will be developed to attract local and overseas talents.
Implications of the Tenth Five-Year Plan

12. In consideration of the major proposals as contained in the Tenth Five-Year Plans at various levels, the following paragraphs will highlight the strategic planning implications of the major proposals for the Hong Kong 2030 Study, with particular focus on economic growth and urbanization, road, rail, port, airport, logistics and development of the Western Region.

Economic Growth and Urbanization

13. The continuous economic growth together with the economic opportunities to be brought about by the Mainland's WTO accession as envisioned in the Tenth Five-Year Plan will herald further intensification of socio-economic activities between Hong Kong and the Mainland, particularly the PRD Region. Besides, an important theme of the Tenth Five-Year Plan is to increase the urbanization level as a driving force of modernization as well as a means to improve people's living conditions. For example, the Guangdong Plan targets to increase the urbanization level of the province in 2005 to 40% and that of the PRD Region to 60%, and to expand several large cities and a number of small cities. Guangzhou and Shenzhen further set the targets to reach their urbanization levels at 81.5% and 75% respectively by 2005. In parallel, the Guangdong Provincial Department of Construction (廣東省建設廳) is also undertaking a review of their PRD Urban System Plan (PRDUSP) (珠江三角洲經濟區域城市群規劃) aimed at formulating a strategy to facilitate development of the PRD Region through co-ordinated planning efforts among various cities. In the years ahead, the PRD Region will maintain itself as the growth engine of the Guangdong Province. In connection with the growth of our neighbouring area, our ties with the PRD Region in terms of the interflows of cargoes and people are envisaged to accentuate and the trend of Hong Kong residents to live and work across the boundary, in particular the PRD Region, will similarly persist.

14. According to Census & Statistics Department (C&SD), 2.7% of our 6.7 million population are mobile residents. On the basis of C&SD's projection, 4.6% of the predicted population of 8.7 million in 2031 could be "mobile" though there is no further breakdown of the number who has close ties with the Mainland. Given the intensification of the socio-economic interactions between Hong Kong and the Mainland, the portion of the mobile residents who has strong Mainland ties will further increase. With reference to a survey by C&SD, it has been found that about 190,800 Hong Kong residents had worked in the Mainland in 2000/01, as compared to the previous figures of 157,300 in 1997/1998, 122,300 in 1994/95 and 64,200 in 1991/92. According to another survey commissioned by the Housing Bureau and Planning Department, it was estimated that some 41,300 Hong Kong residents had taken up residence in the Mainland. Some 163,900 Hong Kong households had purchased/built residential properties in the Mainland whereas some 26,300 households rented residential properties in the Mainland.

15. In the light of the above, it is necessary for the Hong Kong 2030 Study to further study how to take into account the mobile population having strong ties with the Mainland in planning for housing, infrastructure, schools and other community facilities as well as in catering for their requirements for various facilities. Moreover, through the existing channels with the Guangdong Province under the Hong Kong/Guangdong Town Planning Special Panel, it is also important for us to participate in their current review of the PRDUSP ensuring that the development interface between Hong Kong and the PRD Region is duly addressed in the Guangdong's study. Besides, future increases in the interflows of cargoes and people between Hong Kong and the Mainland will also call for strengthening of our physical linkages and related infrastructural facilities as further elaborated below.

Road Development

16. At the provincial level, the next five years will continue to see the development of road network to strengthen Guangzhou as the focal point of the road network system within the province. On-going construction of the Tongsan (同三) and Beijing-Zhuhai (京珠) national highways will reinforce Guangzhou's connection with other parts of the country. The target to link all municipal cities within Guangdong by expressways in 2005 will further strengthen the inter-city connection. The Guangdong Plan will see the increase of the road/expressway length to 6,700km in 2005.

17. With priority accorded to the development of road over railway and the evolution of an efficient road network amongst Guangdong cities as set out in the Guangdong Plan, it is important for Hong Kong to strengthen connection with our neighboring cities with a view to facilitating the cross-boundary movement and maintaining our close relationship with our hinterland and hence our competitive edge in the future. In parallel, in the light of the rapid development pace of Guangzhou and Shenzhen Ports envisaged in the Tenth Five-Year Plan, it is imperative to maintain strong connections between Hong Kong and the PRD.
18. In the short term, the Hong Kong - Shenzhen Western Corridor under active planning by both Hong Kong and Shenzhen will help improve the cross-boundary goods vehicles flow whereas in the longer term, we shall need to give thoughts to the need to develop a crossing bridge connecting with the PRD west bank. Besides, another area to be addressed is related to the additional cross-boundary link with Shenzhen at Liantang in response to Shenzhen side’s proposal to construct an Eastern Corridor though it has not been included in their Tenth Five-Year Plan.

