

Disclaimer: The views expressed in this article are those of the author and do not necessarily reflect the views and policies of the Asian Development Bank, or its Board of Governors or the governments they represent.



The Development and Management System of China's Economic & Technological Development Zone

**-Preparation for the training of “Regional Economic Cooperation of
Central Asia” trade facilitation**

Ya, Wang
Foreign Investment Management Department of
the Ministry of Commerce, PRC
August 22nd, 2007



中华人民共和国商务部
Ministry of Commerce of the People's Republic of China

The development and management system of China's economic & technological development zone

- 1 The origin and development of the world's development zone**
- 2 The role and significance of the construction of development zone**
- 3 The development history of China's development zone**
- 4 The development status of China's economic & technological development zone**
- 5 Several important questions on the development of development zone**



The origin and development of the world's development zone

Embryonic form of free ports - Phoenicians assigned Port of Tal and Port Carthage as special zones

The first special economic zone ——In 1547, Freeport Leghoyn was established in Genoa in northwest Italy

Initial phase

The 16th century - World War Two
75 free ports and free trade zone were established in 26 countries

Expanding phase

World War Two - the 1950s
Expanding from developed countries to developing countries

Mature phase

The 1960s – 1970s
Over 70 export processing zones were established worldwide

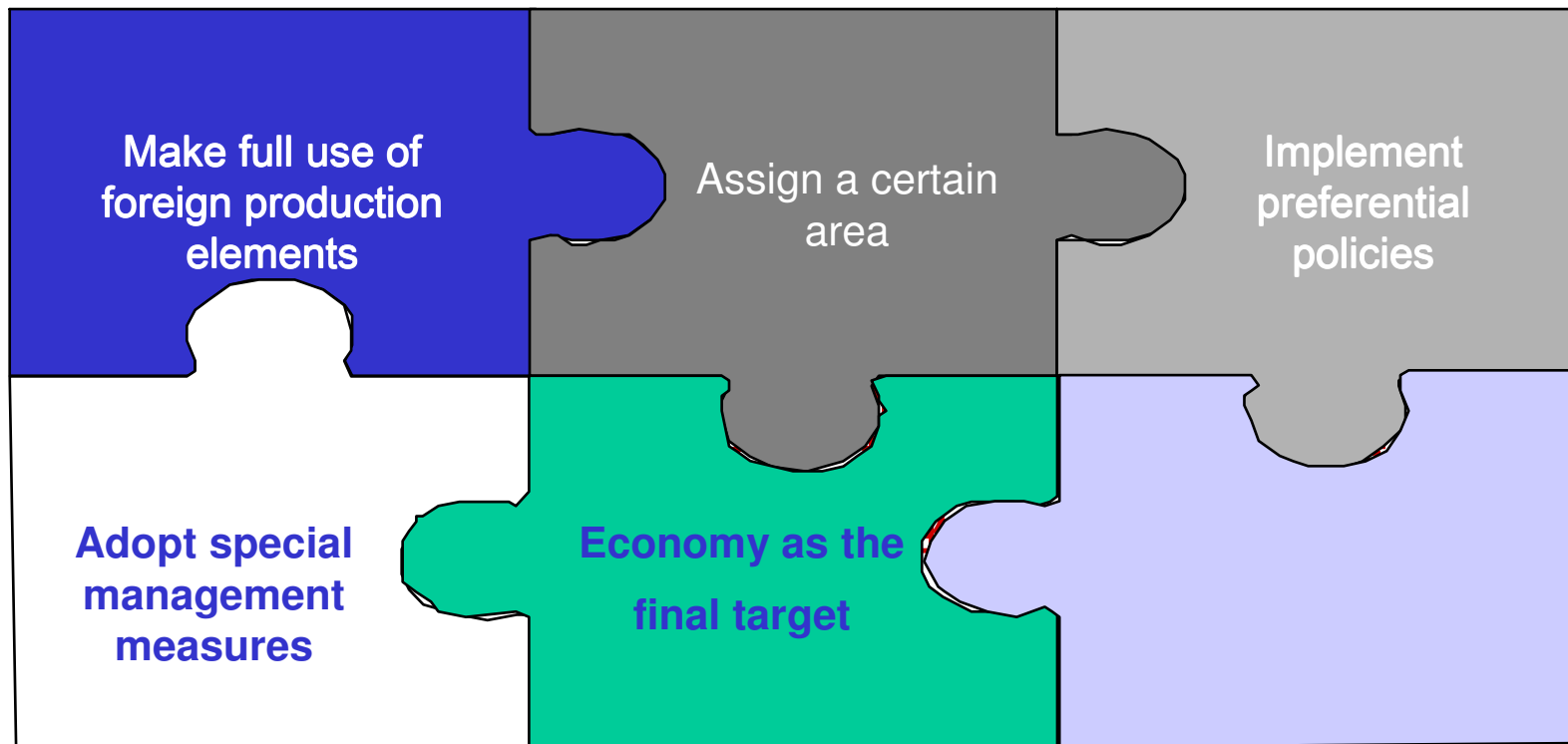
Overall development phase

The 1980s – now
Over 900 development zones were established in more than 100 countries and regions worldwide.



The origin and development of the world's development zone

Basic features of the development zone



The origin and development of the world's development zone

Main types and features of development zones

Free port

Non-customs governed ports or bay areas which are within the frontier and beyond customs territory

Free trade zone

Regions that are within the frontier and beyond customs territory, and enjoys equal status as free ports

Export processing zone

Allows free import and export of machinery, equipment, raw material and semi-finished products so as to develop export processing industry

Scientific industrial park

For the introduction of technology and funds, as well as research and development of hi-tech; also called “hi-tech zone”, “scientific zone”, “silicon valley”, “science town”, etc



The development and management system of China's economic & technological development zone

- 1 The origin and development of the world's development zone
- 2 The role and significance of the construction of the development zone
- 3 The development history of China's development zone
- 4 The development status of China's economic & technological development zone
- 5 Several important questions on the development of the development zone



The role and significance of the construction of the development zone

Increase its proportion in international trade, promote the development of the international trade

Promote the economic, technological, and cultural exchanges among countries and regions

Provide more employment opportunities

Increase foreign exchange reserve

An important way to develop the economy of the developing countries



Ministry of Commerce of the People's Republic of China

The development and management system of China's economic & technological development zone

- 1 The origin and development of the world's development zone
- 2 The role and significance of the construction of the development zone
- 3 The development history of China's development zone
- 4 The development status of China's economic & technological development zone
- 5 Several important questions on the development of the development zone



The development history of the construction of China's development zone

1984 -
1991

Establishment and exploration phase: established 14 state-level development zones in 12 coastal cities, namely, Dalian, Qinhuangdao, Yantai, Qingdao, Ningbo, Zhanjiang, Tianjin, Lianyungang, Nantong, Guangzhou, Fuzhou, Minhang, Hongqiao, and Caohejing; formed a development guide of “Three orientation, one concentration”, which means “industry development oriented, foreign capital usage oriented, and export oriented, and concentration to the development of high and new tech industry

1992 -
1998

Rapid development phase: Approval of another 18 state-level economic & technological development zones and 3 industrial parks that enjoys the policy of national economic & technological development zones

1999 -
present

Stable development stage: Another 17 state-level economic & technological development zones have been established in the capital cities of Central and West China, which adds the total number of national economic & technological development zones to 54



Ministry of Commerce of the People's Republic of China

The development history of the construction of China's development zone



Ministry of Commerce of the People's Republic of China

The development and management system of China's economic & technological development zone

- 1** — The origin and development of the world's development zone
- 2** — The role and significance of the construction of the development zone
- 3** — The development history of China's development zone
- 4** — **The development status of China's economic & technological development zone**
- 5** — Several important questions on the development of the development zone



The development status of China's economic &

54 national economic & technological development zones

Planned land area about 888 square kilometers

The accumulative fund for infrastructure construction exceeds USD 30 billion



The development status of China's economic & technological development zone

Major achievements



Pilot fields and pioneering area of the reform and opening up policy

Rapid development; constant increase of quality and level

Concentration of modern manufacturing industry; outstanding effects of industrial agglomeration; export-oriented industrial zone with strong initiative drive

