

---

# The recent economic development of China – the Greater Bay Area

---

Dr. Lee Shu Kam  
30 April 2021

# Rundown

Time	Content
2:15 pm – 2:30 pm	Login trial# and Instructions to the online seminar
2:30 pm – 3:30 pm	<ul style="list-style-type: none"><li>● Middle income trap and City-clusters policy</li><li>● Economic interaction between the Mainland and Hong Kong</li></ul>
3:30 pm – 3:40 pm	Break
3:40 pm – 5:00 pm	<ul style="list-style-type: none"><li>● Economic union in the Greater Bay Area</li><li>● Data response question on the Greater Bay Area union</li><li>● Q &amp;A</li></ul>

# Macroeconomic Policy

---

## Short run: Anti-cycle policy

Under recession:

**Monetary policy** is useless: Liquidity trap. You can lead a horse to water, but you can't make him drink

**Fiscal Policy** → Biden's \$1.9 trillion Covid relief plan (2021)  
options – G or T?

Recession:  $G \uparrow$ ,  $T \downarrow$  → **Big** government (Democratic Party),  $G \uparrow$  or ( $G \uparrow\uparrow + T \uparrow$ )  
**Small** government (Republican Party),  $T \downarrow$

## Long run – Economic Growth

**Measurement:** **GDP** → economic power  
**GDP per capita** → compare living standards

◆ **Involves:** Supply-side + Demand-side + efficiency

# Economy of China

<b>Population</b> ↗	▲ 1,394,015,977 (2020 est.) ↗
<b>GDP</b>	▲ \$15.42 trillion (nominal; 2020) — compare economic power among countries ↗
	▲ \$ 24.2 trillion ( <a href="#">PPP</a> ; 2020 est.) ↗
<b>GDP rank</b> ↗	<a href="#">2nd (nominal; 2019)</a> ↗
	<a href="#">1st (PPP; 2020)</a> ↗
<b>GDP growth</b> ↗	6.7% (2018) 6.0% (2019) ↗ 2.3% (2020) 8.1% (2021f) ↗
<b>GDP per capita</b> ↗	▲ \$10,839 (nominal; 2020 est.) — compares living standards among countries. ↗ ▲ \$17,206 (PPP; 2020 est.) ↗
<b>GDP per capita rank</b> ↗	<a href="#">59th (nominal; 2020)</a> ↗ <a href="#">73th (PPP; 2020)</a> ↗

# Economy of China

## GDP by sector

- Agriculture: 7.9%
- Industry: 40.5%
- Services: 51.6%
- (2017)<sup>[3]</sup>

## GDP by component

- Household consumption: 39.1%
- Government consumption: 14.5%
- Investment in fixed capital: 42.7%
- Investment in inventories: 1.7%
- Exports of goods and services: 20.4%
- Imports of goods and services: -18.4%
- (2017 est.)<sup>[3]</sup>

## Inflation (CPI)

- 2.9% (2020 est.)

## Unemployment

- ▲ 3.8% (2020 est.)
- ▲ 10.6% youth unemployment (2019)

# Middle Income Trap, Regional Integration and Inner Circulation

+

•

○

+

•

○



# Middle Income Trap

# Middle-Income Trap

- The middle income trap is a situation in which a country that attains a **certain per-capita income** gets stuck at that level.
- The World Bank (Indermit & Kharas 2007) first introduced this term to **warn the new economies in East Asia** about this **danger** of staying in that income range, with reference to the **Latin American countries**, some of which were **not able** to leap over the trap for as long as **60** years, if they would **not** exploit the **scale economy effect**.
- This trap is an objective **challenge** in the process of **economic growth** by shifting the economy **from low skilled labor-intensive to high skilled technology adoption and capital deepening production**, thereby **driving up wages and weakening competitiveness** (The World Bank and the Development Research Center of the State Council 2013).
  - Indermit, G & Kharas, H (2007), An East Asian renaissance: Ideas for economic growth, World Bank, Washington DC.
  - The World Bank and the Development Research Center of the State Council, PRC (2013), *China 2030: Building a modern, harmonious and creative high-Income society*, World Bank, Washington, DC.

# Middle-Income Trap

- When an economy is **unable to mobilize its technical skilled labour to increase productivity** due to the **lack** of promotion and training of R&D and technical skills (Ohno 2009), and the **growing share of less productivity** of small and medium enterprises (Cervantes-Godoy & Brooks 2011), then any effort to break out of the middle-income trap would be futile.
- As a result, a country that falls inside a middle-income trap would **not** be able to **compete with the lower wage producers** at one front, and **with high-wage but more technologically capable innovators** at the other front.
- A country that stays inside a middle income trap in its economic development are facing **competitive disadvantage** in the export of manufacturing goods as a result of rising wages, yet **not ready** in developing and upgrading its capabilities to compete against more developed economies in the market of high value-added products.
  - Ohno, K (2009), "Avoiding the middle income trap: Industrial policy in Vietnam", Asean Economic Bulletin, vol. 26, no. 1, pp. 25-43.\
  - Cervantes-Godoy, D & Brooks, J (2011), Smallholder adjustment in middle-income countries: Issues and policy responses, OECD Publishing.

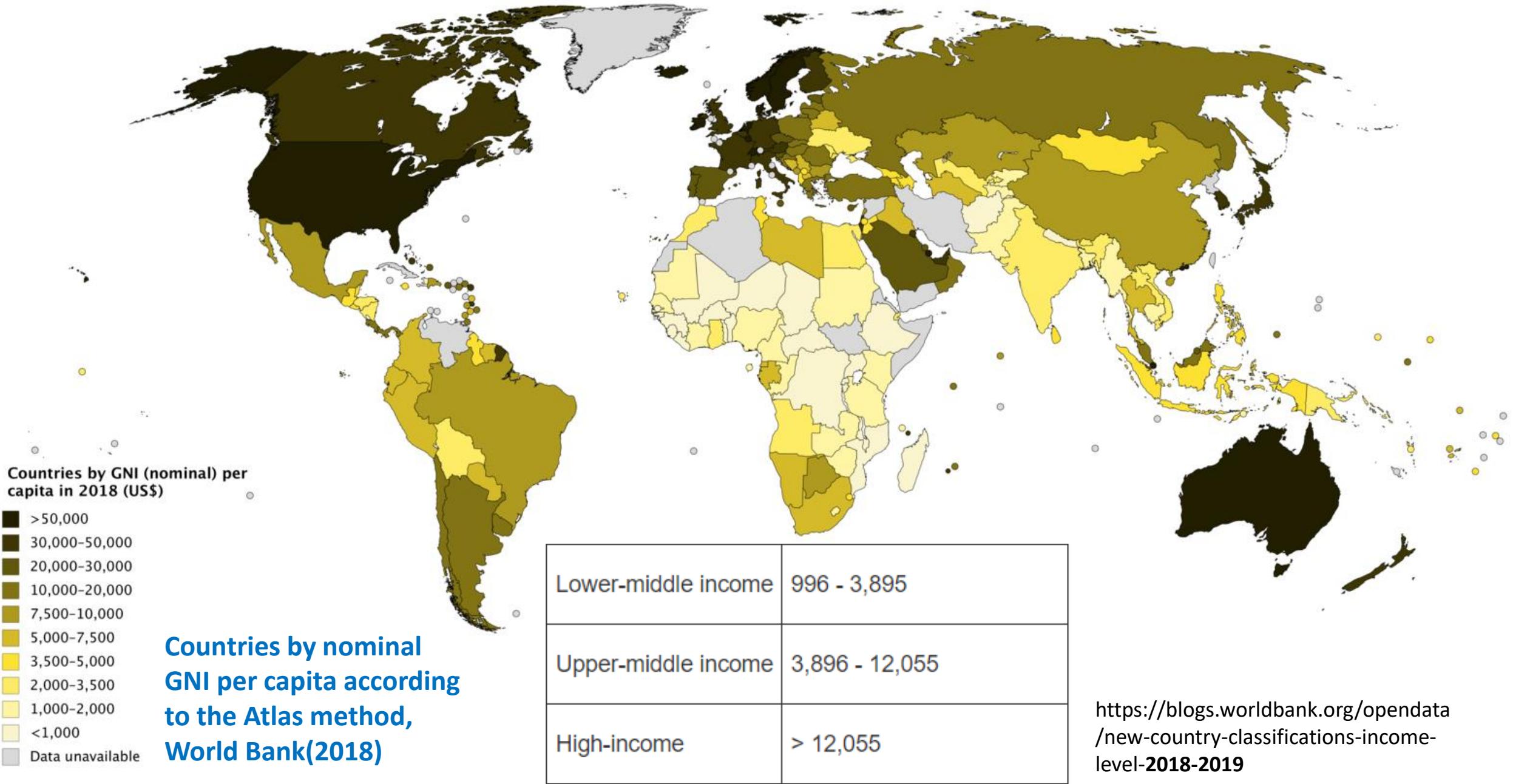
# Middle-Income Trap

- The world's **Middle Income Countries (MICs)** are defined as (2019 and 2020) :

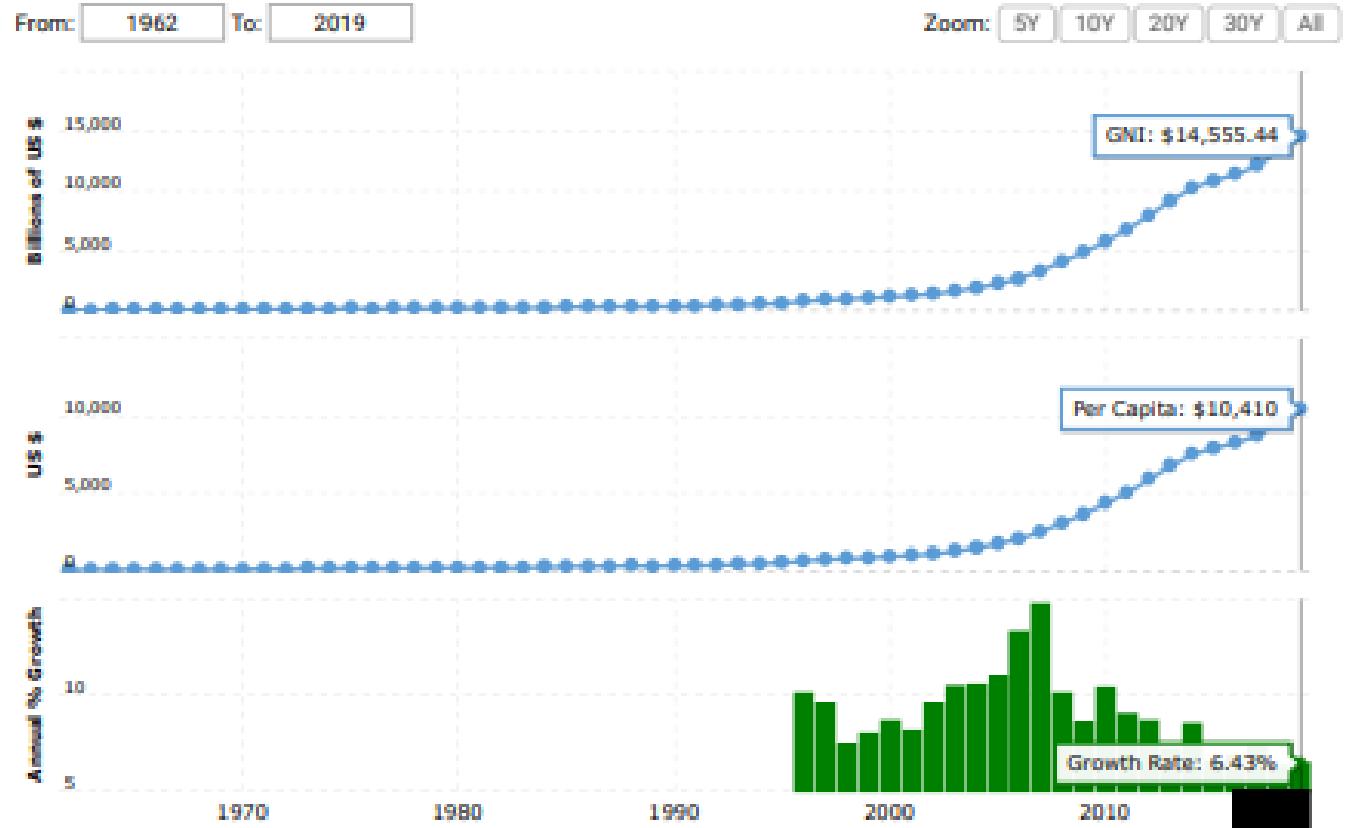
Group	July 1, 2020 (new)	July 1, 2019 (old)
Low income	< 1,036	< 1,026
Lower-middle income	1,036 - 4,045	1,026 - 3,995
Upper-middle income	4,046 - 12,535	3,996 - 12,375
High income	> 12,535	> 12,375

- **MIC** are home to **75%** of the world's population and **62%** of the world's poor. At the same time, MICs represent about **one third** of global GDP and are major engines of global growth.
- [https://www.worldbank.org/en/country/mic/overview#:~:text=The%20world's%20Middle%20Income%20Countries,%244%2C046%20and%20%2412%2C535%20\(2021\).](https://www.worldbank.org/en/country/mic/overview#:~:text=The%20world's%20Middle%20Income%20Countries,%244%2C046%20and%20%2412%2C535%20(2021).)