Railway Development

19. As mentioned in para. 8(e) above, the proposed division of management of the railway network from the operations side (網運分離) will trigger off more foreign investment and creation of joint ventures in railway enterprises. As a result, the current programme for some railways (e.g. Guangzhou-Zhuhai Railway) may be advanced with the adoption of this new approach. An important issue needs to be addressed is how our existing and future railway system could be integrated with the Mainland network given the existing and future importance of railway as the major transport mode for cross-boundary passengers (i.e. accounting for 80% of such trips in 2000). To ensure smooth connection of the Regional Express Line (REL) with the Mainland network, it has recently been agreed during the Chief Secretary’s visit to Beijing in January that a new expert group should be set up between the Mainland (led by the Ministry of Railway) and Hong Kong (led by Transport Bureau) to look into the development of high-speed railway linking Hong Kong, Shenzhen and Guangzhou. The establishment of this new expert group will greatly expedite the future development of the REL strengthening our connection with the Mainland.

20. As to the proposed Port Rail Line (PRL) for freight movement, the current thinking is to connect this rail line with the existing Guangshen Railway at Lowu. Yet, the concept of freight/containerised rail system in the Mainland is yet to be developed and it is likely that much of the Mainland's cargo transportation would continue to rely on road-based transport. Nonetheless, to strengthen our port and airport hub function in the South China, it is essential to ensure the freight railway network for Hong Kong and Guangdong be worked out in a co-ordinated manner.

21. Another major proposal put forward in the Guangdong Plan is the PRD inter-city rapid transit system (which will have a speed over 100km/hr and a carrying capacity of 10,800 passengers per hour per direction) targeted to link various PRD cities within half an hour travelling time. At present, Hong Kong is not included in the Guangdong study group on the PRD rapid transit system. In order to make better use of the system and achieve mutual benefit, both Guangdong and Hong Kong sides should thoroughly study how to connect the PRD rapid transit system with our transport network.

Port Development

22. In the past few years, Shenzhen port has witnessed rapid increase in its cargo throughput which was up to about 5 million TEUs in 2001, becoming one of the ten busiest container terminals in the world. In its Tenth Five-Year Plan, Shenzhen has stated its target to further develop their port facilities, particularly the phase three development of Yantian port. According to the Port Cargo Forecasts (PFC) 2000/01, the shares of Hong Kong Port and Shenzhen Port in the South China cargo pie were 81% and 19% in 2000 whereas in 2020, the shares will be 45% and 55%.

23. In face of the rapid growth of Shenzhen Port, it is important to increase the physical connectivity between our cargo source, especially in the PRD Region, and the port of Hong Kong in order to maintain our competitive edge. The proposed Shenzhen - Hong Kong Western Corridor is a case in point. However, as pointed out earlier, it is also important to further consider whether additional road and rail links (including the long-term Zhuhai bridge-crossing and the PRL) are required to keep up the competitiveness of Hong Kong Port.

24. The possible direct trading relations between the Mainland and Taiwan may likely affect the transit functions of Hong Kong Port. However, it is important that Hong Kong should take advantage of the new opportunities offered by the Mainland’s entry to the WTO and the increasing growth in overall trade to compensate for the reductions of goods being transshipped through Hong Kong.

25. Another important issue is whether to build more ports in Hong Kong which have contributed much to our economic growth but also brought about significant environmental problems (e.g., interface problems caused by port back-up areas and air and noise problems caused by container vehicles). In this connection, an area that we need to delve into in the Hong Kong 2030 Study is the future development of our port, viz. on one hand facing rapid development in the Mainland, and on the other, seeking a solution to provide additional port facilities without causing too much environmental problems.

26. In connection with the container terminal is the development of river ports. In 1999, river trade in Hong Kong handled a total of 3.9 million TEUs and in 2001, the throughput was up to 5.2 million TEUs, representing an increase of about 30%. According to the PCF 2000/01, the river trade throughput will increase to 9 million TEUs in 2011 and 10 million TEUs in 2016. Though new river trade facilities in Hong Kong will not be required until the next decade based on the said forecast, we should take note that 19 new river trade berths (with a handling capacity of 536 million tonnes) will be developed up to 2005 in the Guangdong Plan. It is therefore important the future provision of river trade facilities would be studied in conjunction with the study for Hong Kong’s additional container terminal facilities.

Airport Development

27. Under the 10th Five-Year plans, the New Baiyun International Airport in Guangzhou now under construction would be one of the
Logistics Development

28. The relative competitiveness of an airport depends on a number of factors apart from its airport capacity. Hong Kong has an extensive air services network, frequent flight schedules and comprehensive supporting facilities such as efficient administrative services and modern e-commerce and tele-communications facilities. Hong Kong is also a center of finance, commerce and tourism. Although the Hong Kong International Airport (HKIA) and the other airports in the PRD have different market networks, the former being more international and external-oriented and the latter more domestic and intra-Mainland city oriented, the development of the New Baiyun International Airport and the potential development of international services there will create a more competitive environment for the HKIA.

29. Improvement in efficiency and handling capacities of airports in the PRD Region, in particular the Guangzhou New Baiyun International Airport, would enhance their competitiveness in the South China. Guangdong is developing itself as one of the world's premier manufacturing and logistics centers. With the rapid expansion of hi-tech, high-value added services and logistics industries in Guangdong Province, particularly in the PRD Region, Hong Kong must further enhance its competitive advantage with a view to further strengthening our existing complementary relationship.