One of China's areas which make intensive use of the land

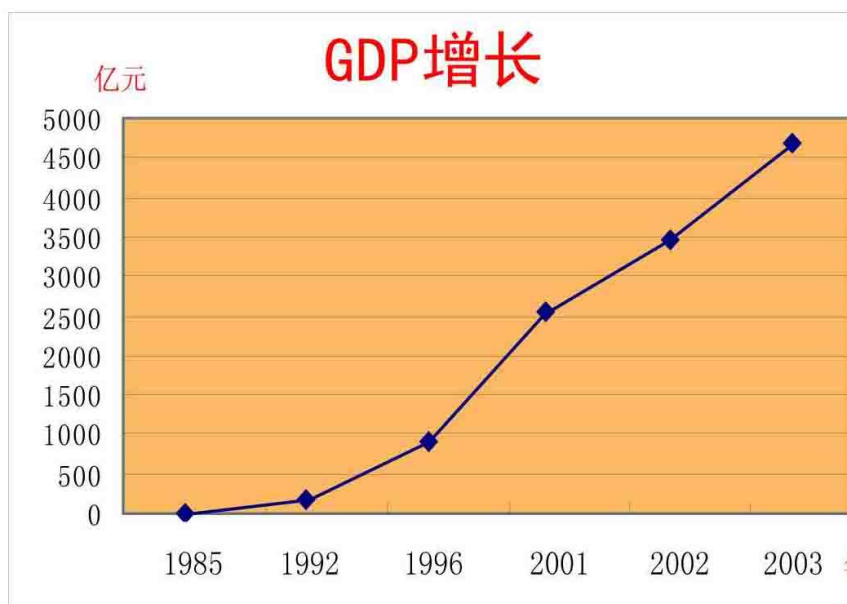
An important channel to concentrate high-quality talents and relieve employment pressure



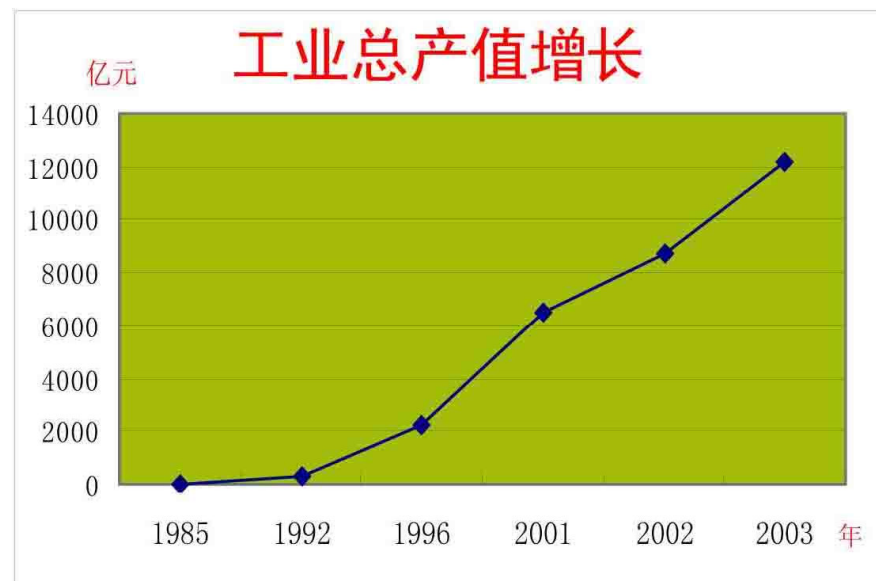
Ministry of Commerce of the People's Republic of China

The development status of China's economic & technological development zone

development status - rapid, sustainable and healthy development of the economy



GDP growth

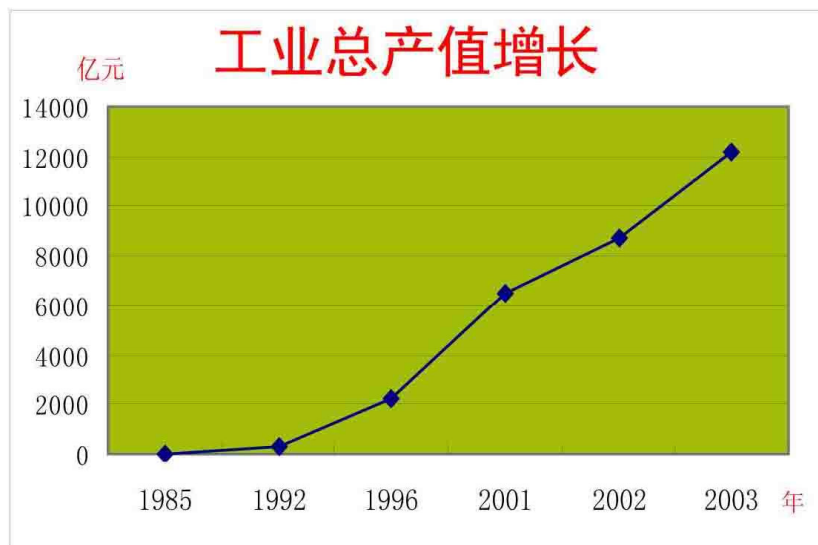


Increase of gross industrial output value

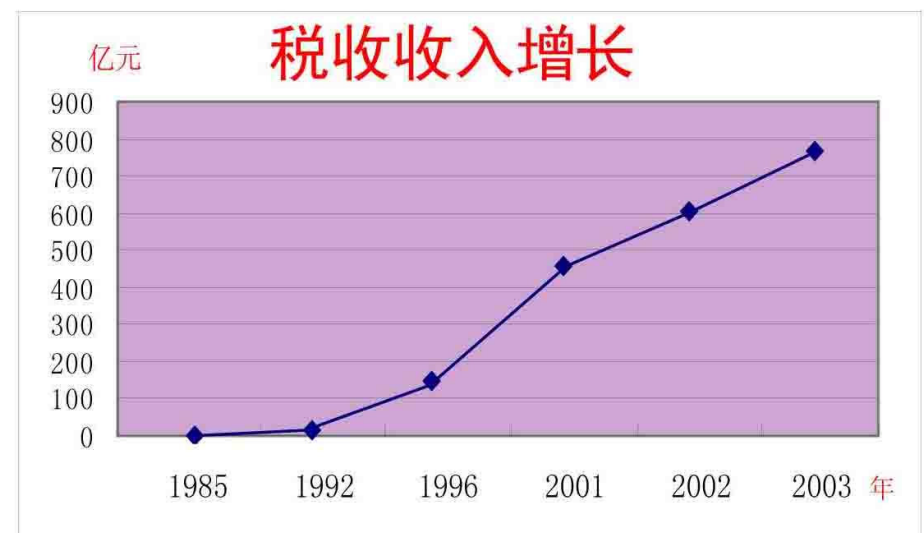


The development status of China's economic & technological development zone

development status - rapid, sustainable and healthy development of the economy



Increase of gross industrial output value



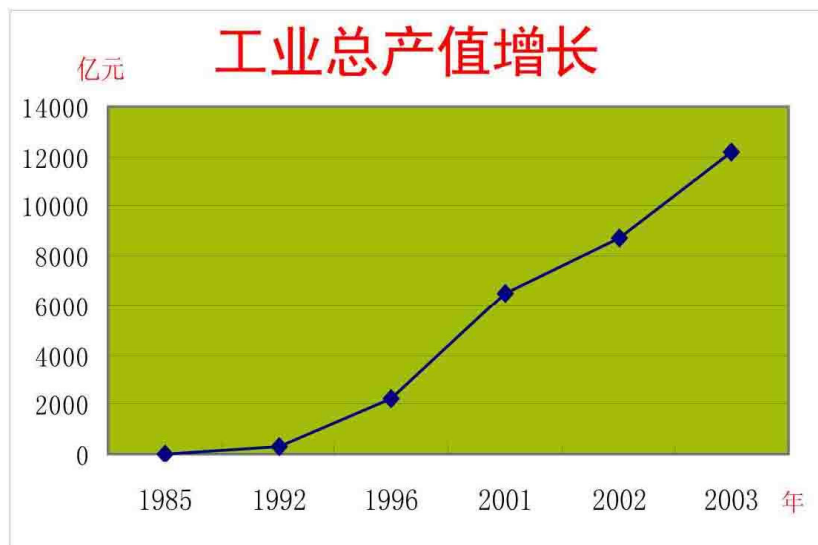
Increase of tax revenue



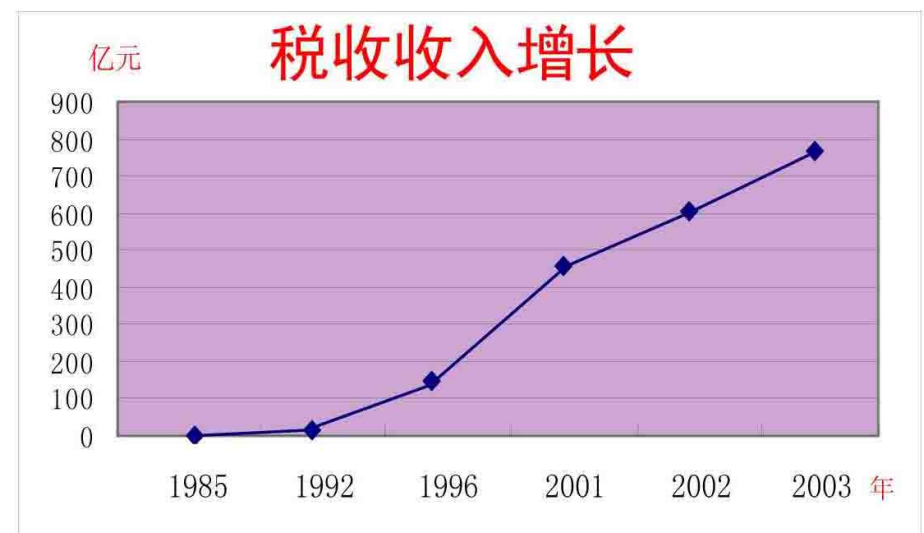
Ministry of Commerce of the People's Republic of China