➤ Historically, **only a few** developing economies managed to maintain strong momentum in convergence toward the world's richest economies after passing the **US\$ 10,000** per capita GDP benchmark, as recognized as the middle income trap.



# China GNI and GNI Per Capita 1962-2019



<https://www.macrotrends.net/countries/CHN/china/gni-per-capita>

- After **10-fold** increase of its **per capita GDP** since 2000 and **doubling** since 2011, the economic growth of China has reached a milestone of **US\$ 10,000** per capita GDP in 2019.
- In recent years, China's economy has slowed from double-digit to a single-digit growth in GDP.
- **GNI** per capita for **2018** was \$9,600, a 9.84% increase from 2017.
- **GNI** per capita for **2019** was **\$10,410**, a 8.44% increase from 2018.
- The **Chinese economy** is **confronting** similar problem of **rising wages** and **losing competitive advantage** in the export market. Development of the capabilities **to produce high value-added products for export** is a policy target.
- <https://www.reuters.com/article/china-economy-target/chinas-leaders-to-endorse-lower-2021-2025-growth-target-at-key-meeting-sources-idUKL3N2GK2JV>



# Regional Integration

# Economic Growth Models

- The **neoclassical** growth models attribute growth to the **accumulation of production factors**, such as physical and human capital, and technology (Solow 2000).
- **Modern** growth theory advocates the **positive externalities** generated in **agglomeration economies** (集聚經濟) (Baldwin and Martin, 2004).

**Positive Externality → External economies of scales :**

- **Firms with closely interconnected activities enjoy the positive externalities** of lower transportation costs, larger and more diverse labor pool, knowledge spillovers from movement of skilled workers, and proximity to intermediate products, without **suffering** from the negative externalities of excessive increases in land price and congestion costs.
- **Example:** **Silicon Valley**, a pool of experienced and mobile skilled workers is advantageous for all firms in the region. All firms benefit from close proximity to multiple industries within the region.
- **Knowledge** drives higher productivity and growth. Its usage would not exclude others from benefiting. Firms with closely interconnected activities **enjoy the positive externalities** of knowledge spillovers from movement of skilled workers.

Solow, R (2000), Growth theory: An exposition, 2nd edn, Oxford University Press, Oxford.

Baldwin, R.E. and Martin, P. (2004). Chapter 60 - Agglomeration and Regional Growth. Handbook of Regional and Urban Economics, 4, 2671-2711.



# City-Clusters

- City-clusters fully leverages the **comparative advantages** of its various regions.
- **City-clusters** enjoy the benefits of agglomeration economies. Production is facilitated and foster employment in cities when there is a clustering of economic activity.
- In recent years, **city-cluster formation** has become an **important national development strategy** in China to **enhance** the level of economic **integration** (Yu, 2019). Its success is essential for China **to surpass the middle income trap**.
- The initiatives of China's **Belt and Road Initiative (BRI)** and **Greater Bay Area** are parts of the **new development model** and for China's next stage of opening to international investment and trade.

Yu, H. (2019). The Guangdong-Hong Kong-Macau Greater Bay Area in the Making: development plan and challenges. Cambridge Review of International Affairs. DOI: 10.1080/09557571.2019.1679719.

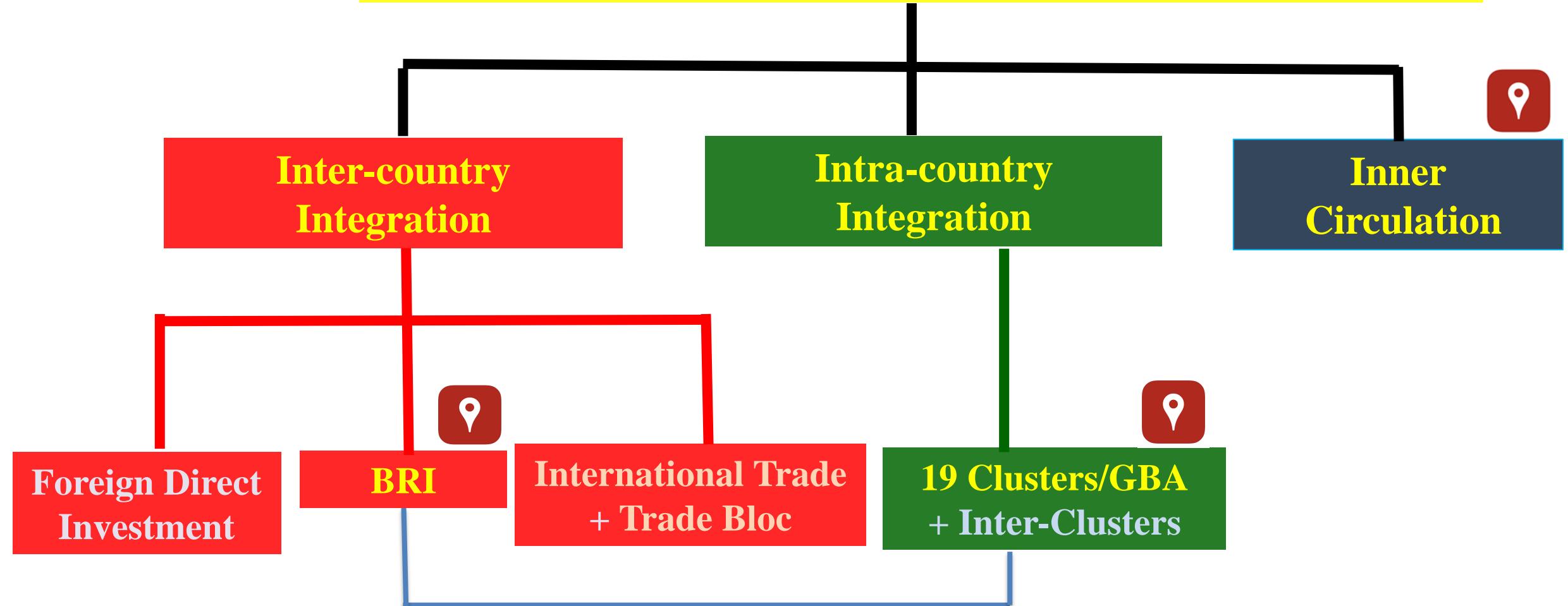
# Levels of Economic Integration

Level of Integration	Free Trade Area	Customs Union	Common Market	Economic and (sometimes) Monetary Union	Political Union
Members agree to eliminate tariffs and non-tariff trade barriers with each other but maintain their own trade barriers with non-member countries. Examples: NAFTA, EFTA, ASEAN, Australia and New Zealand Closer Economic Relations Agreement (CER)  Common external tariffs Example: MERCOSUR					
Free movement of products, labor, and capital Example: Pre-1992 European Economic Community					
Unified monetary and fiscal policy by a central authority Example: The European Union today exhibits common trade, agricultural, and monetary policies					
Perfect unification of all policies by a common organization; subversion of all separate national institutions Example: Remains an ideal; yet to be achieved					

Copyright © 2014 Pearson Education Inc.

# Strategic Plans

## Belt and Road Initiative + GBA + Inner Circulation



# Inter-country: Belt and Road Initiative (BRI)

- BRI was launched in **2013**, aiming at fostering **economic integration** among countries along the **land-based Silk Road Economic Belt** and **the ocean-going Maritime Silk Road**, connect Asian, European and African countries more closely and promote mutually beneficial cooperation to a new high and in new forms.
- The professed **goal** of economic integration is to **develop an integrated productive and competitive region** to **promote trade** and development and the economic prosperity of the countries along the BR, strengthen regional economic cooperation. achieve mutual learning between different civilisations.



## Growth:

- Infrastructure investment
- Chinese firms' overseas operations
- Regional investment and trade flows

## Demand for:

- Capital
- Treasury management
- Professional services
- Risk management
- RMB services

- The BRI is one of the most significant global economic development plans in history. **More than 68** countries are taking part in the Initiative. It involves **62% of the world's population, 31% of the world's GDP, and 33% of world's trade**.
- Most of the Eurasian continent as well as Eastern Africa are **included** in the initiative.
- Trade can link national interests, potentially breaking down national animosities.

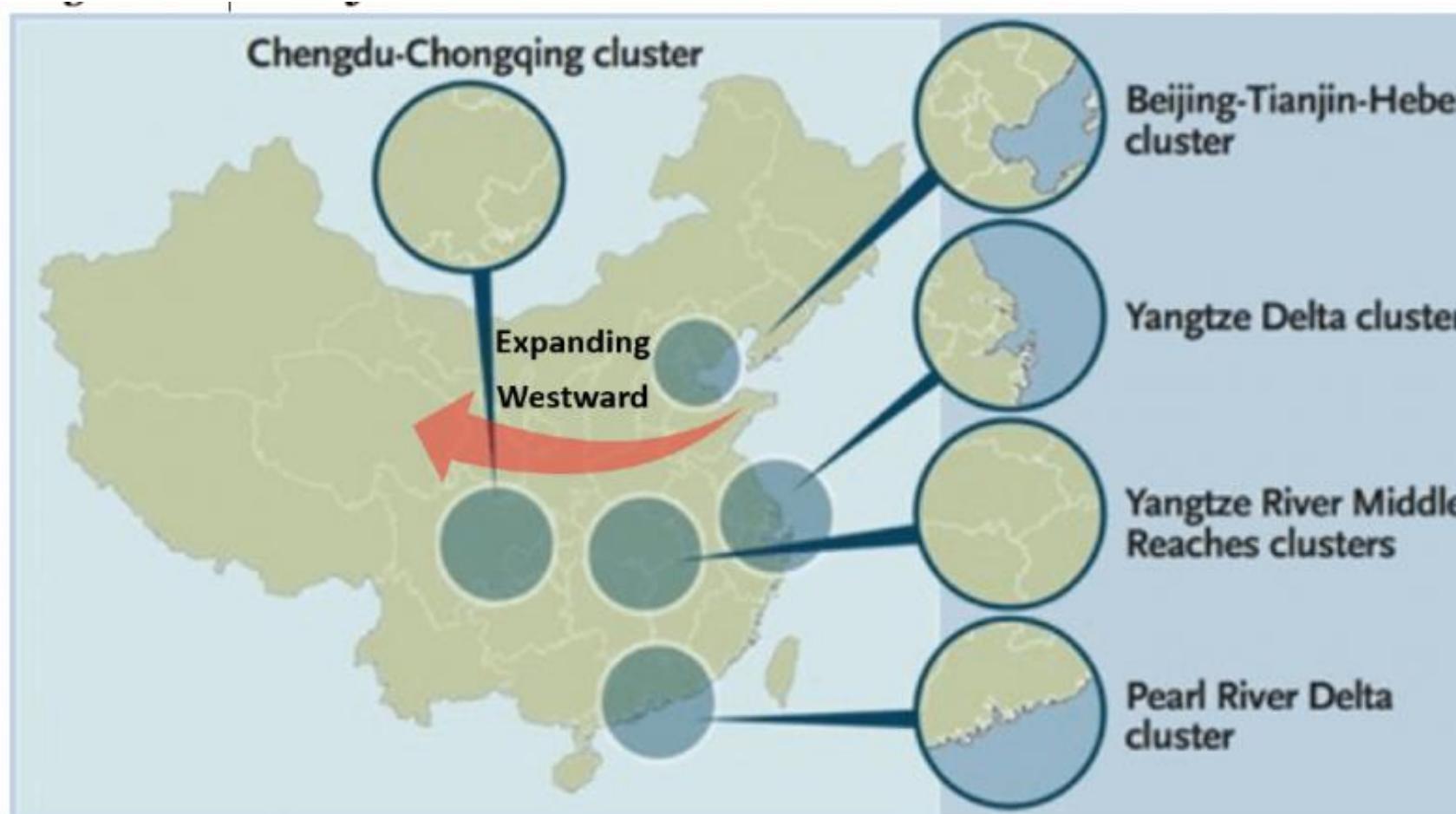
<https://www.asiagreen.com/en/news-insights/the-belt-and-road-initiative-and-the-rising-importance-of-china-s-western-cities>