30. Whilst the Airport Authority (AA) in its "Master Plan 2020" has drawn up its development strategies for supporting growth in passenger and cargo traffic at HKIA, including development of multi-modal transport links with the PRD Region as well as the expansion of passenger terminal building and cargo handling facilities, it is important that AA and other airport authorities within the PRD Region should explore possible opportunities to strengthen co-operation, thus enhancing the overall competitiveness of the airports within the PRD Region. In this regard, two seminars for the five airports in the PRD Region were held in July 2001 and March 2002 to explore possibilities of co-operation among the airports. AA will continue to maintain an on-going dialogue with other airports in the PRD Region on this front.

Logistics Development

31. The Guangdong Plan has focused, amongst others, on the development of logistics industries in the region within which Shenzhen and Guangzhou have set out their plans to develop a number of logistics centres. In Hong Kong, we have also planned to develop value-added logistics parks with a view to developing Hong Kong as a logistics hub. In this perspective, it is imperative to achieve a complementary relationship between our neighboring cities' development and our logistics centres development. With the continuous growth of trade following the Mainland's accession to WTO, there will be an increasing demand for logistics service in the South China. Various cities including Hong Kong with different transportation nodes and cargoes collection points should have their own roles to play. These will call for close liaison and discussions between Hong Kong and our counterparts in the Mainland. Moreover, it is also of crucial importance to plan ahead for the physical facilities and cross-boundary linkages getting prepared to cope with the future expanding logistics market. To strengthen communication and cooperation between the two sides on the planning for port and logistics facilities, the Chief Secretary and the Vice Chairman of the State Development Planning Commission in March 2002 agreed to form an expert group on port and logistics facilities under the Mainland/Hong Kong Special Administrative Region Conference on the Coordination of Major Infrastructure Projects. This new expert group will study the growth in cargo throughput and distribution in the South China region and the impact of the infrastructure developments in the Mainland on the logistics business. This would facilitate the study on the functions of various ports within the PRD Region as well as their positioning and mode of cooperation.

32. Besides, Hong Kong may not have the advantage of having abundant land resources but our competitive strength in efficient market institutions, market-driven management, transparent regulatory systems and free flow of information may help us in the development of logistics services in view of the Mainland development and competition. Therefore, with the development of efficient cross-boundary linkages and efficient business services, Hong Kong should aim to become a logistics hub in the PRD Region handling international business. Whilst the Steering Committee on Logistics Development and HK Logistics Development Council have been established to facilitate development of logistics facilities in Hong Kong, it is also necessary to study the feasibility to locate the related supporting infrastructure across the boundary and to develop efficient linkages with the facilities in Hong Kong; and to explore initiatives, such as the development of "logistics pipelines", to facilitate cargoes flowing through Hong Kong port and airport.

Development of the Western Region

33. Development of the Western Region is an essential ingredient of the Tenth Five-Year Plan aimed at reducing the regional disparity. Whilst the Central Government has indicated that it is a long-term task, the initial focus of the Tenth Five-Year Plan is to develop a number of infrastructure development projects with a view to kicking start the development of the Western Region. Yet, most of the infrastructure projects (e.g. Chengdu - Huaihua Railway (渝懷鐵路)) in the pipeline will benefit more the Yangtze River Delta (YRD) Region as they will strengthen the linkage between Western Region and YRD Region.

34. Given the above, in considering the interface between the Western Region and Hong Kong, it is necessary to make a distinction between the southwestern (including Guizhou, Yunnan and Guangxi) and the northwestern regions (e.g. Tibet, Shaanxi, Gansu and Ningxia). From geographical consideration, the southwestern China will have an edge over the northwestern China in terms of economic size and enjoy closer ties with Hong Kong in terms of transport and logistics flows. Hong Kong will benefit more if we plan to strengthen links with the southwestern region. For example, according to the Tenth Five-Year Plans for Guangxi and Guizhou, the annual GDP growth rates are forecast to be about 8% and 9% respectively. A more direct link with the PRD west bank (instead of via Shenzhen) may enable HK to have more convenient access to the southwestern China. It is therefore necessary to examine the need to develop a new cross-boundary link to the PRD west bank in the longer term so as to strengthen our linkage with the southwestern region and further enable Hong Kong to expand our hinterland or catchment area to the southwestern region. The proposed long-term Zhuhai bridge-crossing as mentioned earlier will have this strategic
advantage of enabling Hong Kong to tap the potential of the Western Region development.

WAY FORWARD

35. Given its wide coverage, the Tenth Five-Year Plans will have different implications for the development of Hong Kong on different fronts including socio-economic interactions and infrastructure. These issues have been taken into account in the key issues identified in the Hong Kong 2030 Stage 2 Study and will be further followed up in the study process.

