

Investors flock to hi-tech hub of Guangzhou

Development of Nansha's industrial chain complements those in the Greater Bay Area

By YUAN SHENGGAO

Nansha district in Guangzhou city has seen a full-fledged development in the industrial chain as it has grown into a high-end manufacturing center after shifting its layout in accordance with the development framework of the Guangdong-Hong Kong-Macao Greater Bay Area, officials said.

In June, the State Council issued an overall plan for Nansha district to increase comprehensive cooperation between Guangdong province and the Hong Kong and Macao special administrative regions. The aim was to foster higher-level opening-up and promote innovation-driven development in the district.

Youngy Investment Holding signed an agreement with Nansha on June 21, announcing the launch of a lithium-ion battery manufacturing base, a research and development center and a lithium-ion battery cathode material production base.

It is the first major project to land in Nansha after the release of the overall plan. The move will not only help the district complete its industrial chain relating to lithium energy, but also bring integration with Nansha's vehicle industry one step closer.

Business insiders said that in addition to the development opportunities brought by the overall plan, Youngy's decision to invest in Nansha is inseparable from the district's mature industrial supply chain.

"Nansha has a strong foundation in two major manufacturing industries — automobiles and new energy vehicles. The complete industrial chain is a key factor to attract battery enterprises," said the chairman of Greater Bay Technology, a fast-charging battery supplier.

Zhai Tianyun, secretary-general of Guangzhou Association of Enterprises with Foreign Investment, said that Nansha's industrial supply chain has a high-level of modernization, stability and anti-risk capability.

Thanks to the mature industrial chain, high-quality supporting facilities such as transport and logistics systems, labor forces, convenient procedures for foreign trade, sound business environment and policy support, Nansha has all the necessary factors required for enterprises' investment and development, Zhai said.

Situated at the southernmost part of Guangzhou, Nansha is the hub connecting city groups on the banks of the Pearl River Estuary. The advantageous geographical location has brought abundant opportunities for business and industry. Relying on those advantages, in recent years, the district has accelerated its pace to construct a modern industrial system based on advanced manufacturing and strategic emerging industries as well as the modern service industry.

By gradually cultivating industrial clusters as the pillars — such as automobile and heavy equipment manufacturing, shipbuilding and marine engineering equipment, and fine chemicals — it has grown into a strategic manufacturing base of China. By introducing innovation-driven industries such as artificial intelligence, the digital economy, biomedicine and new materials, the district has found a new force to drive economic development.

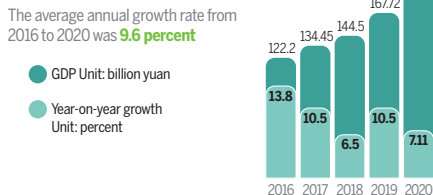
The industrial development has also generated new demand for the modern service industry, including port logistics and financial services.

According to official data, the output value of industries of the enterprises above designated size — those with an annual business revenue of more than 20 million yuan (\$2.96 million) — in the district hit 340.2 billion yuan in 2021, up 11.2 percent year-on-year. In the first half of this year, the number reached 181.4 billion yuan.

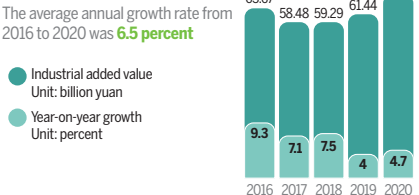
Among them, the annual output value of the automobile industry has exceeded 100 billion yuan for four years. It totaled 154.9 billion yuan in 2021 and 99.5 billion yuan in the first

KEY PERFORMANCE INDICATORS

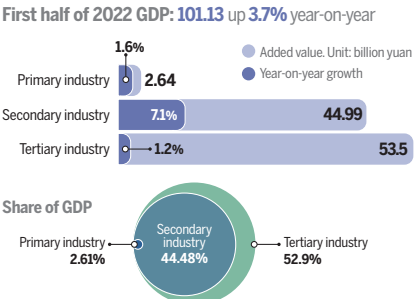
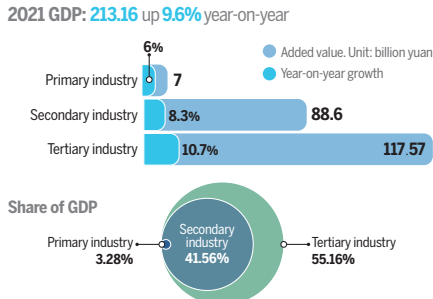
Nansha's annual gross domestic product during the 13th Five-Year Plan (2016-20)