The development status of China's economic & technological development zone

development status - rapid, sustainable and healthy development of the economy



Increase of gross industrial output value



Increase of tax revenue



Ministry of Commerce of the People's Republic of China

The development status of China's economic & technological development zone

development status - rapid, sustainable and healthy development of the economy

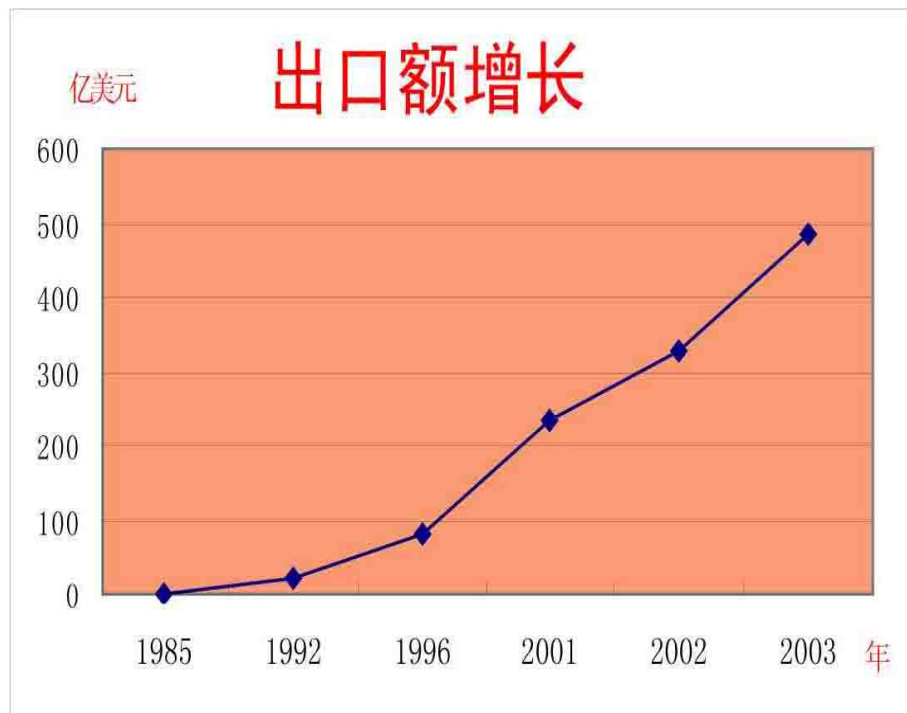
Table of major economic targets of national economic & technological development zones in 2006

Economic target	nationwide		54 national development zones			
	2006	Increased percentage %	2006	2005	Increased percentage %	Proportion to the whole nation%
Gross regional output value (CNY 100 million)	209407	10.70	10136.90	8172.27	24.04	4.84
Value-added of industry (CNY 100 million)	-	-	7414.24	5957.16	24.46	-
Gross industrial output value (CNY 100 million)	-	-	30219.22	22411.73	34.84	-
Tax revenue (CNY 100 million)	37637.04	21.93%	1570.02	1219.28	28.77	4.17
Total volume of import & export (USD 100 million)	17606.8	23.80%	2830.94	2252.29	25.69	16.08
Including : export (USD 100 million)	9690.70	27.20%	1492.33	1137.93	31.14	15.40
import (USD 100 million)	7916.10	20.00%	1338.63	1114.36	20.13	16.91
Actual volume of foreign investment (USD 100 million)	630.21	4.47%	147.12	130.23	12.97	23.34

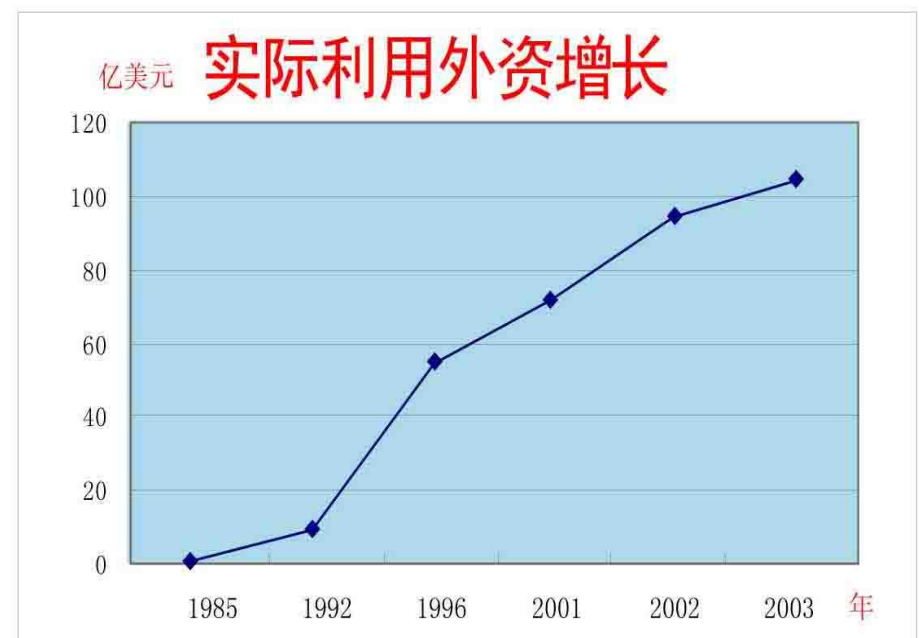


The development status of China's economic & technological development zone

development status - further enhancement of open economy



Increase of export value



Increase of the actual use of foreign capital



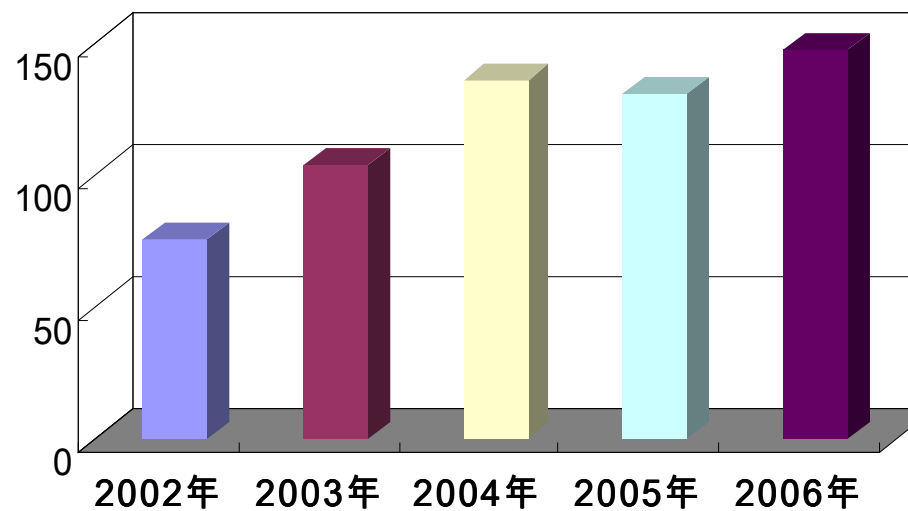
Ministry of Commerce of the People's Republic of China

The development status of China's economic & technological development zone

development status - further enhancement of open economy

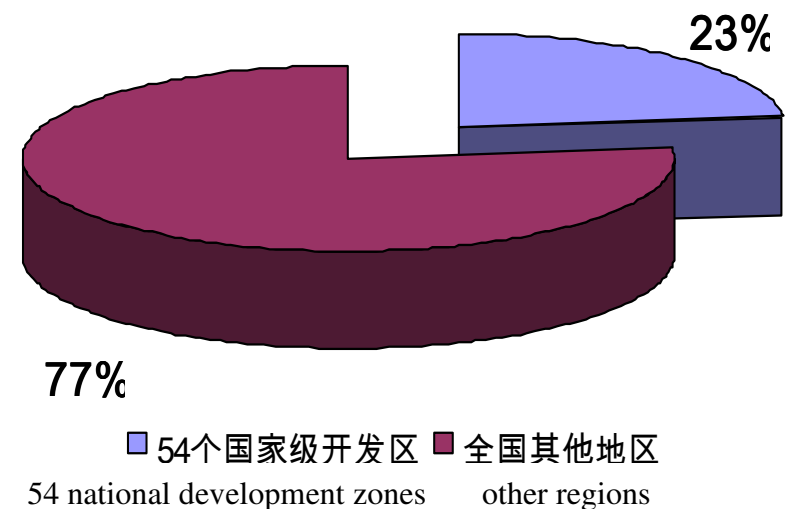
国家级开发区外商实际投资增长情况 (亿美元)