PLANNING DEPARTMENT
MAY 2002

References

3. "Outline of the Tenth Five-Year for Guangdong's Economic and Social Development" adopted by Guangdong Provincial People's Congress on 19.2.2001
4. "Outline of the Tenth Five-Year for Guangzhou's Economic and Social Development", adopted by the fourth meeting of the Eleventh Guangzhou People's Congress on 17.4.2001
5. "Outline of the Tenth Five-Year Plan for Shenzhen's Economic and Social Development (2001-2005)" endorsed by the second meeting of the eleventh Shenzhen People's Congress on 31.3.2001
7. The western region includes 12 provinces, municipalities and autonomous regions of Chongqing, Guizhou, Yunnan, Tibet, Shaanxi, Gansu, Ningxia, Qinghai, Xinjiang, Inner Mongolia and Guangxi. In 2000, it has a population of 355 million, 28.1% of the nation’s total and an area of 6.9 million km2 which is 71.4% of the whole China.
8. The ten major projects to open up the Western Region include (1) 955km long rail linking Xian and Nanjing, total investment of RMB 23 billion; (2) 640km long rail linking Chongqing and Huaihua, total investment of RMB 18 billion; (3) about 1.7 million km out of 3.5 million km planned strategic roads would be built within the western region; (4) regional airports in Xian, Chengdu, Kunming, Lanzhou and Urumchi; (5) a 13.5km long elevated light rail system in Chongqing, total investment of 3.3 billion yuan; (6) 953km long natural gas supply line from Sebei-Xining-Lanzhou; (7) water power plant at Chaipingpu in Sichuan Province and Huanghe Shapotou in Ningxia Autonomous Region; (8) converting 3,433 sq.km of agricultural land into forestry, and converting 4,320 sq.km of fallow/abandoned land into forestry/grass land; (9) chemical fertilizer plant in Qinghai Autonomous Region; and (10) tertiary education facilities in the Western Region.
9. "Five networks, two rails and two ports" comprise road network, information network, water supply network, natural gas network, electricity network, underground railway, light railway, airport and sea port.
10. In 1992, the daily cross-boundary vehicles amounted to 18,000 and in 2000, the number was 31,000 (over 80% of which were goods vehicles), representing an increase of about 72%. The number of cross-boundary passenger trips in 1992 were about 48 million and the number totaled about 117 million in 2001 (i.e. over 100% increase). It is forecast that both the interflows of cargoes and people will keep rising in the future.
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15. The Guangdong Plan has forecast that investment on road and railway will amount to RMB 94 billion and RMB19 billion respectively.
14. "Outline of the Tenth Five-Year for Guangzhou’s Economic and Social Development" (廣州市國民經濟和社會發展第十個五年計劃的綱要), Guangzhou Government, 17.4.2001.
24. "Shenzhen Strategic Study of Modern Logistics Centers" (深圳市現代物流業發展策略研究), Shenzhen Planning and Lands Bureau, February 2000
27. "Opportunities for Hong Kong in Western China", Trade Development Council, 2000
28. "Hong Kong International Airport - Master Plan 2020", Hong Kong Airport Authority, October 2001
Annex A

List of Topical Proposals under the National Tenth Five-Year Plan

"Tenth Five-Year Plan on Road and Water Transport Plan (公路水路交通十五發展計劃)"

"Tenth Five-Year Plan on Urban Development (建設事業“十五”計劃綱要)"

"Tenth Five-Year Topical Plan on Population Planning, Employment and Social Security (國民經濟和社會發展第十個五年計劃人口、就業和社會保障重點專項規劃)"

"Tenth Five-Year Topical Plan on Urbanization Planning (國民經濟和社會發展第十個五年計劃城鎮化重點專項規劃)"

"Tenth Five-Year Topical Plan on Comprehensive Transport Systems (國民經濟和社會發展第十個五年計劃綜合交通体系發展重點專項規劃)"

"Tenth Five-Year Topical Plan on Technology and Education Development (Hi-tech Industry) (國民經濟和社會發展第十個五年計劃科技教育發展重點專項規劃(高技術產業發展規劃))"
### Annex B

**Comparison of Major Objectives and Proposals under the National, Guangdong, Guangzhou, Shenzhen and Zhuhai Tenth Five-Year Plans**

#### 1. Economic Performance

<table>
<thead>
<tr>
<th>Subject</th>
<th>National Tenth Five-Year Plan</th>
<th>Guangdong's (GD) Tenth Five-Year Plan</th>
<th>Guangzhou (GZ) Tenth Five-Year Plan</th>
<th>Shenzhen (SZ) Tenth Five-Year Plan</th>
<th>Zhuhai (ZH) Tenth Five-Year Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1.1 Total GDP</strong></td>
<td></td>
<td>GDP of RMB12.5 trillion</td>
<td>RMB488 billion</td>
<td>RMB300 billion</td>
<td>RMB66 billion</td>
</tr>
<tr>
<td></td>
<td>To lay a solid foundation for doubling the 2000 GDP by 2010</td>
<td>RMB1.63 trillion</td>
<td>RMB64.000 (US$7,710)</td>
<td>RMB63,100 (US$7,600)</td>
<td>RMB40,000 (US$4,819)</td>
</tr>
<tr>
<td><strong>1.2 GDP growth</strong></td>
<td>7%</td>
<td>9%</td>
<td>12%</td>
<td>12%</td>
<td>To double the level of 2000</td>
</tr>
<tr>
<td><strong>1.3 Per capita GDP</strong></td>
<td>RMB9,400 (US$1,132)</td>
<td>RMB20,000 (US$2,410)</td>
<td>RMB64,000 (US$7,710)</td>
<td>RMB63,100 (US$7,600)</td>
<td>RMB40,000 (US$4,819)</td>
</tr>
<tr>
<td><strong>1.4 Total import/export</strong></td>
<td>US$680 billion</td>
<td>US$135 billion</td>
<td>N. A.</td>
<td>US$85.5 billion</td>
<td>N. A.</td>
</tr>
<tr>
<td><strong>1.5 Ratio of primary : secondary : tertiary industry</strong></td>
<td>13% : 51% : 36%</td>
<td>7% : 51% : 42%</td>
<td>2.5% : 42.5% : 55%</td>
<td>1%:49%:50%</td>
<td>N.A.</td>
</tr>
</tbody>
</table>