<https://www.beltandroad.gov.hk/>

# Inter-country: Belt and Road Initiative (BRI)

- In advancing the Belt and Road Initiative, China will fully leverage **the comparative advantages of its various regions**, adopt a proactive strategy of further opening-up, **strengthen** interaction and cooperation among the eastern, western and central regions, and comprehensively improve the **openness** of the Chinese economy.

## Inter (BRI) + Intra (Cluster)



<https://www.asiagreen.com/en/news-insights/the-belt-and-road-initiative-and-the-rising-importance-of-china-s-western-cities>

# Joe Biden suggests plan to rival China's Belt and Road during call to Boris Johnson

<https://www.scmp.com/news/world/united-states-canada/article/3127233/joe-biden-suggests-plan-rival-chinas-belt-and-road>

- US President **Joe Biden** suggested that democratic countries band together to fund infrastructure in less developed countries during a call with British Prime Minister Boris Johnson
  - <https://www.aljazeera.com/economy/2021/3/26/biden-suggests-creating-initiative-to-rival-chinas-belt-and-road>
- **→ European Union: level 4  
Criteria: High factor Mobility, Culture?... → Transaction Cost?**
- Lee, Shu-kam, Woo, Kai-yin and Shum, Paul, **Evaluation of the One Belt, One Road Initiative through the Lens of, Nonlinear Adjustment Analysis in Real Exchange Rates**, Beijing Forum 2015, Diaoyutai State Guesthouse and Peking University, Beijing, November 6-8, 2015
  - Identify the list of countries to which China should give priority to form an economic union with.
- 李樹甘(2020) , 「一帶一路：地區融合與交易費用」, 柃底下的交流：公元1000年以來中國與世界的「不正當」互動研討會，香港政策研究所國際關係研究中心 1/2020.
- Woo, K. Y., Lee, S. K. & Shum, P. (2020). **Evidence on PPP with China along the Belt and Road using the three-regime TAR cointegration tests**, Empirical Economics.



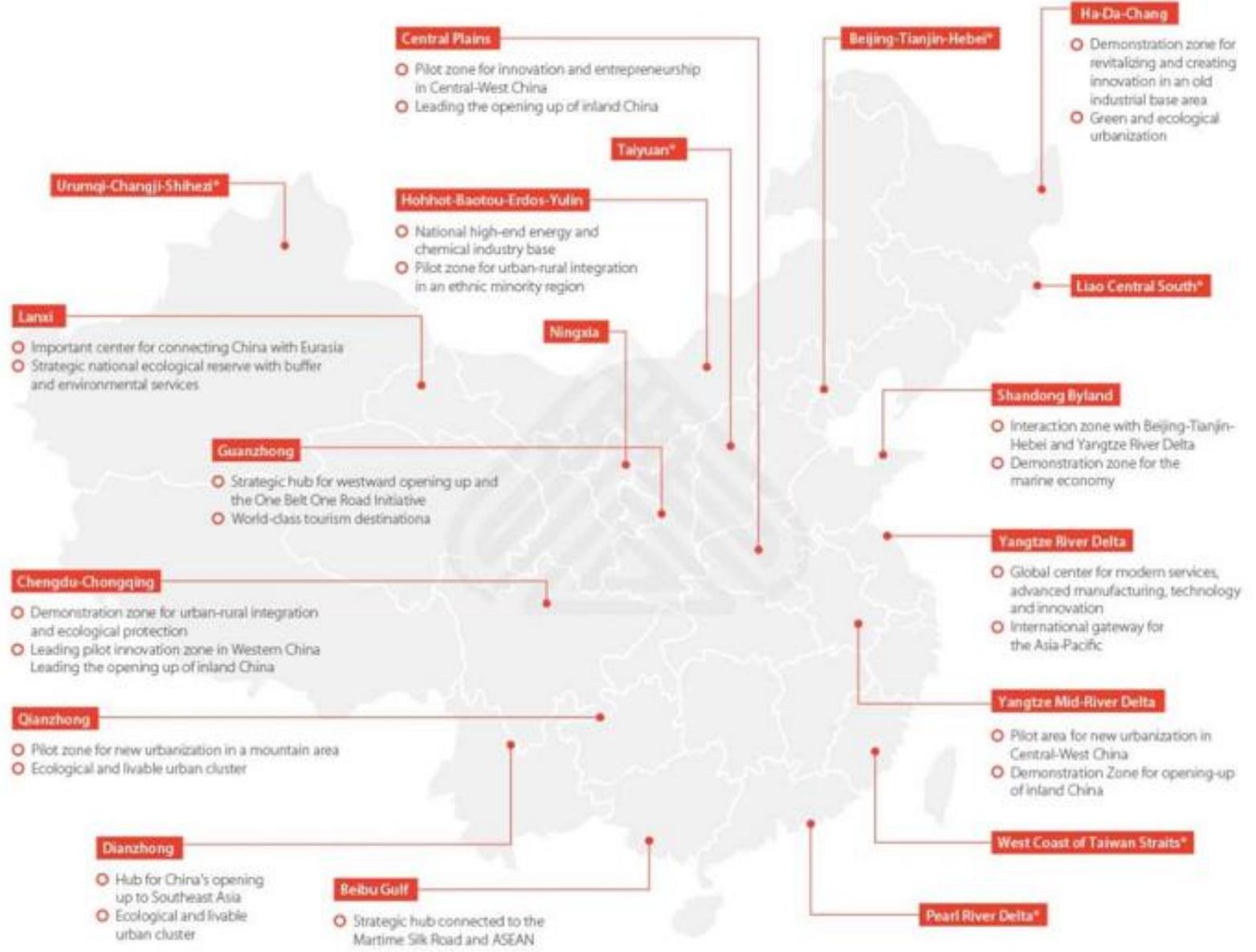
北京論壇

BEIJING FORUM 2015 HANDBOOK

# Intra-Country: 19 city-clusters

<https://clustercollaboration.eu/news/china-city-clusters-policy-clusters-boost-regional-development>

- Innovation and economic growth-related policy-making -- **Regional Specialization :**
- It consists of **gathering in the same city companies, research and development institutions and universities to boost innovation.** The activity generated by the local industry, enables more employment, more consumption and fosters economic growth, whilst increasing the competitiveness of China in strategic domains.
- There are currently **19 city-clusters in China.** **Three** of them, have been targeted to become **world-class clusters by 2020:**
  - The **Yangtze River Delta**(YRD, 長三角), driven by **Shanghai**, is also specialised on **advanced manufacturing, technology and innovation.** It also has the advantage of being the gateway to the Asia-Pacific market.
  - The **Beijing-Tianjin-Hebei** region(Jing-Jin-Ji 京津冀城市群), driven by **Beijing** is known as a **political, educational, cultural, and R&D centre.** The region also comprises, Tianjin known as northern China's logistics centre, with one of the busiest ports in the world; and Hebei province is known for its heavy industries, including steel production.
  - The **Pearl River Delta (GBA,**粵港澳大灣區(大灣區)), referred as the **“Factory of the world”** which is specialised on advanced manufacturing. This region is composed of **Hong-Kong**, known as a **world financial centre;** **Shenzhen** known as China's “Silicon Valley” because of its innovation and start-up culture; **Guangzhou** known for its manufacturing industry and as a logistics hub; and Macau and Zhuhai known for leisure and tourism.



## The City-cluster plan:

By increasing the innovation potential of its cities, the government aims at moving the whole country up the value chain, with **global innovation centres** in the **three main clusters**, and better, cleaner industries in the **smaller cities**, hence enabling high-quality growth.

The **other 16 clusters** are either medium or small size clusters. The medium-sized clusters account for between **6 and 9% GDP** and aim at driving regional development. The small-sized clusters only account for **2%** of the national GDP and aim at driving economic development at the provincial level.

Source : <https://www.china-briefing.com/news/chinas-city-clusters-plan-to-transform-into-19-super-regions/>

The background of the image features a dynamic, abstract design. It consists of a central dark blue shape, possibly a sphere or a drop, surrounded by a vibrant orange liquid that is splashing upwards and outwards. The orange liquid is最浓 at the top and transitions into a lighter, more translucent white towards the edges. There are also small, scattered droplets of the same orange liquid throughout the composition.

# Inner Circulation

# Inner Circulation 「內循環」

- China achieved rapid economic growth over the past decades via the “**outer circulation**”
  - by **importing** large amount of technology, natural/ human resources and foreign investment on the one hand, and **exporting** most of their factories’ finished products back to the overseas market on the other hand.
- However, this **outer circulation has been clogged since 2019** due to:
  - the rise of de-globalization and protectionism
  - US’s increasing restriction on exporting core technology/ funds to China
  - The ongoing severe global recession due to the COVID-19 pandemic, and so lower demand for China’s export
- ➔ China has to **switch** from an export/ fixed-asset investment driven society into a **domestic consumption-driven** one.

# Inner Circulation 「內循環」

- Rebalance the export-based economy **by boosting the internal market.**
  - **China's Urbanization:** urban dwellers tend to consume more, is an opportunity to increase both market size and wealth.
  - China's **foreign trade dependence** (foreign trade as a share of GDP) **fells to about 33%** in 2019, decreased by more than 7 % from 2014;
  - **Investment** accounts for about **43%**, surpassing foreign trade as **the second-largest** driver of China's economy
  - China's **Domestic consumption** contributes **39%** of GDP, which is **much lower than the US's 70% and Japan's 55%** → **huge potential domestic demand??**
- **Inner Circulation is mainly driven by:**
  - **return** of high-end consumption from **overseas** retail market,
  - the rise of larger **local** brands, and
  - **stable growth** from consumer staples
- **The Mainland is a huge market.**
  - <https://wealthmanagement.bnpparibas/asia/en/expert-voices/hk-china-stock-market-aug-2020.html>
  - <https://china.hket.com/article/2711533/%E7%BF%92%E6%80%8E%E7%94%A8%E3%80%8C%E5%85%A7%E5%BE%AA%E7%92%B0%E7%B6%93%E6%BF%9F%E3%80%8D%E6%89%93%E7%A1%AC%E4%BB%97%EF%BC%9F4%E6%A2%9DQ-A%E8%A9%B1%E4%BD%A0%E7%9F%A5>



# Economic interaction between the Mainland and Hong Kong

# References

**EH.net**

EH.net is owned and operated by the Economic History Association  
with the support of other sponsoring organizations.

