

Guangdong Map



BUSINESS ENVIRONMENT

Guangdong is located in the southern part of China, bordering the South China Sea. It has a land area of 178,000 square kilometres and a population of over 70 million. Guangdong's subtropical climate and plentiful rainfall provide favourable conditions for agriculture, including the production of rice, sugar cane and fruit. The major dialect spoken is Cantonese, but a sizeable minority of the population speaks the Chaozhou dialect. The official language is standard Mandarin (Putonghua).

The **Pearl River Delta** is one of the richest agricultural areas in China. Over the past years, it has developed into a dynamic region heavily involved in the manufacture and processing of light industrial products for export abroad.

Foreign investment and export processing zones were initially concentrated in the three **Special Economic Zones (SEZ)** where industrialists and exporters, foreign or local, are given special privileges in doing business. Guangdong's Special Economic Zones are **Shenzhen**

(directly north of Hong Kong), **Zhuhai** (north of Macau) and **Shantou**, on the eastern coast. The Special Economic Zone designation was announced in 1980, and the SEZs quickly became showcases of economic development, fuelled to a large degree by Hong Kong investors. China has two other Special Economic Zones (**Xiamen**, in Fujian Province, and the province of **Hainan**).

The **Open Economic Area of the Pearl River Delta** was designated in February 1985, and this area, encompassing the counties of **Dongguan, Nanhai, Shunde** and **Zhongshan**, is now an extremely prosperous region of Guangdong - these counties are known as the "4 Little Tigers" of Guangdong. Like the SEZ's, they have benefitted from Hong Kong investment, but they have also developed high technology zones and township enterprises which have made them attractive as joint-venture partners to many multinational corporations.