#### 2. Population Control

<table>
<thead>
<tr>
<th>Subject</th>
<th>National Tenth Five-Year Plan</th>
<th>Guangdong's (GD) Tenth Five-Year Plan</th>
<th>Guangzhou (GZ) Tenth Five-Year Plan</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>2. Population Control</strong></td>
<td>To adhere to basic state policy on family planning</td>
<td>To control natural population growth at 0.8%</td>
<td>To cap the registered resident population of 7.68 million</td>
<td>To cap the usual population of 11.3 million</td>
<td>To cap the total population within 4.8 million</td>
</tr>
<tr>
<td></td>
<td>To cap the population at 1.33 billion in 2005 by limiting further growth under 56 million</td>
<td></td>
<td>To cap the registered resident population of 11.3 million</td>
<td>To cap the usual population of 11.3 million</td>
<td>To cap the total population within 4.8 million</td>
</tr>
<tr>
<td></td>
<td>To be one of the economically internationalised cities in China</td>
<td>To be the regional economic service center (區域性經濟服務中心)</td>
<td>To be one of the economically internationalised cities in China</td>
<td>To be the regional economic service center (區域性經濟服務中心)</td>
<td>To be one of the economically internationalised cities in China</td>
</tr>
<tr>
<td></td>
<td>As a regional hub city center in southern China (區域中心城市)</td>
<td>As a hi-tech center with emphasis on IT industry</td>
<td>As a regional hub city center in southern China (區域中心城市)</td>
<td>As a hi-tech center with emphasis on IT industry</td>
<td>As a hi-tech center with emphasis on IT industry</td>
</tr>
<tr>
<td></td>
<td>As an attractive research centre</td>
<td>As an attractive research centre</td>
<td>As an attractive research centre</td>
<td>As an attractive research centre</td>
<td>As an attractive research centre</td>
</tr>
<tr>
<td></td>
<td>To be basically</td>
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</tr>
</tbody>
</table>

#### 3. Regional Development

<table>
<thead>
<tr>
<th>Subject</th>
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<th>Zhuhai (ZH) Tenth Five-Year Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3.1 Regional Position</strong></td>
<td>Eastern coastal region of China should be oriented towards both the domestic and international markets</td>
<td>GZ and SZ to be regional centers (區域中心) and both cities to be hub-cities with international influence (在國際上影響大的現代中心城市)</td>
<td>To be one of the economically internationalised cities in China</td>
<td>To be the regional economic service center (區域性經濟服務中心)</td>
<td>To be a regional hub city center in southern China (區域中心城市)</td>
</tr>
<tr>
<td></td>
<td>Central region</td>
<td></td>
<td>To be one of the economically internationalised cities in China</td>
<td>To be the regional economic service center (區域性經濟服務中心)</td>
<td>To be transformed from a manufacturing based city to</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>As a hi-tech center with emphasis on IT industry</td>
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<td></td>
<td>As an attractive research centre</td>
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<td>To be basically</td>
</tr>
</tbody>
</table>
3.2 Develop the West Strategy

- To reduce the widening regional disparity between eastern and western regions so as to achieve a "balanced" regional development
- To emphasize infrastructure development, e.g. the Eurasia continental bridge belt and the sea ports in southwest China
- To start 10 major projects to develop the west
- To attract foreign investment by providing a series of favorable policies and regulations on such areas as land use, taxation and mineral resources

3.3 Urbanization

- To increase the level of urbanization by transferring rural
- Urbanization level to reach 40% for the whole province
- To promote development of
- Urbanization level to reach 81.5%
- To concentrate
- Urbanization level to reach 85%
- To develop major hub

<table>
<thead>
<tr>
<th>of China should make use of its regional advantages and its comprehensive resources to accelerate its pace of economic growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Development of the western region is a major step to achieve the strategic goals of the third stage of the country's modernization drive</td>
</tr>
<tr>
<td>• Shantou to be the city center of eastern Guangdong</td>
</tr>
<tr>
<td>• Zhanjiang to be the city center of western Guangdong</td>
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<tr>
<td>• Shaoguan, Qinyuan, Meizhou, Heyuan and Yunfu would be the major regional city centers in the mountainous region of Guangdong</td>
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<td>To reduce the widening regional disparity between eastern and western regions so as to achieve a &quot;balanced&quot; regional development</td>
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<td>To start 10 major projects to develop the west</td>
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<td>To attract foreign investment by providing a series of favorable policies and regulations on such areas as land use, taxation and mineral resources</td>
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<th>3.3 Urbanization</th>
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<td>To increase the level of urbanization by transferring rural</td>
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<td>Urbanization level to reach 40% for the whole province</td>
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<tr>
<td>To promote development of</td>
</tr>
<tr>
<td>Urbanization level to reach 75%</td>
</tr>
<tr>
<td>To concentrate</td>
</tr>
<tr>
<td>Urbanization level to reach 85%</td>
</tr>
<tr>
<td>To develop major hub</td>
</tr>
</tbody>
</table>
4. Infrastructure Development