Search the Site...

HOME ABOUT LOG IN

**Economic History of Hong Kong**

**Catherine R. Schenk, University of Glasgow**

Hong Kong's economic and political history has been primarily determined by its geographical location. The territory of Hong Kong is comprised of two main islands (Hong Kong Island and Lantau Island) and a mainland hinterland. It thus forms a natural geographic port for Guangdong province in Southeast China. In a sense, there is considerable continuity in Hong Kong's position in the international economy since its origins were as a commercial entrepot for China's regional and global trade, and this is still a role it plays today. From a relatively unpopulated territory at the beginning of the nineteenth century, Hong Kong grew to become one of the most important international financial centers in the world. Hong Kong also underwent a rapid and successful process of industrialization from the 1950s that captured the imagination of economists and historians in the 1980s and 1990s.

**Hong Kong from 1842 to 1949**

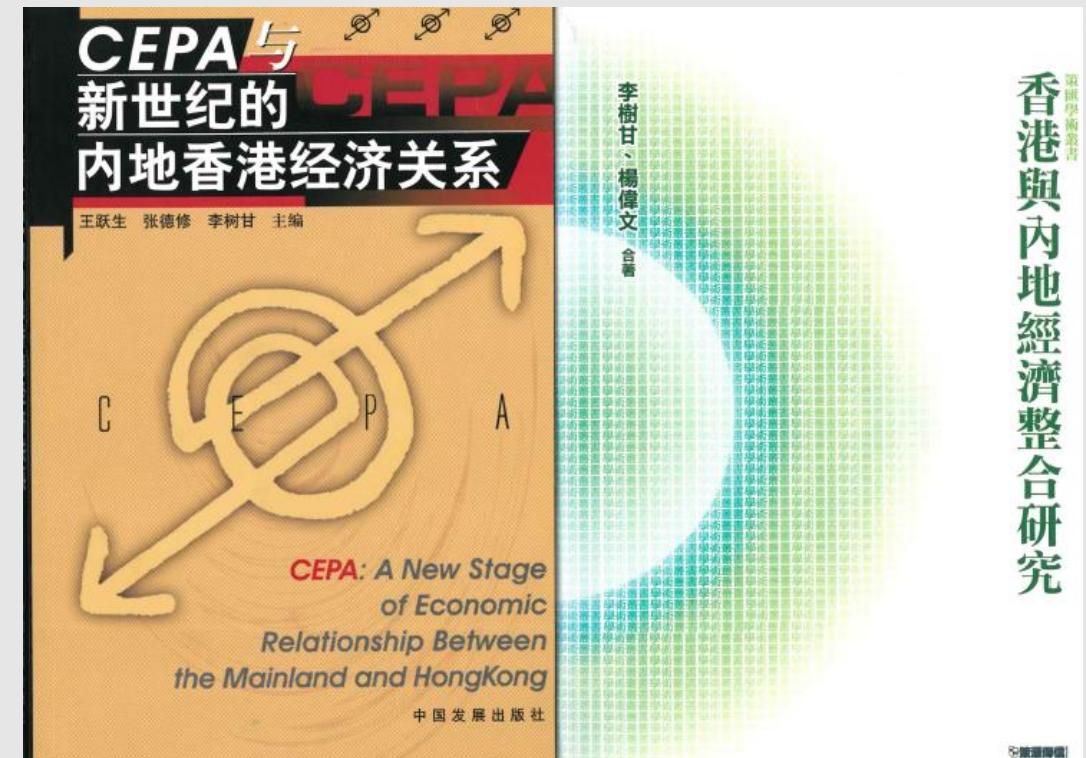
After being ceded by China to the British under the Treaty of Nanking in 1842, the colony of Hong Kong quickly became a regional center for financial and commercial services based particularly around the Hongkong and Shanghai Bank and merchant companies such as Jardine Matheson. In 1841 there were only 7500 Chinese inhabitants of Hong Kong and a handful of foreigners, but by 1859 the Chinese community was over 85,000 supplemented by about 1600 foreigners. The economy was closely linked to commercial activity, dominated by shipping, banking and merchant companies. Gradually there was increasing diversification to services and retail outlets to meet the needs of the local population, and also shipbuilding and maintenance linked to the presence of the British naval and merchant shipping. There was some industrial expansion in the nineteenth century; notably sugar refining, cement and ice factories among the foreign sector, alongside smaller-scale local workshop manufactures. The mainland territory of Hong Kong was ceded to British rule by two further treaties in this period; Kowloon in 1860 and the New Territories in 1898.

Hong Kong was profoundly affected by the disastrous events in Mainland China in the inter-war period. After overthrow of the dynastic system in 1911, the Kuomintang (KMT) took a decade to pull together a republican nation-state. The Great Depression and fluctuations in the international price of silver then disrupted China's economic relations with the rest of the world in the 1930s. From 1937, China descended into the Sino-Japanese War. Two years after the end of World War II, the civil war between the KMT and Chinese Communist Party pushed China into a downward economic spiral. During this period, Hong Kong suffered from the slowdown in world trade and in China's trade in particular. However, problems on the mainland also diverted business and entrepreneurs from Shanghai and other cities to the relative safety and stability of the British colonial port of Hong Kong.

**Post-War Industrialization**

After the establishment of the People's Republic of China (PRC) in 1949, the mainland began a process of isolation from the international economy, partly for ideological reasons and partly because of Cold War embargos on trade imposed first by the United States in 1949 and then by the United Nations in 1951. Nevertheless, Hong Kong was vital to the international economic links that the PRC continued in order to pursue industrialization and support grain imports. Even during the period of self-sufficiency in the 1960s, Hong Kong's imports of food and water from the PRC were a vital source of foreign exchange revenue that ensured Hong Kong's usefulness to the mainland. In turn, cheap food helped to restrain rises in the cost of living in Hong Kong thus helping to keep wages low during the period of labor-intensive industrialization.

The industrialization of Hong Kong is usually dated from the embargoes of the 1950s. Certainly, Hong Kong's prosperity could no longer depend on the China trade in this decade. However, as seen above, industry emerged in the nineteenth century and it began to expand in the interwar period. Nevertheless, industrialization accelerated after 1945 with the inflow of refugees, entrepreneurs and capital fleeing the civil war on the



Schenk, Catherine. “Economic History of Hong Kong”. EH.Net Encyclopedia, edited by Robert Whaples. March 16, 2008. URL <http://eh.net/encyclopedia/economic-history-of-hong-kong/>

# Post-War Industrialization

28

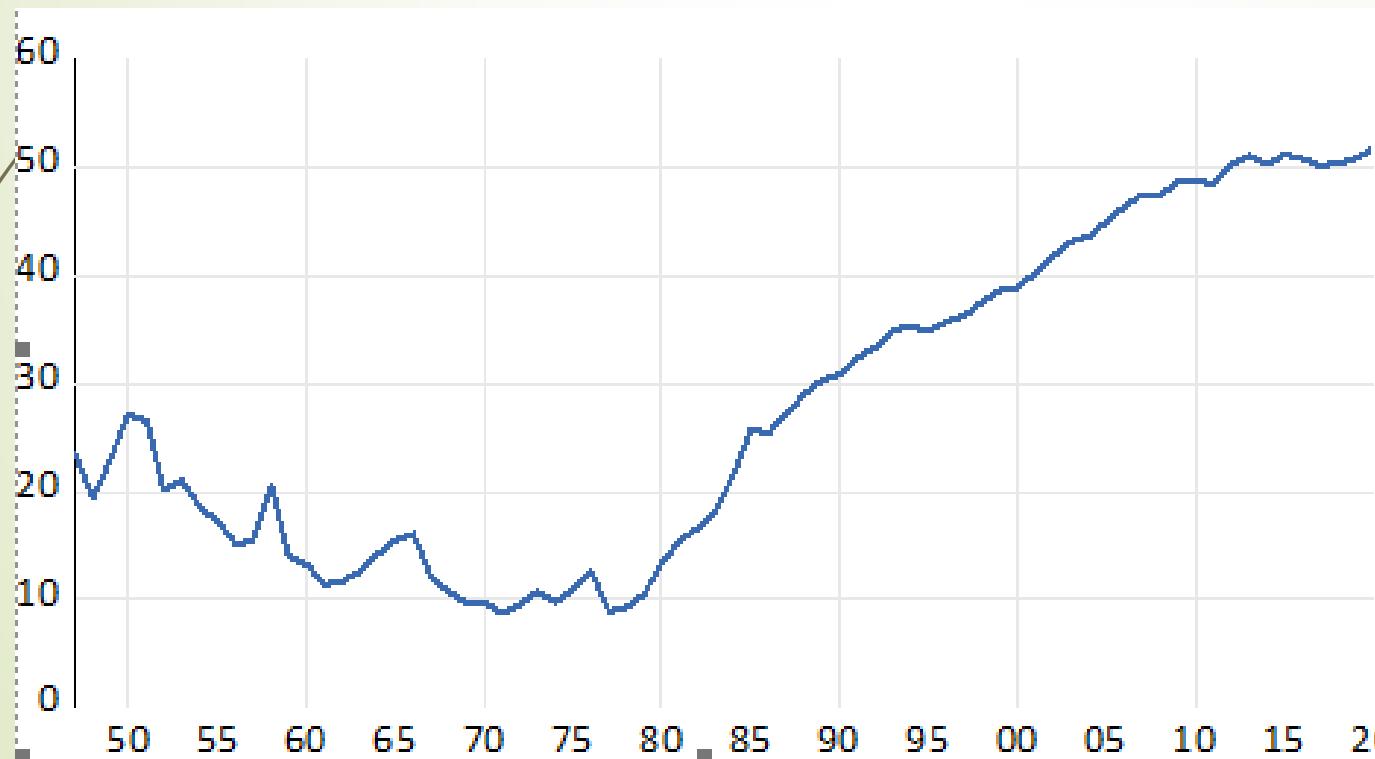
- ▶ When China intervened in the **Korean War** in the **1950s**, the U.S. retaliated by imposing a **trade embargo** on China that **hurt Hong Kong's re-export trade**.
- ▶ After 1945 with the **inflow of refugees**, entrepreneurs and capital fleeing the civil war on the Mainland, **Hong Kong's industrialization replaced re-export trade**.
- ▶ Hong Kong's industry was founded in the **textile sector in the 1950s** before **gradually diversifying** in the **1960s to clothing, electronics, plastics and other** labor-intensive production mainly for export.
- ▶ Industrialization was accompanied by **increasing numbers of small and medium-sized enterprises (SME)**.

# “Front shop, back factory” cooperation model, 1978-1997

29

- ▶ The **Open Door Policy** of the Mainland announced by Deng Xiao-ping at the end of 1978 marked a new era for Hong Kong’s economy.
- ▶ With the newly vigorous **engagement** of the Mainland in **international trade and investment**, Hong Kong became the Mainland’s main **provider of commercial and financial services**. From 1978 to 1997, **visible trade** between Hong Kong and the Mainland grew at an average rate of **28%** per annum.

% Share of the Trade with the Mainland to the Total Trade of All Countries, 1947-2020



Sources: Lu Shou-bian and Lu Dong-qing (2002),  
A History of Hong Kong Economy, Hong Kong:  
Joint Publishing (H.K.) Co. Ltd., 295 (in Chinese)  
and Hong Kong Census & Statistics Department.