Increase of actual foreign investment in national development zones (USD 100 million)



2006年国家级开发区外商实际投资情况

Actual foreign investment in national development zones in 2006

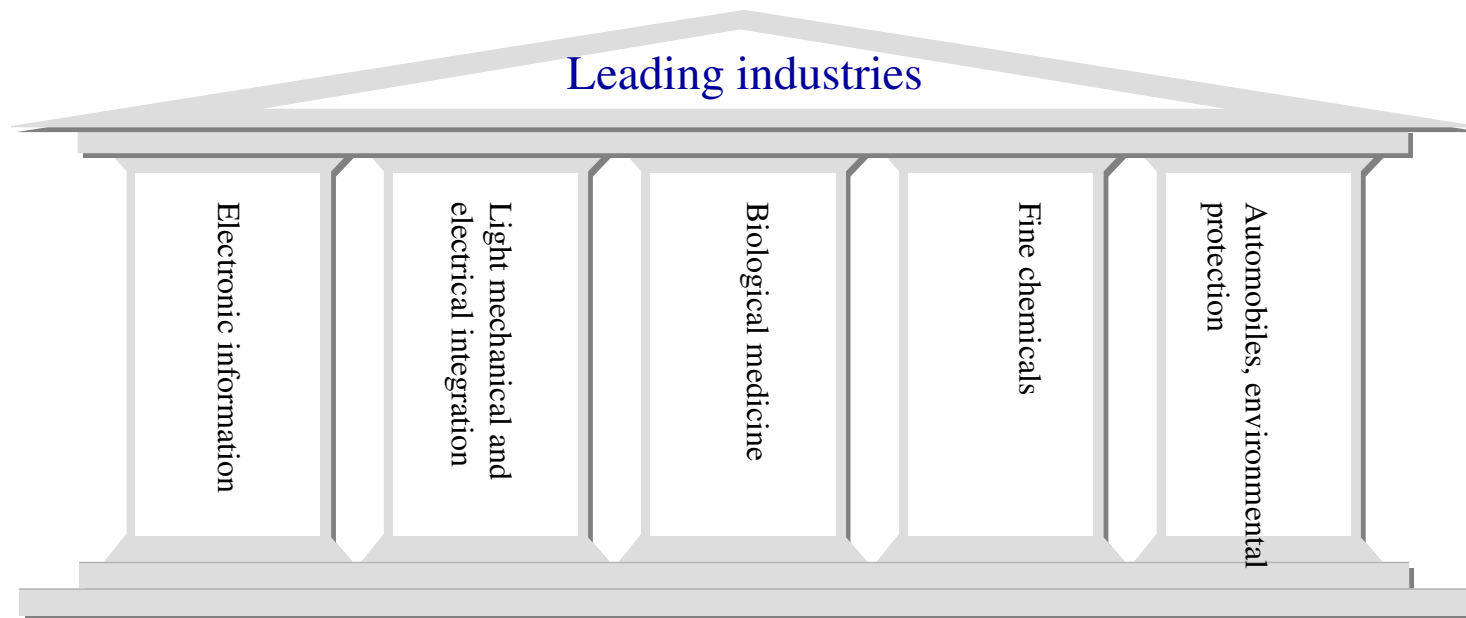


Ministry of Commerce of the People's Republic of China

The development status of China's economic & technological development zone

development
status

- Rapid development of high and new tech industry; further optimization of the industrial structure
- The number of high and new tech enterprises reaches 3322
- The sales income of high and new tech enterprises reaches USD186 billion
- The export value of high and new tech products is USD 100.82 billion



Ministry of Commerce of the People's Republic of China

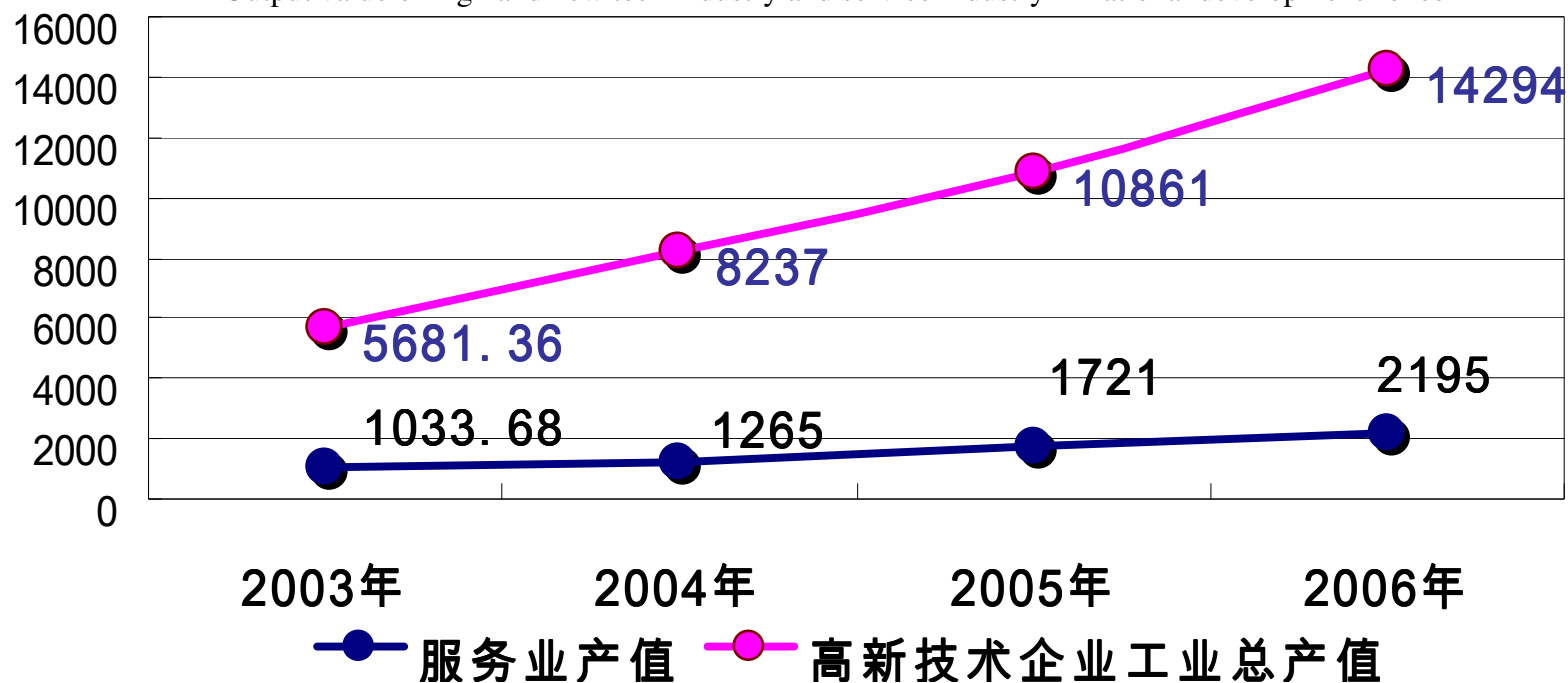
The development status of China's economic & technological development zone

development
status

- Rapid development of high and new tech industry; further optimization of the industrial structure

国家级开发区高新技术、服务业产值情况 (亿元)

Output value of high and new tech industry and service industry in national development zones



Output value of service industry

Gross industrial output value of high and new tech enterprises



Ministry of Commerce of the People's Republic of China

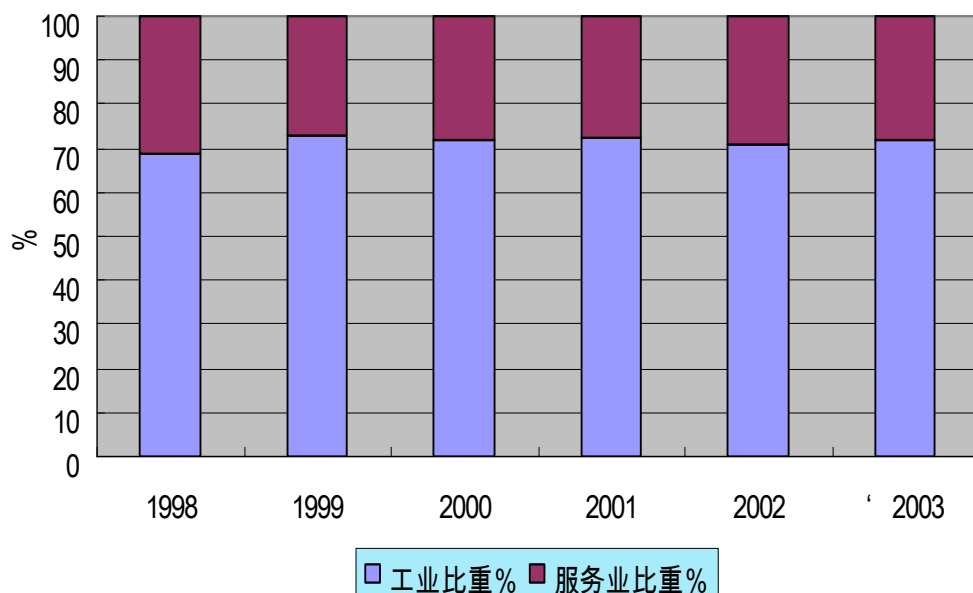
The development status of China's economic & technological development zone

development
status

- Rapid development of high and new tech industry; further optimization of the industrial structure