- To invest US$114 - 120 billion
- To complete "三縱兩橫 2 雨橋重要路段"
- To develop 25,000 km highways within the "五縱七 橋" network
- To focus on the development
- To construct new highways of 1,150 km
- To connect all municipals (地級市) and surrounding provinces by highways
- To develop major highway projects 3
- To fast track
- To construct PRD Ring Highway (珠三角環線高 速公路)
- To construct Beijing - ZH Highway
- To construct GZ - Huizhou Highway
- To construct Yan-Ba Highway
- To construct Yan-Pai Highway
- To improve works of Huizhou - Yantian Highway
- To construct HK - SZ Western Corridor
- To construct Yuexi Coastal Highway
- To construct Jing-Zhu Highway (ZH section)
- To actively continue the preliminary study of a bridge link between HK and ZH

4.1 Road

- To construct Guangdong's (GD) Tenth Five-Year Plan
- To construct Guangzhou (GZ) Tenth Five-Year Plan
- To construct Shenzhen (SZ) Tenth Five-Year Plan
- To construct Zhuhai (ZH) Tenth Five-Year Plan

- Urbanization level to reach 60% for PRD region
- To develop 5 extra large cities (>1 million population) and 7 large cities (>500,000 population) and 35 medium-sized cities (>200,000 population)
- To develop 300 central towns as primary means to promote urbanization
- Institutional reforms to facilitate urbanization - reform of investment mechanisms on rural infrastructure facilities; reform of rural land transaction mechanisms; and reform of "registered resident system (戶籍制度)"
- Industrial and residential development in areas outside SEZ to promote urbanization central towns by concentrating efforts on major industrial towns
- To fast track infrastructural development to promote urbanization of selected cities/towns
- To reform of the "registered resident system (戶籍制度)" to encourage the transfer of rural residents (農村人口) into urban residents (城市人口)
- To direct rural population to urban areas

Population into urban population
- To enhance the role of regional city centers (區域中心城市) including Guangzhou
- To develop small cities/towns to remove barriers of the existing urban/rural city structure
- To reform the "registered resident system (戶籍制度)"

4.1 Road

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<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>4.1 Road</td>
<td>To invest US$114 - 120 billion</td>
<td>To construct new highways of 1,150 km</td>
<td>To construct PRD Ring Highway (珠三角環線高速公路)</td>
<td>To construct Yan-Ba Highway</td>
<td>To construct Yuexi Coastal Highway</td>
</tr>
<tr>
<td></td>
<td>To complete &quot;三縱兩橫 2 雨橋重要路段&quot;</td>
<td>To connect Beijing - ZH Highway</td>
<td>To construct Yan-Pai Highway</td>
<td>To construct Jing-Zhu Highway (ZH section)</td>
<td>To construct HK - SZ Western Corridor</td>
</tr>
<tr>
<td></td>
<td>To develop 25,000 km highways within the &quot;五縱七 橋&quot; network</td>
<td>To develop major highway projects 3</td>
<td>To improve works of Huizhou - Yantian Highway</td>
<td>To actively continue the preliminary study of a bridge link between HK and ZH</td>
<td></td>
</tr>
<tr>
<td></td>
<td>To focus on the development</td>
<td>To fast track</td>
<td>To construct GZ - Huizhou Highway</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| 4.2 Rail | To build additional rail of 7,000 km based on the existing "eight south to north and eight east to west network (八縱八橫)" rail network.  
To develop rail link between western region and eastern region.  
To construct inter-provincial rail link within western region and eight new rail linkages to western China.  
To develop efficient inter-city transport network with three major hubs: Beijing, Shanghai and Guangzhou.  
To develop containerized rail transport network and enhance the 15 containerized rail terminals including Beijing, Shanghai and Guangzhou.  
To expedite preliminary study on the rail links to central Asia and Southeast Asia. | To construct new rail of 312 km.  
To construct GZ underground rail line no. 2.  
To prepare construction of GZ underground rail line no. 3.  
To construct first phase of SZ underground rail.  
To prepare construction of second phase of Shenzhen underground rail.  
To construct rail links from GZ to airport; and from GZ to Foshan to Shunde to Panyu.  
To continue construction of GD - Hainan Rail (GD section).  
To continue construction of Beijing - Kin Rail (Longchuan North - Changping section).  
To construct fourth line of GZ - SZ Rail. | To complete first phase of SZ underground rail.  
To start construction of GZ underground rail line nos. 3 and 4; and airport express rail.  
To prepare for the construction of second phase of SZ underground rail.  
To conduct preliminary studies of rail links to surrounding cities.  
To raise fund actively for construction of GZ - ZH Rail. |
| 4.3 Airport | Beijing, Shanghai and Guangzhou as the airport hubs of China.  
To focus on handling 26.82 million passengers.  
To handle 600,000 tonnes of air. | To fast track the construction of GZ Baiyun International Airport; to be one of the four air cargo handling centers in China and regional distribution center of international express cargo. | To attract foreign investment on air cargo industry.  
To diversify...
### 4.4 Port