# Front shop, back factory

- At the same time, Hong Kong firms began to move their labor-intensive activities to the Mainland to take advantage of cheaper labor. The northward shift of the production line caused the division of labor in the region and gradually transformed into regional economic integration. The “front shop, back factory” industrial division pattern between Hong Kong and the Pearl River Delta areas in Guangdong (selling in Hong Kong and manufacturing in the Mainland) was formed during the 1980s.
- Given the trade and investment links, at the end of 1997, the cumulative value of Hong Kong's direct investment in Guangdong was estimated at US\$48 billion, accounting for almost 80% of the total foreign direct investment there. Hong Kong companies and joint ventures in Guangdong province employed about five million people. Most of these businesses were labor-intensive assembly for export, but from 1997 onward there has been increased investment in financial services, tourism and retail trade. While manufacturing was moved to the Mainland during the 1980s and 1990s, Hong Kong transformed from a manufacturing economy to a service economy. The contribution of manufacturing to GDP fell from 30.9% in 1980 to 14.7% in 1996 and 1.1% in 2019. Whereas the contribution of the service sector rose from 68.3% in 1980 to 85.2% in 1996 and 93.4% in 2019.

# Asian Financial Crisis and Acute Respiratory Syndrome (SARS) Threat, 1997-2002

31

- ▶ The crisis prompted a **collapse in share prices** and the **property market** pushed Hong Kong into a new era of **recession** (wealth effect) with a **rise in unemployment** (6% on average from 1998-2003) and absolute **declines in output** and prices.
  - ▶ The longer-term impact of the crisis has been to **increase the intensity** and importance of Hong Kong's trade and investment links with the Mainland .
  - ▶ Since the Mainland did not fare as badly from the regional crisis, the economic prospects for Hong Kong have **been tied more closely to the increasingly prosperous mainland.**
- Schenk, Catherine. “**Economic History of Hong Kong**”. EH.Net Encyclopedia, edited by Robert Whaples. March 16, 2008. URL <http://eh.net/encyclopedia/economic-history-of-hong-kong/>

# CEPA, 2003

## ◆ Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA) 《內地與香港關於建立更緊密經貿關係的安排》

- Signed in 2003 - the devastating after-effects of the SARS outbreak that claimed almost 300 lives and sapped the energy out of Hong Kong's economy.
- The first free trade agreement - tariff-free treatment to goods of HK origin upon importation into the Mainland and basically achieves liberalisation of trade in services.
- HK investments and investors enjoy investment protection and facilitation in the Mainland
- Foreign investors can establish businesses in Hong Kong to leverage on the CEPA benefits and join hands in tapping the vast opportunities of the Mainland market.
- Relaxes restrictions on cross-boundary travel - a new Individual Visit Scheme (IVS) allowing tourists to come to Hong Kong without joining a tour group or obtaining a business visa. The mainland visitors have helped local retailers, restaurants and small business generate profits and opportunities.

# CEPA

- Mainly a **bilateral business and trading cooperation** agreement signed by Mainland government and Hong Kong (and Macau) SARs respectively.
- **Provides a window of opportunity for Hong Kong businesses** to gain greater access to the Mainland market.
- **Benefits the Mainland** as Hong Kong serves as a perfect “springboard” for Mainland enterprises **to reach out to the global market** and accelerating the Mainland’s full integration with the world economy.
- [https://www.tid.gov.hk/english/cepa/cepa\\_overview.html](https://www.tid.gov.hk/english/cepa/cepa_overview.html) and <https://www.info.gov.hk/gia/general/201309/02/P201309020603.htm>
- [https://www.brandhk.gov.hk/uploads/brandhk/files/factsheets/Hong\\_Kong\\_Themes/Guangdong-Hong-Kong-Macao-Greater-Bay-Area-E.pdf](https://www.brandhk.gov.hk/uploads/brandhk/files/factsheets/Hong_Kong_Themes/Guangdong-Hong-Kong-Macao-Greater-Bay-Area-E.pdf)

# Pan-PRD, 2004

## ◆ 2004: Pan-Pearl River Delta (Pan-PRD) Regional Co-operation (“9+2”) 泛珠三角區域合作

- ▶ The Pan-Pearl River Delta Regional Co-operation Agreement consists of **9 provinces** in Southern China , Fujin(福建), Jiangxi(江西), Hunan(湖南), Guangdong (廣東), Guangxi (廣西), Hainan (海南), Sichuan (四川), Guizhou (貴州), Yunan (雲南), Hong Kong and Macao, **and 2 Special Administrative Regions**, Hong Kong and Macao.
- ▶ The cooperation hinges on the principles of **voluntary participation, market-orientation, openness and fairness, complementarities** with each other's advantages and **joint prosperity**.
- ▶ The participants fully cooperates in **10 major areas**, namely infrastructure, enterprise and investment, information development, tourism, commerce and trade, agriculture, labor, science, education and culture, environmental protection and health and disease prevention.

## Pan-Pearl River Delta Regional Co-operation



For details, see <https://policy.asiapacificenergy.org/node/2963> and <https://www.cb.cityu.edu.hk/research/apec/PPRD/index.htm>

## Guangdong-Hong Kong-Macau Greater Bay Area (GBA), 粵港澳大灣區（大灣區）

- In March 2017, the Premier Li Keqiang announced a plan to develop a city cluster in the **Guangdong-Hong Kong-Macau Greater Bay Area (GBA)** in his annual report 2017 to the National People's Congress.
- The Central Government released the Outline Development Plan on February 18, 2019.

# Economic Union in the Greater Bay Area (GBA)

+

•

◦

+

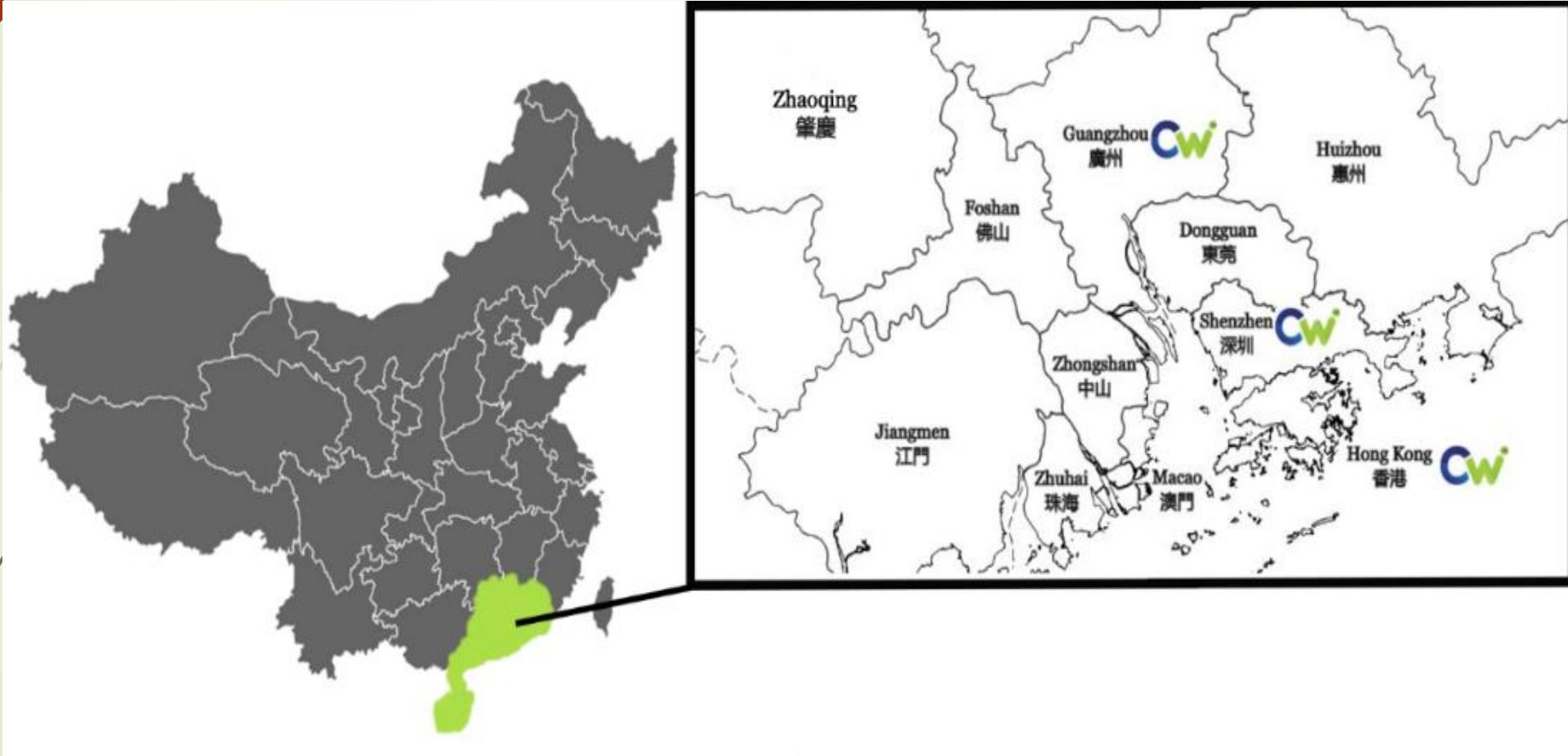
•

◦

# Greater Bay Area (GBA)

- In March 2017, the **Guangdong-Hong Kong-Macao Greater Bay Area** (粵港澳大灣區) was proposed:
  - **9 Cities** in Guangdong Province (Guangzhou 廣州, Shenzhen 深圳, Zhuhai 珠海, Foshan 佛山, Dongguan 東莞, Zhongshan 中山, Jiangmen 江門, Huizhou 惠州 and Zhaoqing 肇慶)
  - **2 Special Administrative Regions** (Hong Kong and Macau)
  - **“9+2”**
- The **strategic plan** for the GBA is to build a world-class **city cluster** within which each city **has unique functions and characteristics** (Yu, 2019).

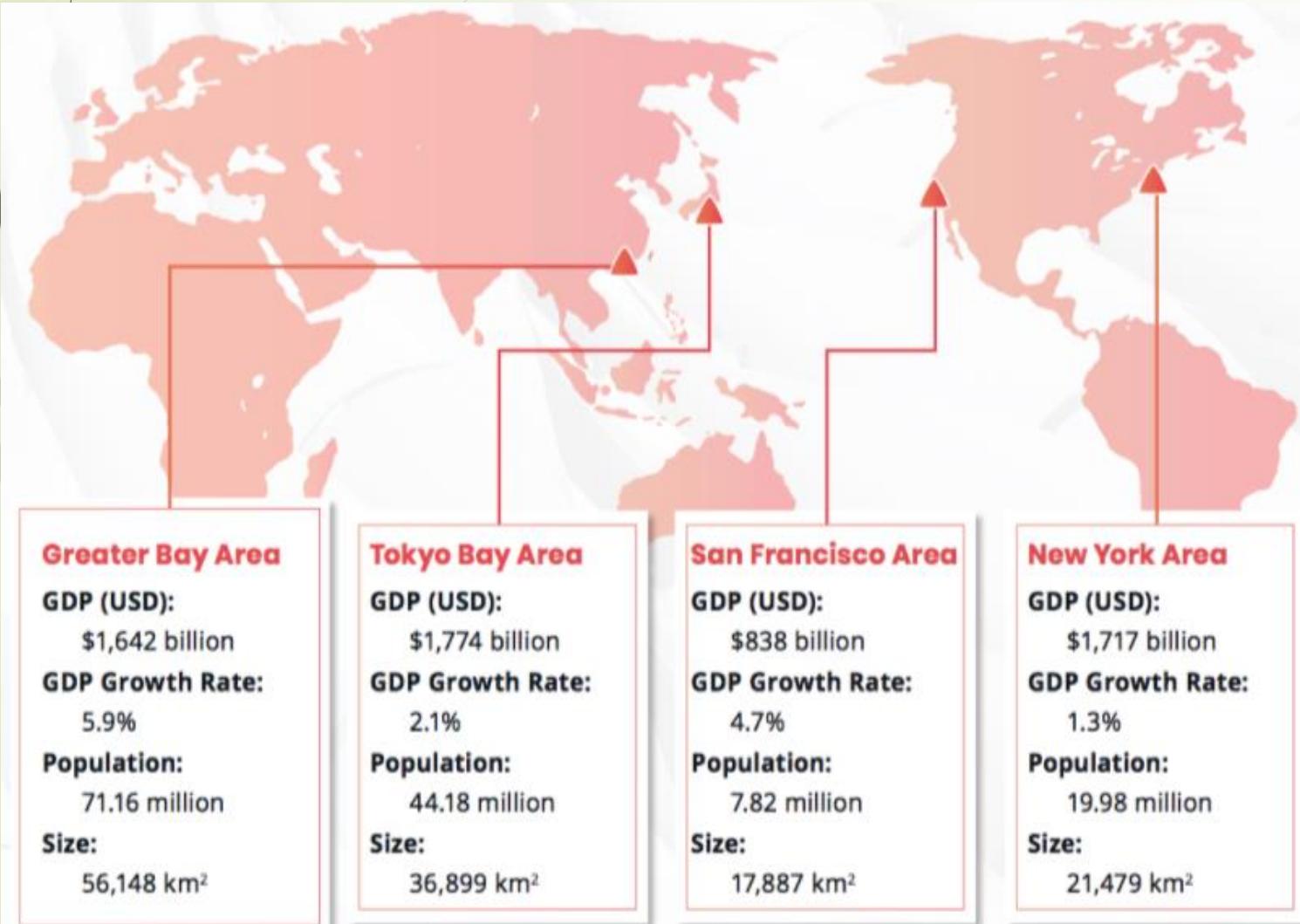
# The Greater Bay Area of China



Source: <https://www.cwhkcpa.com/greater-bay-area/>

# GBA: The World's largest Bay Area

<https://medium.com/whub/why-you-need-to-know-about-the-greater-bay-area-c7ac855d269a>