国家级开发区产业构成

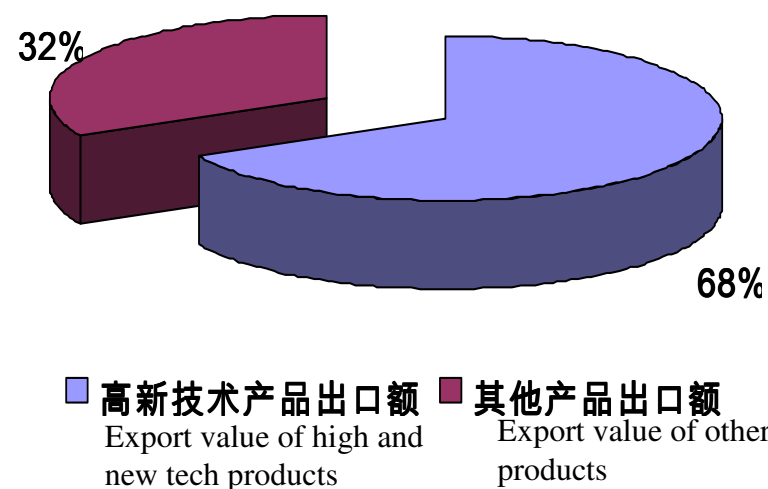
Components of industries in national development zones



Industry proportion % service proportion %

2006年国家级开发区出口情况

Export condition of the national development zones in 2006



Ministry of Commerce of the People's Republic of China

The development status of China's economic & technological development zone

development status - High efficient use of the land

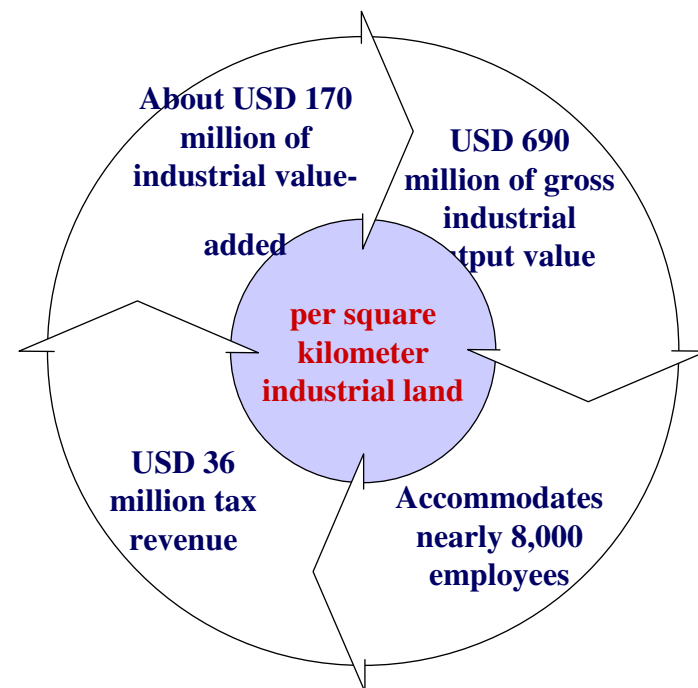
In 2006, per square kilometer industrial land of the national development zones on average

- Realizes about USD 170 million of industrial value-added
- Reaches USD 690 million of gross industrial output value
- Creates USD 36 million tax revenue
- Accommodates nearly 8,000 employees

The comprehensive energy consumption per 10,000 yuan value added of industry is only about 25% in proportion to that of the same period nationwide.

Industrial water consumption per unit is less than 16%

of that of the average national level



The development status of China's economic & technological development zone

Development status - Optimization of investment environment; concentration of talents

2006年度，新设立企业21258家，
其中外商投资企业2982家，
新增直接就业57万人，

In 2006, there were 21,258 newly-
established enterprises, of which 2,982
were foreign-invested, accommodating
570,000 new employment



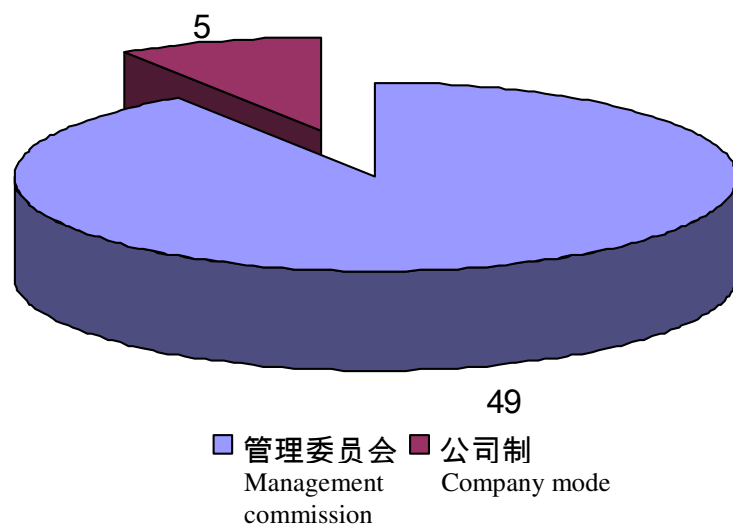
Ministry of Commerce of the People's Republic of China

The development status of China's economic & technological development zone

The management system of China's national economic & technological development zones