- **To develop Shanghai Port as an international shipping center (上海國際航運中心)**
- **To focus on fourth generation port developments at Shanghai (上海), Ningbo (寧波), Dalian (大連), Tianjin (天津), Qingdao (青島) and Shenzhen (深圳)**
- **To upgrade Zhanjian Port (湛江港) to a large specialized industrial mineral port (大型專業礦石港)**
- **To carry out training of Guangzhou Port waterway (廣州港出海航道), Shenzhen Tong-gu waterway (深圳銅鼓航道)**

### 4.5 Logistics

- **Further**

<table>
<thead>
<tr>
<th>To modernize</th>
<th>To be an</th>
<th>To contribute</th>
<th>To upgrade</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>cargo</strong></td>
<td><strong>consolidate the airport as one of the three international airports in China</strong></td>
<td><strong>Air cargo handling to reach 500,000 tonnes, including 200,000 tonnes of international routes</strong></td>
<td><strong>business operation of the ZH airport</strong></td>
</tr>
<tr>
<td><strong>To develop Guangzhou Baiyun International Airport as airport hub of the Mainland</strong></td>
<td><strong>Construction of the second air cargo station</strong></td>
<td><strong>Construction of international air cargo and express cargo customs inspection center</strong></td>
<td><strong>To develop Gaolan Industrial Port and container terminals</strong></td>
</tr>
<tr>
<td><strong>To construct and replace airports at Shantou (汕頭), Changchun (長春) and Urumqi (烏魯木齊)</strong></td>
<td><strong>To carry out training of waterways of Guangzhou Port Phase 2</strong></td>
<td><strong>To construct Phase 2 of Xinsha Port</strong></td>
<td><strong>To develop warehouse at Guishan Port</strong></td>
</tr>
<tr>
<td><strong>To develop cargo handling to reach 500,000 tonnes, including 200,000 tonnes of international routes</strong></td>
<td><strong>To be a container port hub</strong></td>
<td><strong>To handle 70 million tonnes of cargo</strong></td>
<td><strong>To develop Kaifeng Container Terminal of Chiwan Port</strong></td>
</tr>
<tr>
<td><strong>To construct Tonggu Waterway (銅鼓航道)</strong></td>
<td><strong>To develop Gaolan Industrial Port and container terminals</strong></td>
<td><strong>To develop Phase 3 of Yantian Port and fast track development of Phases 2&amp;3 of Shekou Port</strong></td>
<td><strong>To upgrade Kaifeng Container Terminal of Chiwan Port</strong></td>
</tr>
<tr>
<td><strong>To construct Tong-gu Waterway (銅鼓航道)</strong></td>
<td><strong>To develop Gaolan Industrial Port and container terminals</strong></td>
<td><strong>To develop Phase 3 of Yantian Port and fast track development of Phases 2&amp;3 of Shekou Port</strong></td>
<td><strong>To upgrade Kaifeng Container Terminal of Chiwan Port</strong></td>
</tr>
</tbody>
</table>

**Total port throughput to reach 3.2 million TEUs - including 500,000 TEUs for Huangpu Port and 200,000 TEUs for Nansha Port**

**To carry out training of waterways of Guangzhou Port Phase 2**

**To construct Phase 2 of Xinsha Port**

**To be a container port hub**

**To handle 70 million tonnes of cargo**

**To develop Kaifeng Container Terminal of Chiwan Port**

**To develop Phase 3 of Yantian Port and fast track development of Phases 2&3 of Shekou Port**

**To upgrade Kaifeng Container Terminal of Chiwan Port**
<table>
<thead>
<tr>
<th>Centers</th>
<th>Development of road, rail, ports, waterways, airport network</th>
<th>Infrastructure facilities by:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>● Development of efficient, safe and effective comprehensive transport system</td>
<td>● Consolidating GZ Baiyun International Airport as China's major airport hub</td>
</tr>
<tr>
<td></td>
<td>● To develop and improving major ports, and emphasizing on container port development to promote development of secondary ports</td>
<td>● To consolidate the role of the GZ Baiyun International Airport</td>
</tr>
<tr>
<td></td>
<td></td>
<td>● To further develop GZ Port as the coastal port hub - emphasizing on container port development</td>
</tr>
<tr>
<td></td>
<td></td>
<td>● To further develop GZ’s rail hub function by upgrading its comprehensive transport capacities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>● To be an international trading center - by attracting large overseas corporations and upgrading GZ's logistics operations, consolidating GZ as the distribution center and purchasing center of southern China</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>International regional logistics center (國際性區域物流中心)</th>
<th>10% of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>● To develop an air cargo logistics center and express air cargo delivery at SZ Airport (航空貨運和航空快遞中心)</td>
<td>● As a modern comprehensive logistics center (建設現代綜合物流中心)</td>
</tr>
<tr>
<td>● To further explore international aviation market</td>
<td>● To fast track development of container port hub and air cargo center (集裝箱樞紐港和航空貨運中心)</td>
</tr>
</tbody>
</table>

| To consolidate the hub function of SZ Port so as to develop SZ as an international port | ● To reinforce the warehouse and transhippment functions of ZH ports |
| To develop six major logistics parks and supporting transport facilities so as to have a comprehensive logistics network (形成系統化、規模化的全程物流體系) | ● To upgrade handling capacities of marine/river transport |
| To encourage the existing enterprises to upgrade its services and to support chain-stores to join the distribution network | ● To further explore international aviation market |
| To develop a logistics information platform (建設物流信息平台) - development of international container EDI service center, upgrading of logistics information system | |
5. Relations and cooperation with HK