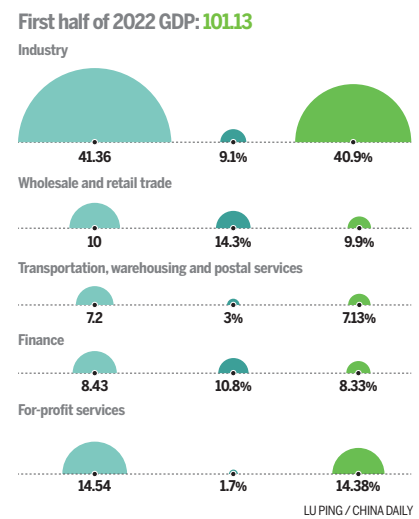
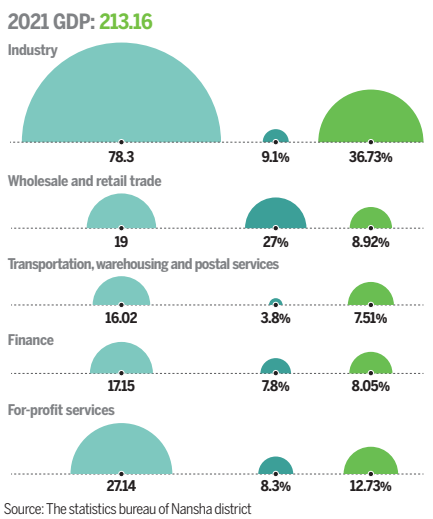
Nansha's annual industrial added value during the 13th Five-Year Plan (2016-20)



GDP that Nansha achieved in 2021 and in the first half of 2022 respectively



The added value of Nansha's major sectors in 2021 and in the first half of 2022 respectively



Source: The statistics bureau of Nansha district

LU PING / CHINA DAILY

half of this year. By the end of 2021, the district had gathered about 300 AI enterprises, including Cloudwalk and Pony.ai.

With the settlement and completion of leading enterprises such as AccoPower, AscenPower and Guangzhou Summit Crystal Semiconductor, a group of pilot industrial park projects have kicked off production.

Along with some other key projects, they have boosted the develop-

ment of the industrial chain — especially for wide bandgap semiconductor materials.

In addition, Nansha has made major breakthroughs in the commercial aerospace business. The first phase of an aerospace flight industrialization base, under the guidance of CAS Space, is nearly finished. Once completed, it will become the first aerospace industry base for commercial use with a

whole industrial chain in China.

Located in the geometric center of the Greater Bay Area, Nansha district borders a number of China's manufacturing base cities such as Dongguan, Zhongshan and Foshan. It is 38 nautical miles (70.38 kilometers) away from Hong Kong and 41 nm away from Macao. To date, Nansha port has built wharves that can handle containers, automobiles, oil and general purposes.

Making all the right connections across the world

By CHEN HONG
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The port of Nansha has played an important role in connecting the district in South China's Guangdong province with the rest of the world.

With the increasing number of liner routes, the port is improving its facilities to meet the growing demands of the local economy.

It saw the addition of 13 foreign trade container routes in the first half of this year, bringing the total routes to 180, including 148 foreign trade lanes, according to the official figures. These routes connected with major economies across the world.

A fully automated terminal, the first of its kind built in the Guangdong-Hong Kong-Macao Greater Bay Area, began operations at Nansha port on July 28.

As a part of the fourth phase of the modernization of Nansha port,

the new terminal features smart and independent operations and low-carbon emissions. It combines multimodal services related to sea, river and rail transportation in the area.

The new terminal, with four 100,000-deadweight-tonnage berths, raised the annual container throughput of the entire Nansha port to exceed 24 million twenty-foot equivalent units.