Management mode of China's national development zones

中国国家级开发区管理模式



Dispatched organization of the local municipal government

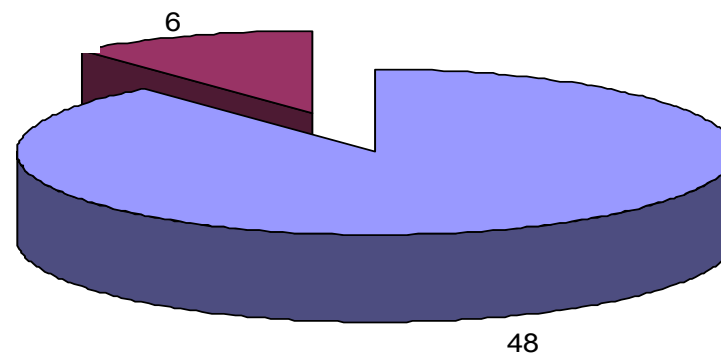
“One window” open for the public

“One stop” work

“One streamlined” service

Development zones following the ordination of provincial people's congress

省级人大颁布条例的开发区



Ministry of Commerce of the People's Republic of China

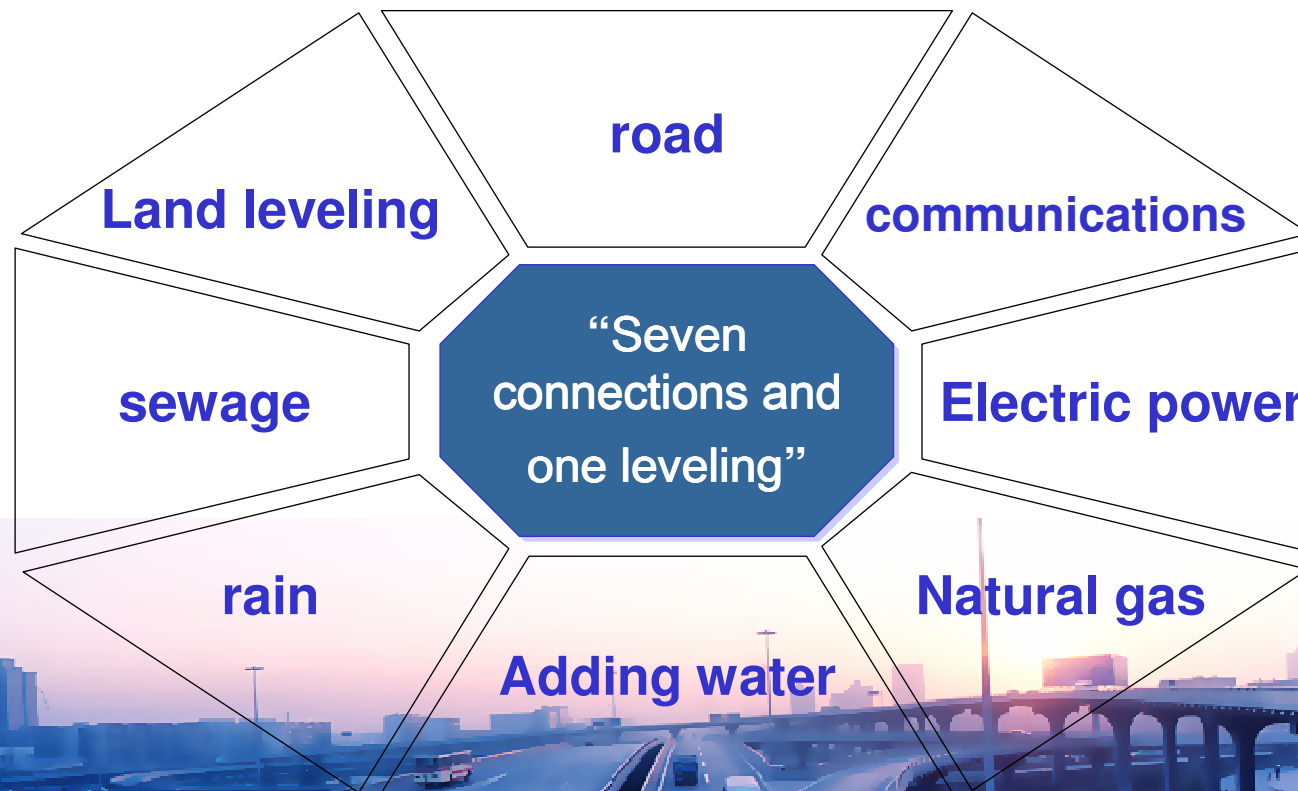
The development and management system of China's economic & technological development zone

- 1** — **The origin and development of the world's development zone**
- 2** — **The role and significance of the construction of the development zone**
- 3** — **The development history of China's development zone**
- 4** — **The development status of China's economic & technological development zone**
- 5** — **Several important questions on the development of the development zone**



Several important questions on the development of the development zone

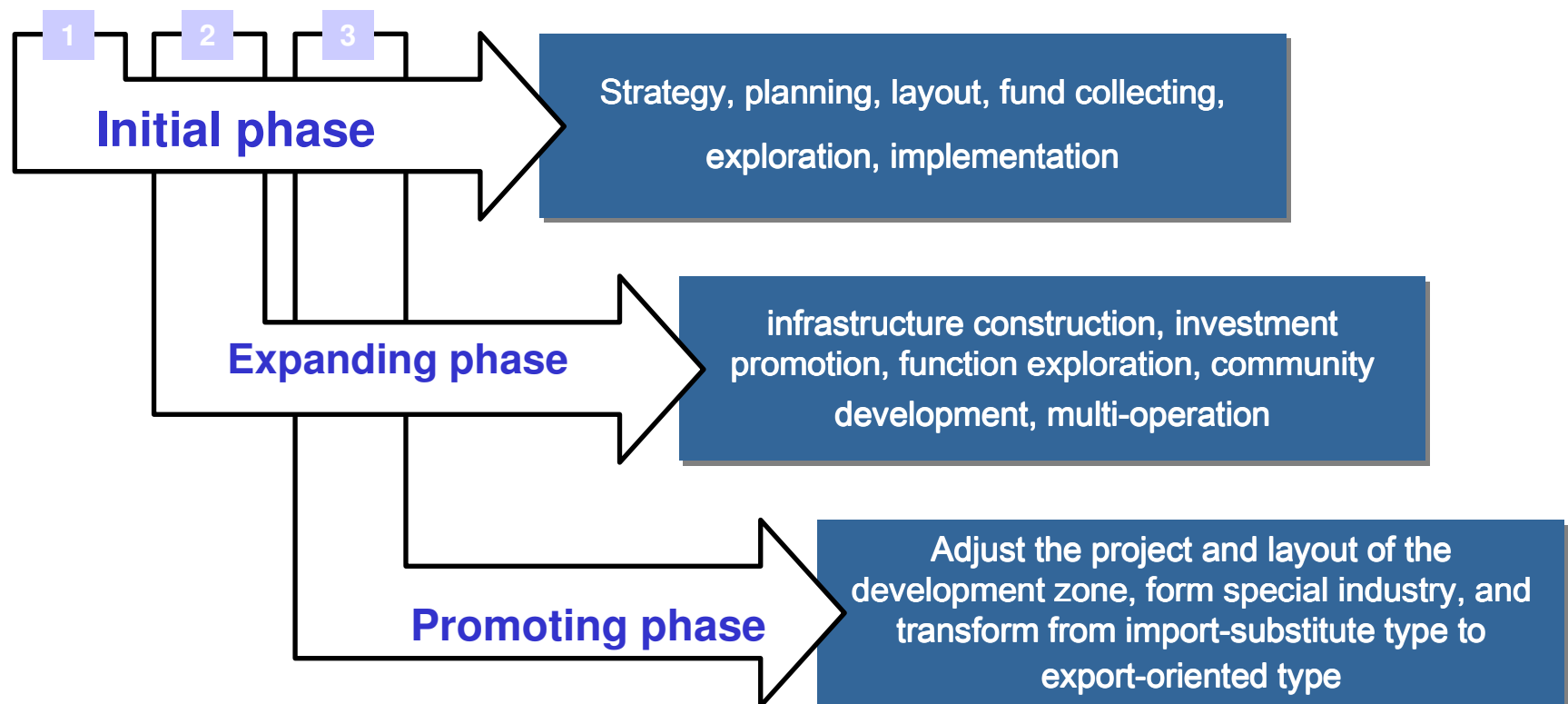
Target selection, function orientation, and development index



Ministry of Commerce of the People's Republic of China

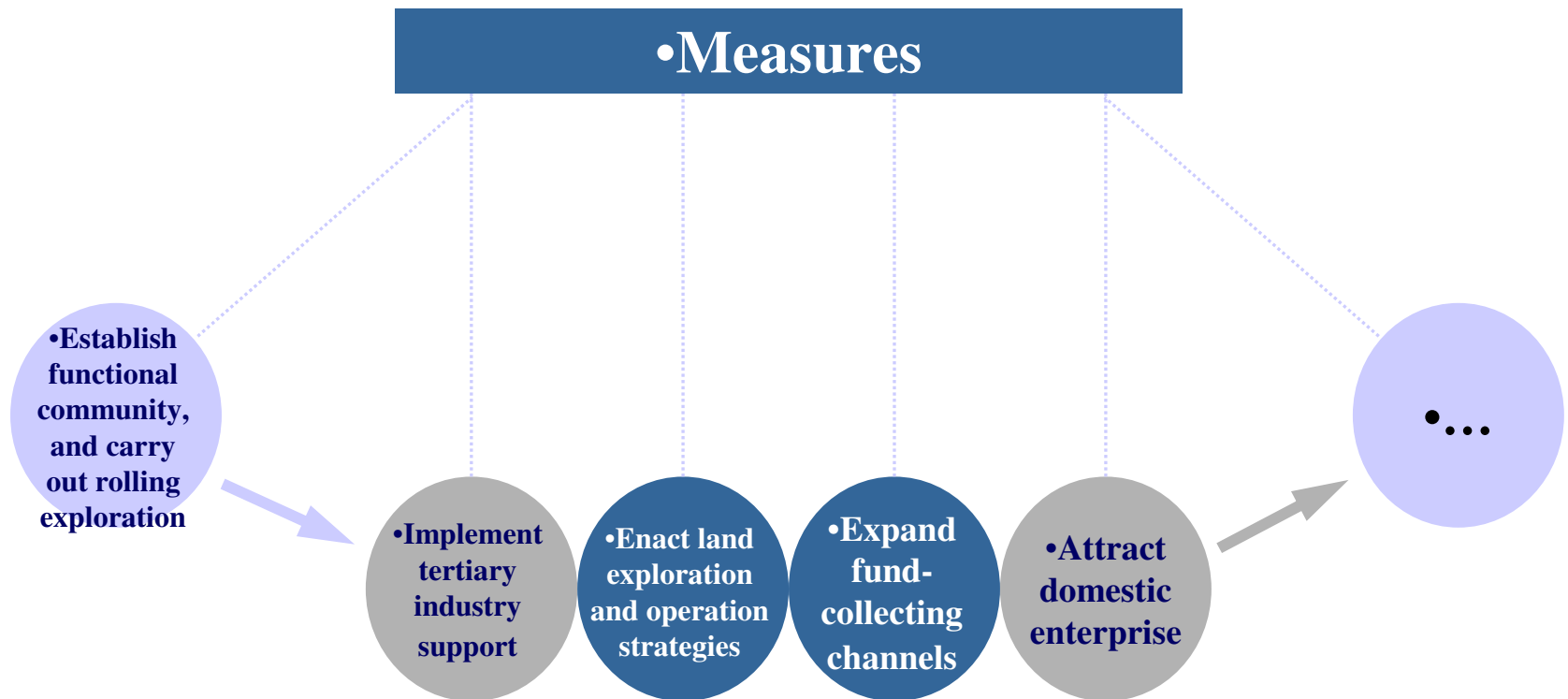
Several important questions on the development of the development zone