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<tr>
<th>Subject</th>
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</thead>
<tbody>
<tr>
<td>5. Relations and cooperation with HK</td>
<td>To protect and enhance the long term prosperity and stability of Hong Kong and Macau</td>
<td>To consolidate cooperation in commerce, tourism and infrastructure development</td>
<td>To further cooperate with HK and Macau to promote economic developments of three cities</td>
<td>To cooperate with HK, Macau &amp; Taiwan on economic and technological areas</td>
<td>To consolidate cooperation with HK and Macau on commerce, tourism, cross-boundary facilities and cultural exchange</td>
</tr>
<tr>
<td></td>
<td>To enhance Hong Kong as an international center in finance, trading and shipping</td>
<td>To expand cooperation to areas of finance, insurance, IT, Hi-tech &amp; education, environmental protection</td>
<td>To improve the mechanism of HK - Guangdong Joint Conference</td>
<td>To be the major areas for the further transfer of manufacturing operations from HK (成為香港產業深度轉移的主要承接地)</td>
<td>To expand cooperation on areas of finance, insurance, hi-tech, education, IT services and environmental protection</td>
</tr>
<tr>
<td></td>
<td>To encourage economic cooperation between Hong Kong and the Mainland</td>
<td></td>
<td></td>
<td>To be the &quot;extended&quot; place of work and living of HK residents (香港居民工作生活的主要延伸地)</td>
<td>To establish a high level &quot;joint conference&quot; mechanism</td>
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<td>To co-operate on four major projects including: training of SZ River and Tonggu Waterway, development of SZ western corridor and cross-boundary facilities</td>
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</table>

1. The ten major projects in its bid to open up the western territories. These projects include: (1). a 955km long rail linking Xian and Nanjing, total investment of 23 billion yuan; (2). a 640km long rail linking Chongqing and Huaihua, total investment of 18 billion yuan; (3). about 1.7 million km out of 3.5 million km planned strategic roads would be built within the western region; (4). regional airports in Xian, Chengdu, Kunming, Lanzhou and Urumchi; (5). a 13.5km long elevated light rail system in Chongqing, total investment of 3.3 billion yuan; (6). a 953km long natural gas supply line from Sebei-Xining-Lanzhou; (7). water power plant at Chaipingpu in Sichuan Province and Huanghe Shapotou in Ningxia Autonomous Region; (8). converting 3,433 sq.km of agricultural land into forestry, and converting 4,320 sq.km of fallow/abandoned land into forestry/grass land; (9). chemical fertilizer plant in Qinghai Autonomous Region; and (10). tertiary education facilities in the western region.

"三縱" means: (1) from Tongjiang (同江) to Sanya (三亞) (2) from Beijing to Zhuhai; and (3) from Chongqing (重慶) to Xian (西安)
Zhanjiang (湛江), "兩横" (1) from Shanghai to Chengdu (成都) and (2) from Lianyungang (连云港) to Korgas (霍尔果斯).

Major highway developments include: Beijing - Zhuhai Highway (京珠高速公路), Tongsan National Highway (同三國道), Yu-Zhang National Highway (渝湛國道), PRD Ring Road (珠三角環形高速公路).

Eight north-south lines (八縱) include Beijing-Harbin (京哈), Beijing-Shanghai (京滬), Beijing-Guangzhou (京廣), Tongsan National Highway (同三國道), Botou-Liuzhou (包柳通道) and Lanzhou-Kunming (蘭昆通道). Eight east-west lines (八橫) include Beijing-Lanzhou (京蘭通道), Taiyuan-Huanghua (煤運北通道), Taiyuan-Rizhao (煤運南通道), Beijing-Lianyungang-Alashan (陸橋通道), Lanzhou-Kunming (蘭昆通道), Chongqing-Shanghai (沿江通道), Shanghai-Chengdu (滬昆通道) and Kunming-Zhangjiang (西南出海通道).

These include the construction of Lianyungang - Alashan line (陸橋通道), Beijing-Lanzhou line (京蘭通道), Xian-Qidong line (寧西通道) and the study of a rail link between north-west region and northern China (西北至華北便捷鐵路通道).

These include the rail link between Inner Mongolia and Kunming (昆明), Qinghai Province (青海省) and Tibet.

These include China-Uzbekistan Rail (中-吉-烏鐵路) and Yunnan Rail (雲南出境鐵路).

The airports to be upgraded include: Tianjin (天津), Shenyang (沈陽), Dalian (大連), Ningbo (寧波), Jinan (濟南), Qingdao (青島), Chengdu (成都), Chongqing (重慶), Kunming (昆明), Xining (西寧), Lasa (拉薩) and Lanzhou (蘭州).