Meanwhile, the port continues to invest in an international terminal for common purpose and its fifth construction phase.

It has put five automobile ro-ro berths into operation and plans to build a new wharf capable of handling the biggest vehicle export throughput in the country.

"Nansha enjoys top-level logistic infrastructure and provides highly efficient customs services," said Li Jinling, CEO of Guangdong Top Ideal Group.



The fourth-phase project, a fully automated terminal, is put into operation at the port of Nansha in Guangzhou, Guangdong province. PHOTOS PROVIDED TO CHINA DAILY

The company, which focuses on cross-border e-commerce, started operations of its logistics center at Nansha port area this year.

Li said the port can cut logistical costs for companies — which is now

becoming an emerging center for the cross-border trade of milk powder, healthcare products and cosmetics — by taking the spillover logistics demand from Asia-Pacific regions.

Official figures showed that the

import and export of cross-border e-commerce at Nansha port amounted to roughly 36 billion yuan (\$5.3 billion) in 2021, up 70 percent year-on-year.

Hu Gang, a professor of economics at Guangzhou-based Jinan University, said Nansha district has an opportunity to build a supply chain platform for bulk raw materials, consumer goods, food and artworks for the Greater Bay Area.

The port of Nansha was given more functions in the newly-issued overall plan for Nansha district to increase comprehensive cooperation between Guangdong province and the Hong Kong and Macao special administrative regions by the State Council in June, Hu said.

"The plan puts much emphasis on developing an international hub for shipping and logistics, Nansha obviously has more premier resources," he said.

He suggested the district strengthen cooperation with Hong Kong and Macao in marine services and consolidate shipping service resources in the Greater Bay Area.

What they say

The State Council issued an overall plan for Nansha district to increase comprehensive cooperation between Guangdong province and the Hong Kong and Macao special administrative regions on June 14. Some executives of the companies based in Nansha shared their views on the new plan.



We noticed that the plan highlights the testing and demonstration of intelligent connected vehicles, and the creation of such an industrial chain as well as an intelligent transportation industrial cluster when building a significant cooperative platform for Guangdong, Hong Kong and Macao in Nansha. It offers a great benefit to autonomous driving enterprises including Pony.ai that can take root and develop in the district. We can further expand the road testing and operational scale of our self-driving passenger vehicles and commercial vehicles, which will accelerate the iteration of the technologies and the capability of commercialization. Meanwhile, it helps autonomous driving become a real part of urban smart transportation. The preferential 15 percent of corporation tax proposed by the plan for companies in the launching area is essential to attract more companies to make the industrial chain complete.

Mo Luyi, vice-president of Pony.ai and R&D leader for Shenzhen and Guangzhou



Thanks to the incentive policies, excellent business environment and great innovation atmosphere in Nansha, our project is going smoothly. We will move in equipment in November and put the factory into trial operation next March. High-tech companies cannot grow fast without a sound industrial environment. The plan specifies to build innovation cooperation bases as well as cultivate and develop high-tech industry in Nansha, which enhances the confidence of the shareholders to invest continuously in our company. Meanwhile, integrated circuit and semiconductor industries heavily depend on capital and talent. We are happy to find that the plan pledges to attract international high-level professionals to Nansha. I firmly believe that an increasing number of high-tech professionals will come to work in Nansha and make the wide band-gap semiconductor sector flourish in the district.

Xiao Guowei, chairman of Guangdong Xinyueneng Semiconductor Co



The Digital Service Trade Platform, or DSTP, we run was hatched in Nansha and has been a leader in the country's industrial internet for foreign trade. We applauded the new plan, which means DSTP can have more opportunities to cooperate with companies in Hong Kong, Macao and others abroad, including cross-border e-commerce enterprises, brands, financial institutions and international logistics service providers. In fact, we have established excellent cooperation with Hong Kong and Macao, for example, in terms of digital finance and e-commerce. I am sure that the logistic and trade facilitation will be further upgraded with Hong Kong and Macao and other parts of the world through our DSTP after the plan.

Li Hui, vice-president of the Guangdong-Hong Kong-Macao International Supply Chains Co