Target selection, function orientation, and development index



Several important questions on the development of the development zone

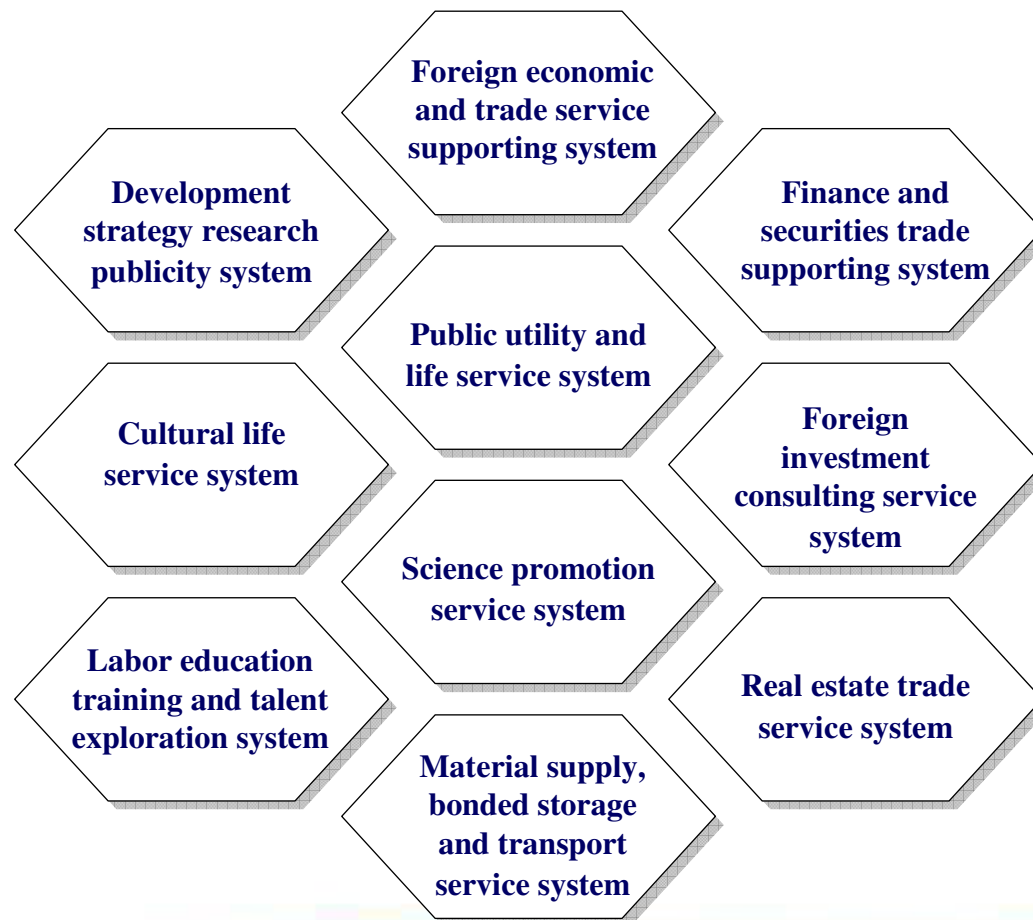
Target selection, function orientation, and development index



Ministry of Commerce of the People's Republic of China

Several important questions on the development of the development zone

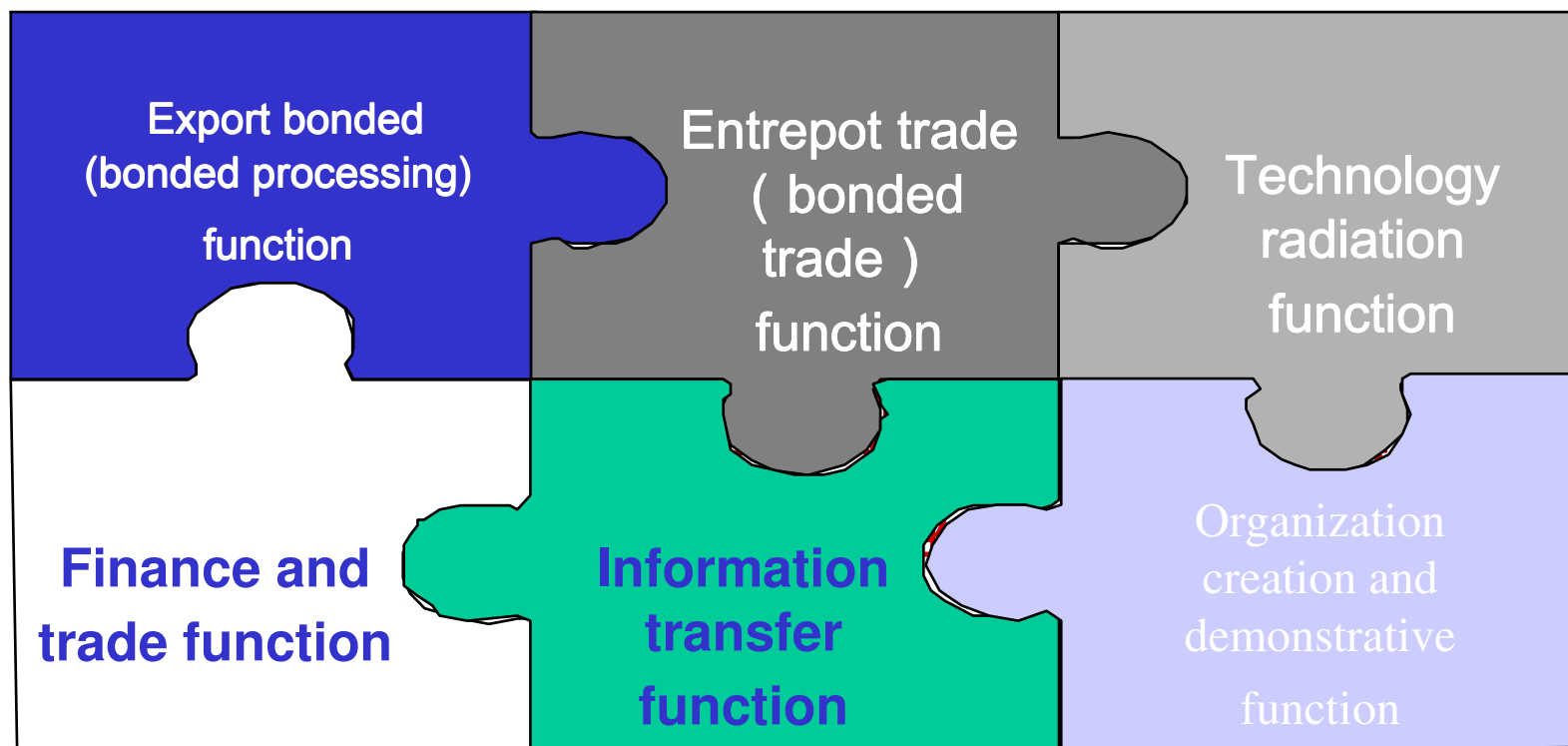
Target selection, function orientation, and development index