- The **GBA** only accounts for **0.6%** of **China's land and 5% of the population** yet it accounts for **12% of the country's GDP**.
- **Average GDP per capita** is **more than double** the China average.
- According to projections made by the China Center for International Economic Exchanges, the GBA's economic output will catch up with that of the Tokyo Bay Area in 2020.
- By **2030**, it's expected to climb to US\$4.6 trillion (around RMB32.6 trillion), surpassing that of the Tokyo Bay Area (US\$3.2 trillion) and the New York Bay Area (US\$2.2 trillion), to make the GBA the bay area with the **highest economic output** in the world.

# Towards an Economic Union in the Greater Bay Area

- **One country, two systems, three independent customs areas, and three currency systems**
- The GBA is an ideal experimental platform which could be a momentous step towards an **economic union** (張思平, 2017) within which **all goods and factors of production move freely**, all barriers to trade are **removed** and common economic policies are instituted (Mundell, 1961; McKinnon, 1963; Ricci, 2008) (**Level 1-3 integration**).
- The **GBA** is expected to **become the most open and integrated city cluster** in the world. However, the success of an **economic union** within the GBA requires the satisfaction of **certain criteria** (Mélitz, 1995). To achieve it, the **HSBC** (2019) lists a number of **pre-conditions**.
  - **Proactive government support (One Country, EU-many countries)** and investment to construct a well-connected transportation system to facilitate fast and smooth **flow of people, products and services** to attract firms and talent to relocate, live and work in the GBA.
  - An international financial centre and a sophisticated service industry, which Hong Kong has the capacity and capability of a leader city.
  - An **innovation ecosystem** with a number of leading **universities**, which **Shenzhen** and **Hong Kong** can play the **leading role**.
- 張思平 (2017) · 對粵港澳大灣區規劃中幾個重大問題的看法。大公報2017-11-14擷取自<http://news.takungpao.com.hk/mainland/topnews/2017-11/3514884.html>。
- Mélitz, J. (1995), The current impasse in research on optimum currency areas. European Economic Review, 39, 492-500..

# Transportation infrastructure projects connecting the GBA cities

## Infrastructure changes boost GBA's growth

**Editor's note:** This is the second of a five-part series on how the Greater Bay Area has developed since the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area was promulgated three years ago. The second part focuses on the region's infrastructure development.



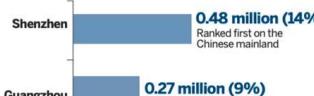
### 5G network and new-energy vehicles are fast becoming a feature of the GBA

5G users in 2021

**40.96 million**  
in Guangdong province, accounting for 25.2% of all cellphone users in the province.

**2.52 million**  
in HKSAR, accounting for 10.5% of all cellphone users in the city.

### Number of new-energy vehicles in 2020



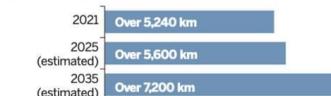
### Hong Kong-Zhuhai-Macao Bridge

**24.4 million**  
Annual passengers (pre-pandemic)      **1.5 million**  
Annual vehicles (pre-pandemic)  
**45 minutes**  
Time spent from HK International Airport to Zhuhai or Macao. Previously it would take 4 hours.

### High-speed rail\* (HK section)

**Less than 30 minutes**  
travel time between HK and Shenzhen  
\*Services now suspended because of the pandemic.

### Expressway

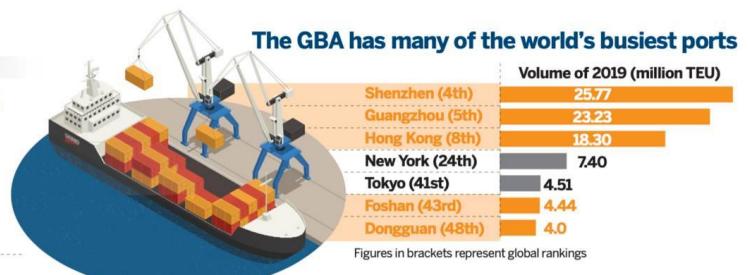


### Comparison of bay areas in rail transport, airports

\*Airports in the GBA handled about one-sixth of China's total air passengers (223 million out of 1.35 billion) annually before the pandemic.



	Rail transport	Number of commercial airports	Number of flight routes (pre-pandemic)
Greater Bay Area	3,678 km (2021)	7	2,082*
Tokyo Bay Area	2,705 km (2015)	3	509
New York Bay Area	1,575 km (2020)	7	1,404
San Francisco Bay Area	747.3 km (2021)	4	1,011



“

The GBA has made a breakthrough in the green transition of transportation infrastructure. Besides a high number of new-energy vehicles ownership, the region has established a complete manufacturing system for producing them. Leading IT enterprises in the area also boost the NEV industry by providing digitalization solutions.”

Chen Lan, Deloitte Research China partner

“

The aviation infrastructure in the GBA is world-class, and Hong Kong's experience in running an international aviation hub is a plus. In the future, the high-tech industry, one of the GBA's core competencies, will drive the demand for air cargo and provide impetus to the aviation industry.”

Andrew Yuen Chi-jok, director of Policy and Knowledge Transfer at Aviation Policy and Research Centre, the Chinese University of Hong Kong

### Timeline

April 2, 2019

The Nansha Bridge opened, connecting the east and west banks of the Pearl River. The 12.89-kilometer bridge links Chongming and Dongguan, shortening the travel distance between the two cities by at least 10 kilometers.



Dec 10, 2019

Macao's first urban rail service, Macao Light Rapid Transit, started to carry passengers.



Aug 26, 2020

The Liantang/Heung Yuen Wai border checkpoint began operation as the seventh land crossing between Hong Kong and Shenzhen. The first of its kind, the crossing is equipped with devices designed to inspect cold-chain cargo seamlessly, which shortens the clearance time for goods like fruits and frozen food. A year later, the fifth land crossing between Macao and Zhuhai, the Qingmao Checkpoint, was opened to the public, on Sept 8, 2021.



Sept 7, 2021

Hong Kong International Airport inaugurated the completion of its third runway. The 3.8-kilometer airstrip is expected to be operational in the second half of 2022.



Nov 14, 2021

The GBA's first 5G-based smart port, Mawan, came into service in Shenzhen. The renovated 983,600-square-meter port has five berths with a capacity to handle 3 million TEUs (twenty-foot equivalent units) of cargo a year.



### Better infrastructure linking the Greater Bay Area

大灣區基礎建設網絡漸趨完善

1 Guangzhou-Shenzhen-Hong Kong Express Rail Link  
廣深港高速鐵路

2 Hong Kong-Zhuhai-Macao Bridge  
港珠澳大橋

3 Guangzhou-Foshan Subway  
廣佛環線

4 Guangzhou-Zhuhai Intercity Railway  
廣珠城際軌道交通

5 Hong Kong-Shenzhen Airport Rail Link  
港深機場鐵路

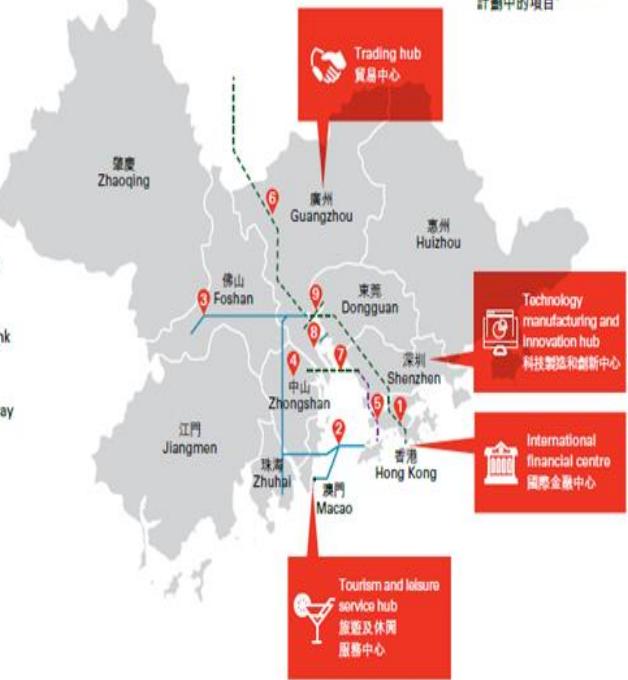
6 Guangzhou-Qingyuan Intercity Railway  
廣清城際軌道交通

7 Shenzhen-Zhongshan Bridge  
深中通道

8 Humen Pearl River Bridge  
虎門大橋

9 Humen Second Bridge  
虎門二橋

- Project completed\* 已落成項目\*
- Project in progress\* 在建項目\*
- Project in planning\* 計劃中的項目\*



Source: <https://www.business.hsbc.com.hk/-/media/library/business-hk/pdfs/zh-hk/gba-booklet-chinese-version.pdf>

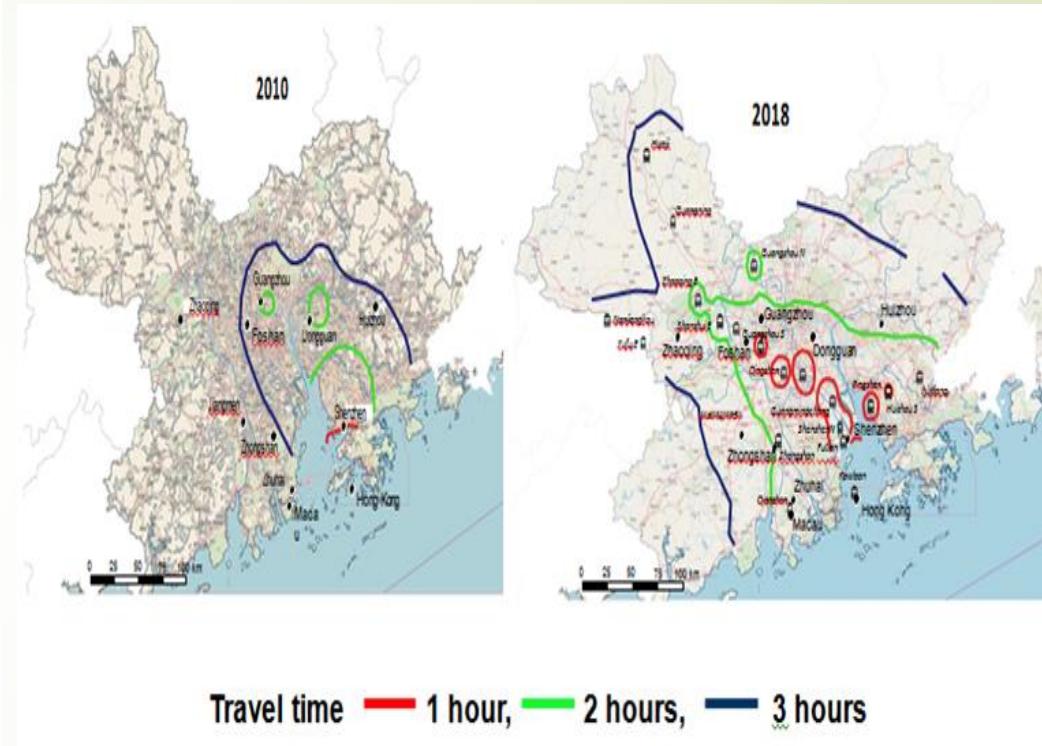
Source:  
<https://www.chinadaily.com.cn/a/202202/18/WS620f97aba310cdd39bc8798e.html>

# Shenzhen-Zhongshan Link

- Shenzhen - Zhongshan, only 20 mins by 2024
- Shenzhong Link 深中通道 is a 24km-long sea-crossing link between Shenzhen and Zhongshan.
- Reduce the travel time between Shenzhen and Zhongshan from 120 minutes to **20 minutes** (or **30 minutes?** ).
- 2024年建成通车 深圳至中山車程2小時縮至20分鐘 (30分鐘 ?)



