

THE CANADIAN CHAMBER  
visits  
SOUTHERN CHINA



The trade mission took the group to the Zhubai Special Economic Zone where they visited the Lizhu Pharmaceutical (Group) Co Ltd

BY HEATHER ALLAN

In February of this year the China Business Investment Committee, under the leadership of Mr. William Yip, chairman, and Ms. Eliza Chan, Chamber vice president, organized a study tour to the Western Bank of the Pearl River Delta. The mission was part of the Chamber's overall strategy, as outlined by President Marlene Lee, of presenting The Canadian Chamber of Commerce in Hong Kong as a Canadian business link to the Asian regional.

The purpose of the mission was to provide Chamber members with an opportunity to further their understanding of the business and investment development opportunities in Zhuhai, Zhongshan, Shunde, Foshan and Guangzhou.

The group comprised 26 delegates including Canada's Senior Trade Commissioner in Hong Kong, senior management of Canadian and Hong Kong banks and financial institutions, business and investment consultants and suppliers of various products and services.

A very full itinerary was organized by the China Business & Investment Committee. The goal was to give delegates an idea of the range of businesses, business structures and infrastructure development that is fuelling quite a remarkable phenomenon that is Southern China. In addition to looking at the operations of certain businesses and factories, the intention was to meet both the relevant commercial and government representatives who could answer practical questions for the delegates as to how, when and why.

Delegates had the opportunity of visiting six different factories ranging from the state-owned Lizhu Pharmaceutical (Group) Co Ltd to the wholly Japanese-

owned Cannon factory to the Hong Kong-Sino joint venture of Chen De Plastics Machinery Co Ltd. The group was also honoured by the attentions of a number of senior ranking officials of the various regions including Mr. Chao Zhan Wai, Vice Mayor of Guangzhou, who met with our group twice.

Many of our delegates were relatively new to Southern China or were being re-introduced after several years away. This provoked lively discussions on the changes that were occurring. What became increasingly obvious to all of us was the rate of development throughout the region and the strains that this development and growth were putting



Hard hats required for the trip to Guangdong Steel Factory in Fang Cun, Guangzhou. Here: William Yip, Eliza Chan and Vice-District Mayor of Fang Cun Deng Yi Ming.

on the existing infrastructure, including roads, bridges and utilities. Development of infrastructure did not seem to be keeping pace with other commercial growth which could affect future business expansion.

What also surprised many of us was the sophistication of the businesses and business people. The factories we were able to visit were very clean and often very automated. At least three of the companies we met were

actively considering flotations on the Hong Kong market and currently involved in international exports, particularly to Asia.

Nor could anyone fail to be astonished by the speed with which entire cities are being conceived and developed. Two examples are Shendu and Fang Cun, both of which have been turned from small villages to full blown industrial cities with populations of 1,000,000 and 300,000 in just a matter of years.

Another surprising fact was the amount of money in evidence. There were more luxury consumer products throughout the region than any of us could have guessed. The disposable income of the local population seemed surprisingly high.

Lastly, it was apparent to us that the investment and commercial potential in Southern China is no secret. There was a tremendous amount of interest being shown by foreign business. We, as representatives of Canadian business, were repeatedly urged by the Chinese officials to be decisive, timely and perhaps better informed as to what can be done in the area.

The Canadian Chamber of Commerce in Hong Kong, through its China Business & Investment Committee, attempts to assist Canadian businesses to assess the opportunities in Southern China through a variety of opportunities such as study tours and speaker luncheons. For further information on the committee, its activities and how you might be able to get involved, please contact Ms. Leslie Henderson, Executive Director of the Chamber (tel: 526-3207).◆

A full report of the Canadian Chamber of Commerce Study Tour to the Pearl River Delta, February 1993 is available by contacting the Chamber office (526-3207).