Ministry of Commerce of the People's Republic of China

Several important questions on the development of the development zone

Target selection, function orientation, and development index

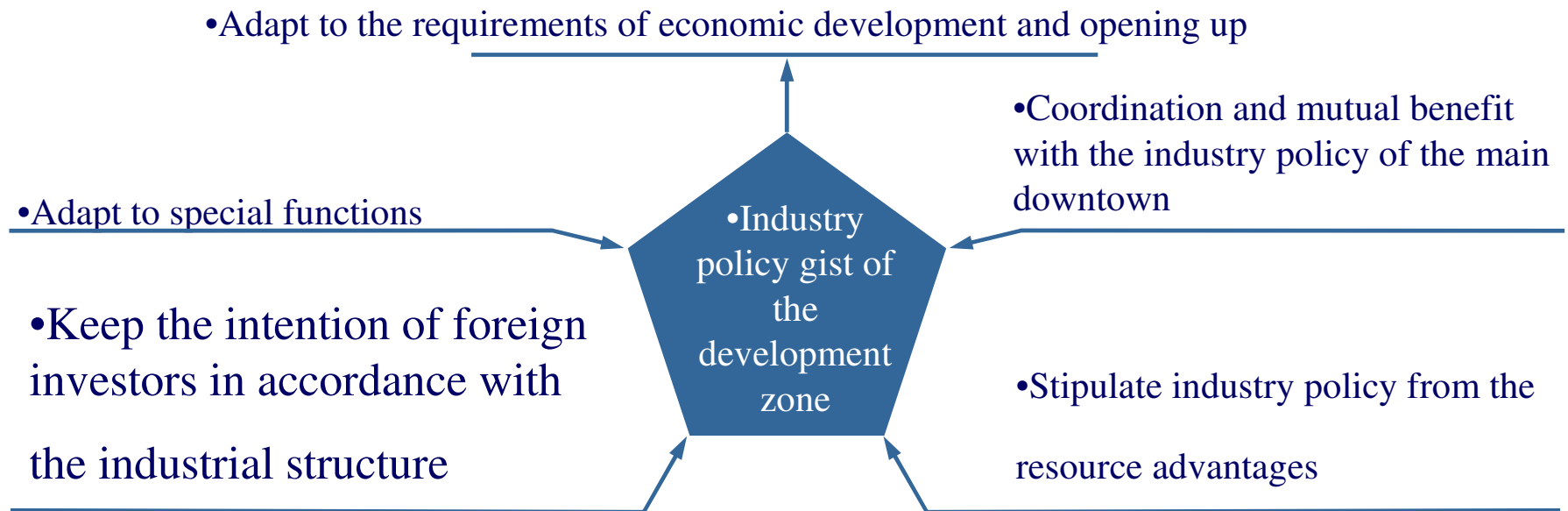


Ministry of Commerce of the People's Republic of China

Several important questions on the development of the development zone

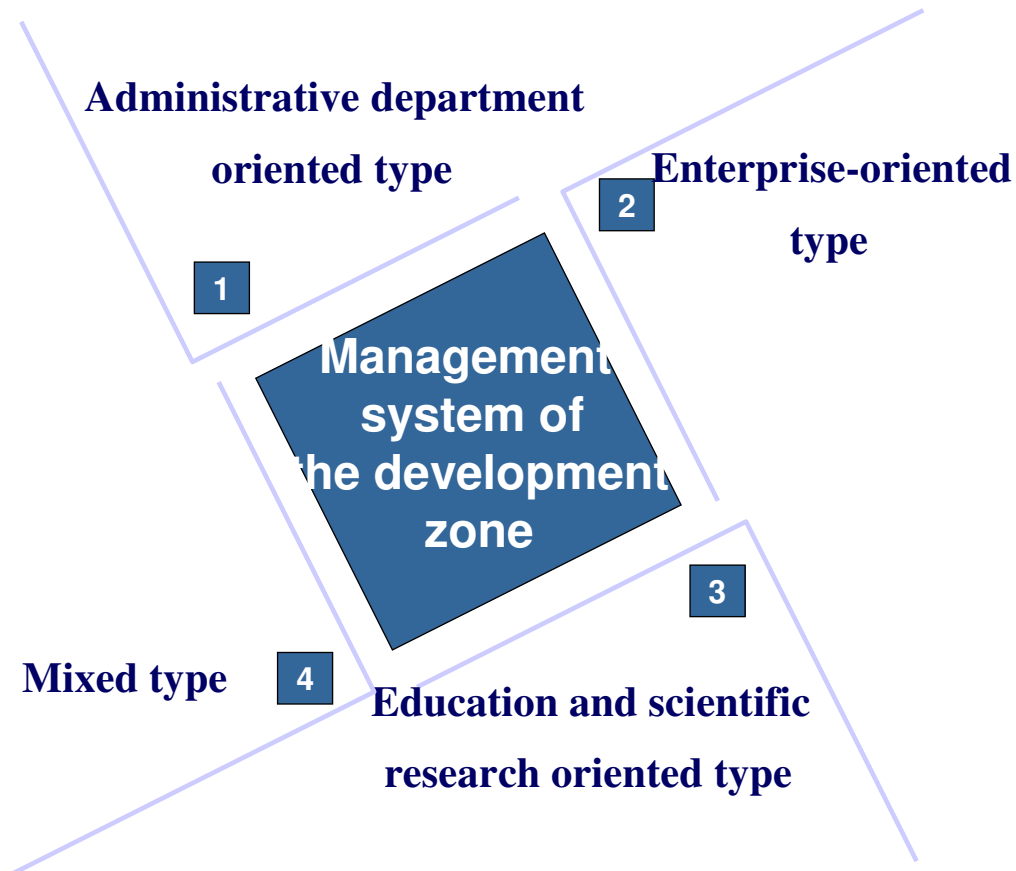
Industry development planning

Clarify the leading industry, accessorial industry and basic industry. Enact encouraging policies for various industries in the development zone



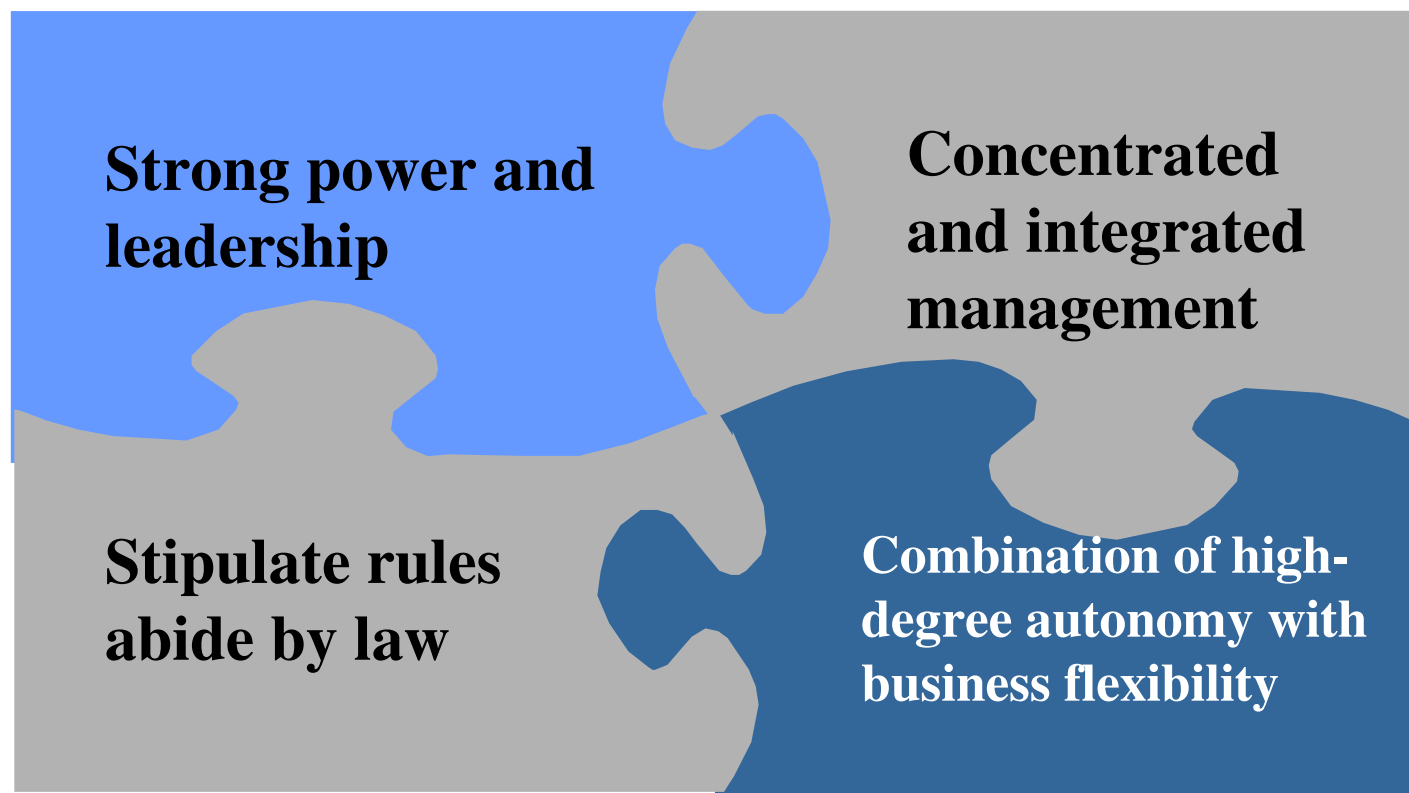
Several important questions on the development of the development zone

Selection of the management mode



Several important questions on the development of the development zone

Selection of the management mode



Ministry of Commerce of the People's Republic of China



THANKS !

Ya, Wang

The Foreign Investment Management Department
of the Ministry of Commerce, PRC

May 14th, 2007

TEL : 86-10 - 65197320

Email: wangya@mofcom.gov.cn



中华人民共和国商务部
Ministry of Commerce of the People's Republic of China