# Transportation infrastructure projects connecting the GBA cities



Source:  
[http://www.2022foundation.com/images/GBA\\_MainReport.pdf](http://www.2022foundation.com/images/GBA_MainReport.pdf)

Source: <http://www.takungpao.com.hk/news/232108/2020/0805/483262.html>

# Connectivity -- Positive Externalities

- ▶ **high-speed railways, highways, and bridges**, have transformed the connectivity among the GBA-9 cities, Hong Kong, and Macao, together with additional modern cross-boundary checkpoints with less time to clear formalities, making the flow of people, products and services fast and smooth in the GBA and **reducing transport time and costs of doing business**.
- ▶ **This attracts more firms and talents to relocate, live, and work in the GBA**. Firms with closely interconnected activities enjoy the **positive externalities** of lower transportation costs, larger and more diverse labor pool, and knowledge spillovers from movement of skilled workers.
- ▶ As a whole, through **upgrading the knowledge and skill base, knowledge transfer, injection of financial resources and establishing production plants and R&D facilities**, the productivity of the GBA has significantly been increased.

(Source: Enright Scott & Associates (2019), The future of the Guangdong-Hong Kong-Macao Greater Bay Area, 2022 Foundation, Hong Kong)

# Strategic Priorities of the GBA cities

- Based on the concept of comparative advantage, to function complementarily as one integrated city cluster, the Central Government has developed a diverse set of strategic priorities for the industry sectors in the GBA.
- Based on the existing and potential strengths of the GBA cities, each of the GBA cities has been assigned the strategic industry development priorities to develop a range of specialized industries (HSBC 2019). With the realization of successfully introducing new high value-adding products and services, the GBA would be able to develop the national innovation systems to enable China to escape from the middle-income trap over time.
- The GBA encompasses a mix of manufacturing, financial and high-tech industries located in the most competitive cities in southern China. *The 11 cities of the GBA can be grouped into three regions*
  - <https://research.hktdc.com/en/article/NTM5MzY3MDA4>

## GBA cities' positions and roles 大灣區城市位置與定位

GBA Cities in Tiers:  
大灣區城市等級

Core Cities  
核心城市

Tier 2  
二線城市

Tier 3  
三線城市

### Guangzhou 廣州

A leading state-level city of political,  
economic and cultural hub  
主要國家級政經與文化樞紐城市

### Jiangmen, Zhongshan, Foshan 江門、中山、佛山

Transport, garment,  
pharmaceuticals, food and  
beverages and high-end  
equipment  
and high-tech  
manufacturing hub

運輸、服裝、醫藥、餐飲，  
以及高端設備與高科製造  
樞紐



### Macau, Zhuhai 澳門、珠海

Tourism and leisure hub, electronic and  
bio-pharmaceutical centre  
旅遊與休閒樞紐、電子與生物製藥中心

### Huizhou, Zhaoqing 惠州、肇慶

Clean energy and green  
agricultural production centre  
清潔能源與綠色農業生產中心

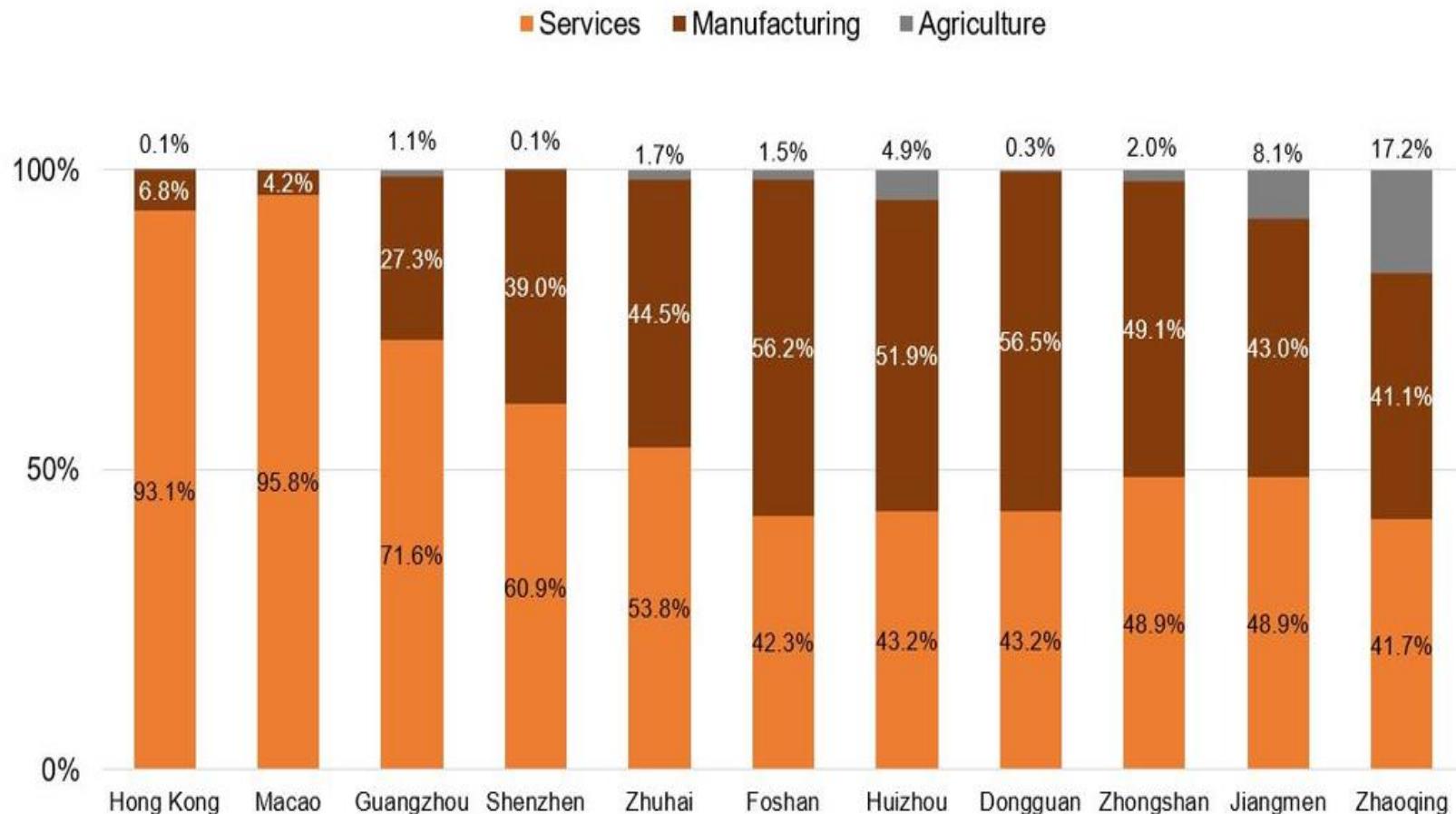
### Dongguan 東莞

Electronics and high-end  
manufacturing centre  
電子與高端製造中心

### Shenzhen 深圳

Innovation and technology  
hub, R&D centre  
創新科技樞紐、研發中心

## Industrial Structure of GBA Cities, 2019



- **Zhaoqing** has rich **primary resources** including rare metals and herbal medicines. The primary industry contributes 17%, the largest share of GDP in the GBA.
- Most of the mainland GBA cities, in particular **Dongguan** (56.5%), **Foshan** (56.2%), **Huizhou** (51.9%), **Zhongshan** (49.1%) and **Zhuhai**(44.5%), are dominated by manufacturing.
- Economic growth in **Hong Kong** and **Macao** is driven primarily by the **services sector**, the shares of GDP are 93.1% and 95.8% respectively.

Note: Data on Hong Kong and Macao dates from 2018.

Source: Statistics bureaux of various cities; analysis by PricewaterhouseCoopers

# Major Economic Indicators of the Guangdong-Hong Kong-Macao Greater Bay Area (2019)

	Area km <sup>2</sup>	Population mn	GDP <sup>1</sup> US\$ bn <sup>2</sup>	GDP per capita US\$ <sup>2</sup>	GDP share of tertiary industry (%)	Export US\$ bn <sup>2</sup>	Utilised FDI US\$ bn <sup>2</sup>
<b>GBA 大灣區</b>	56,094	72.65	<b>1,679.26</b>	23,116	66.2	1,106.93	129.36
<b>Hong Kong 香港</b>	1,107	7.5	365.7	48,713	93.13	509.02	<b>104.23</b>
<b>Macao 澳門</b>	33	0.68	53.86	79,977	95.83	1.59	3.333
<b>Guangzhou 廣州</b>	7,434	15.31	342.52	22,676	71.6	76.22	7.143
<b>Shenzhen 深圳</b>	1,997	13.44	390.33	29,498	60.9	242.21	7.809
<b>Zhuhai 珠海</b>	3,798	8.16	155.85	19,102	42.3	54.04	0.741
<b>Foshan 佛山</b>	2,460	8.46	137.46	16,309	43.2	125.08	1.276
<b>Huizhou 惠州</b>	11,347	4.88	60.56	12,473	43.2	26.41	0.931
<b>Dongguan 東莞</b>	1,784	3.38	44.95	13,439	48.9	27.97	0.552
<b>Zhongshan 中山</b>	9,507	4.63	45.61	9,885	48.9	16.47	0.823
<b>Jiangmen 江門</b>	1,736	2.02	49.81	25,400	53.8	23.98	2.424
<b>Zhaqing 肇慶</b>	14,891	4.19	32.6	7,819	41.7	3.94	0.136

Note:

<sup>1</sup> At current market prices

<sup>2</sup> Converted with the yearly average exchange rates

<sup>3</sup> 2018 figure

Source: Census and Statistics Department of Hong Kong, Statistics and Census Service of Macao, the statistics bureaux of the relevant PRD cities, HKTDC

<https://research.hktdc.com/en/article/MzYzMD E5NzQ5>

- The **combined** GDP of the GBA cities amounted to **USD 1.68** (RMB11.6) trillion in 2019, making up 11% of the country's GDP. Its annual growth rate between 2014 and 2019 stood at 8.2%, outstripping the 7.7% growth rate of the country as a whole.
- As a world-renowned financial, transportation and trade centre, the **Utilised Foreign Direct Investments (FDI)** in Hong Kong is **US\$ 104 billion**, whereas those in other GBA cities are all less than 10 billion USD. Hong Kong is still one of the most attractive destination, not only in the GBA, but also in the world for FDI.

# Cost of Living Comparison Between Shenzhen and Hong Kong

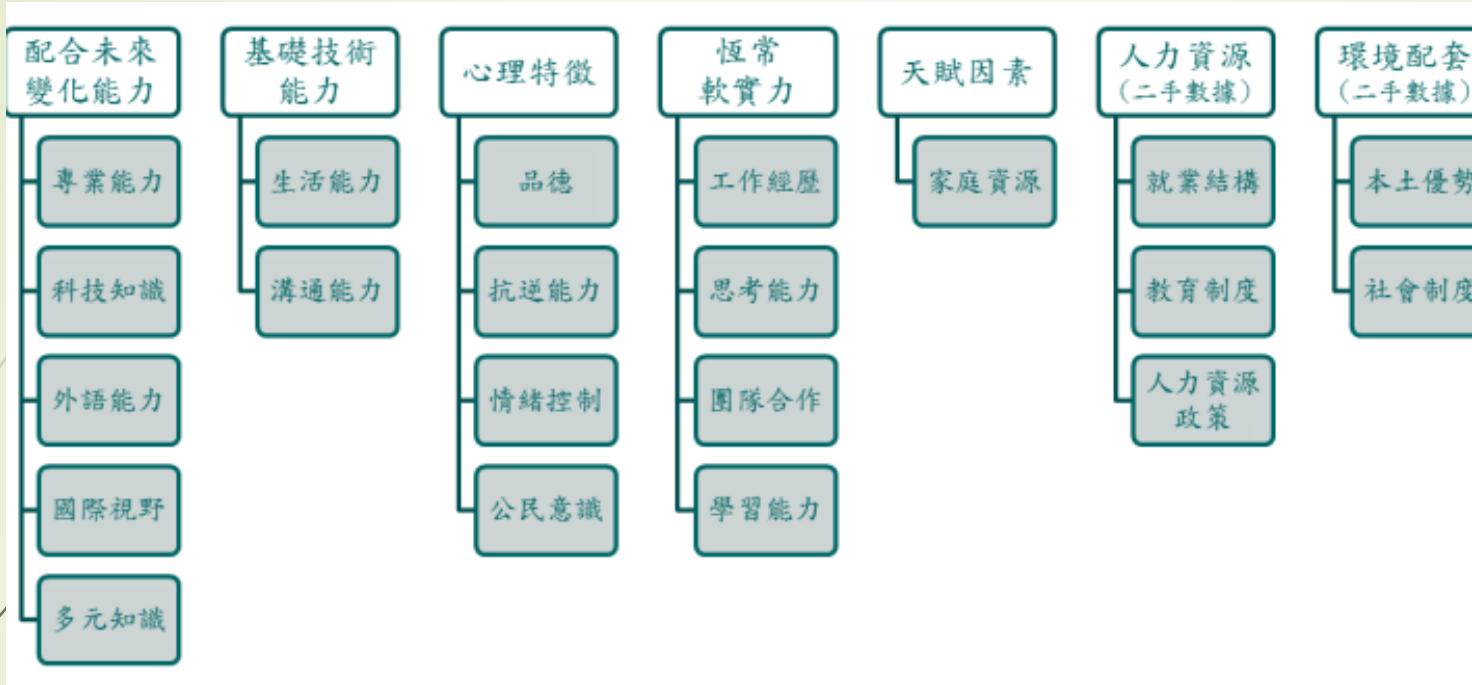
- We would need around **¥ 40,401.86 (HKD 48,117.61)** in **Hong Kong** to maintain the same standard of living that we can have with **¥21,000.00** in **Shenzhen** (assuming we rent in both cities).
  - This calculation uses our **Cost of Living Plus Rent Index** to compare cost of living. This assumes **net earnings** (after income tax).
  - **Indices Difference**
    - Consumer Prices in Hong Kong are **58.06%** higher than in Shenzhen (**without rent**)
    - Consumer Prices **Including Rent** in Hong Kong are **92.39%** higher than in Shenzhen
    - Rent Prices in Hong Kong are **162.11%** higher than in Shenzhen
    - Restaurant Prices in Hong Kong are **72.96%** higher than in Shenzhen
    - Groceries Prices in Hong Kong are **46.93%** higher than in Shenzhen
    - Local Purchasing Power in Hong Kong is 12.17% higher than in Shenzhen
- ([https://www.numbeo.com/cost-of-living/compare\\_cities.jsp?country1=China&city1=Shenzhen&country2=Hong+Kong&city2=Hong+Kong](https://www.numbeo.com/cost-of-living/compare_cities.jsp?country1=China&city1=Shenzhen&country2=Hong+Kong&city2=Hong+Kong))

# GBA Youth Employment Scheme

- ▶ Provide **2 000** places, around **700** of which are designated for innovation and technology (I&T) posts.
  - ▶ **Hong Kong residents holding bachelor's degrees or above** awarded by local universities/ tertiary institutions or universities/ tertiary institutions **outside Hong Kong** in **2019 to 2021** are eligible to join the Scheme.
  - ▶ The Hong Kong Government will grant a monthly allowance of **HK\$10,000** to firms for employing each graduate up to **18 months**. The **graduate employed** will receive a monthly salary of **no less than HK\$18,000**.
- ➔ **Enhance** the career development opportunities for HK young people in the GBA.  
Benefit to HK labour who wish to work in GBA ➔ geographical labor mobility ↑
- ▶ **Youth Competitiveness Index (International perspectives (國際視野)) : the ability to handle cross-cultural exchanges and cope with or adapt to the development trend of globalization)**

(<https://www.bayarea.gov.hk/en/opportunities/youth.html>)

# 「青年競爭力」的「7 個指標」及「21 個元素」



李樹甘等著 . (2015).《香港青年競爭力指標系統研究》.青年事務委員會委託調查研究 .2015 年 3 月。

## 國際視野(國際觀)

是一種檢視自我，...建立和培養一種可以透過正確管道學習和溝通，例如尋求國與國或人與人之間的相互了解的一種態度（郭壽旺，1999）。青年在配合和適應全球化的發展趨勢的過程中，需要應付跨文化交融，這是配合未來變化的 ability 之一。青年能否不抗拒和不同文化背景的人溝通和共處，是與跨文化人士接觸、擁有國際視野的**必要條件**。

## →易地而處

香港青年協會，青年研究學報，二〇一七年七月，第二十卷，第二期(總第四十號) ，李樹甘，  
《提升青年競爭力：軟技能與持續發展》

# Summary: Greater Bay Area Opportunities

- ▶ **Strategic significance for HK:** diversification of the economy and of industries; and **forming a quality living circle in the GBA** to expand the living space of Hongkongers.
- ▶ **World-class professional services** of HK, such as legal, accounting, architecture and engineering services
- ▶ **HK's fundamental strengths:** international connections, trusted common law system, and free flows of capital, information and talent
- ▶ **Express Rail Link** and the Hong Kong-Zhuhai-Macao Bridge in **2018 promotes cross-boundary business activities and creates a “one hour living circle” in the GBA**  
➔ **GBA is a huge market**
- ▶ **CEPA achieves liberalisation of trade in goods and services.** HK investments and investors enjoy investment protection and facilitation in the Mainland; enhance economic and technical cooperation in 22 areas.
- ▶ **Financial incentives and subsidies** are available for **eligible talents** from Hong Kong (including **professionals** like accountants, engineers and lawyers) in certain Mainland areas such as Qianhai (前海) and Nansha (南沙) as provided for under the relevant Mainland rules and regulations.

# The twelve policy areas of the Hong Kong Special Administrative Region



Innovation and Technology



Financial Services



Transportation and Logistics



CEPA and Professional Services



International Legal and Dispute Resolution Services



Clearance Facilitation



Medical Services



Education



Arts & Culture, Creative Industries and Intellectual Property



Tourism



Environmental Protection and Sustainable Development



Youth Development

# **Creating the Greater Bay Area of the Future – Opportunities for Hong Kong**



This report (2019) was prepared by an international team of economists led by Michael Enright.

[http://www.2022foundation.com/images/GBA\\_MainReport.pdf](http://www.2022foundation.com/images/GBA_MainReport.pdf)

# 創建香港在粵港澳大灣區中的新優勢 —開拓新路徑、把握新機遇



2022 基金會

Creating Hong Kong's New Advantages in the Greater Bay Area-- Identifying new pathways to growth and opportunity (2021)

<http://www.2022foundation.com/article/index/Publications>



Guangdong-Hong Kong-Macao Greater Bay Area: Digital revolution Opens Chinese Bay Era.

The book analyses the experiences and trends of other bay areas in the world, proposes a development path for the Pearl River Bay Area and draws an outline of its future.

As the principal author, Ma looks back to his experience in Shenzhen over the three decades since his family moved to the city in 1984. He said in the preface that his confidence in the Bay Area comes from his affection for the area and opportunity to build it into an entirely digitized zone in terms of economy, government administration and culture.

<https://www.chinadailyhk.com/articles/67/169/136/1532338274039.html>



# GUANGDONG-HONG KONG-MACAO GREATER BAY AREA

## Planning and Global Positioning

Chief Editor: GUO Shiping

Editors: LI Cheng • JI Jie • ZHAO Genhong



### About the Editor-in-chief

**Guo Shiping**, Director, Professor & Doctoral Supervisor, Head of Contemporary Finance Institute at Shenzhen University, guest professor at Sydney University, part-time professor at Peking University, Tsinghua University etc., Consultant of Shenzhen government.

### About the Editors

**Li Cheng**, Doctor of Economics, postdoctoral fellow at Shenzhen University China Special Economic Zone Research Center, researcher at Shenzhen University Contemporary Finance Research Institute, Master of Statistics and Financial Maths at Rutgers University, visiting scholar at Japan Hannan University during September 2015 to February 2017. He has participated in the following projects: TISA Rules Changes and Development Study, Influences of International Service Business Agreement Changes to China and Strategies China Should Take, High Standard Rules Leading Development of Qianhai, Global Positioning of the Belt and Road Initiative China's Development Strategies and Oversea Investment, etc.

**Ji Jie**, Doctor of Economics of Regulation at Liaoning University, Economist, works at Shenzhen Institute of Information Technology. She has co-edited one book, completed four vice ministerial and municipal level projects and published seven core journals. She has won the first prize of Guangdong Province Colleges E-Teaching Competition.

**Zhao Genhong**, Doctor of Economics at Liaoning University, associate professor at Shenzhen Institute of Information Technology. His major research field is national macro-economic regulation and regional economic development. He has published over ten research articles, including five articles in core journals and two in CSSCI journals. He has participated in 2009 Ministry of Education Financial Crisis Confrontation project "Impact of International Financial Crisis on China's Equipment Manufacturing Industry and Its Countermeasures", projects that aiming at solving the issue of revitalization of the Northeast old industrial bases, including "Research on Accelerating the Countermeasures of National Central Cities", "Research on Supporting the Comprehensive Revitalization of Fiscal Policies in the Liaoning Old Industrial Base", "Research on Active Participation in the Coordinated Development of Beijing, Tianjin and Hebei", etc. He has also participated in editing the teaching book of higher education's National Economics.

# Reference

- ◆ Useful websites
  - ▶ [http://www.2022foundation.com/images/GBA\\_MainReport.pdf](http://www.2022foundation.com/images/GBA_MainReport.pdf)
  - ▶ <https://www.bayarea.gov.hk/tc/home/index.html>
  - ▶ <https://www.hkicpa.org.hk/en/About-us/Mainland-China-and-international-connections/Mainland-China/greaterbayarea>
  - ▶ <https://www.business.hsbc.com.cn/en-gb/gba>
- ◆ Statistics
  - ▶ <https://www.censtatd.gov.hk/tc/>
  - ▶ <http://stats.gd.gov.cn/tjsj186/index.html>
  - ▶ <https://research.hktdc.com/en/article/MzYzMDE5NzQ5>
  - ▶ <https://www.statista.com/topics/5333/greater-bay-area-in-china/>



Thank  
you!