

FOREIGN INVESTMENT

Guangxi is one of the top destinations of foreign investment in China, absorbing Cdn\$ 1.8 billion in 1997. Hong Kong is a major investor, followed by ASEAN countries, Taiwan, Japan, U.S.A. and the EU. There are over 2,500 Sino-foreign equities, contractual joint ventures and exclusively foreign owned enterprises. Customers and firms of 22 countries and regions have invested in Guangxi, mainly in the areas of light industry, textile, garments, transportation, food stuff, machinery, electronics, agriculture, building materials, tourism and real estate.

There are 105 million Overseas Chinese from Guangxi, of whom 500,000 live in Hong Kong and Macau. Unlike Fujian and Guangdong, Overseas Chinese investment has not been the predominant factor in economic growth.

As of mid-1997, Guangxi had effected industrial reform on some of its largest industrial concerns, and several of the newly reorganized shareholding companies were readying themselves for stock market floatations. One Guangxi company (Guilin Nanfang Rubber) has listed on the Toronto Stock Exchange, and several others are listed on the exchanges of Shenzhen, Shanghai or Hong Kong.

TRADE ACTIVITIES AND OPPORTUNITIES

In Guangxi's 1997 total exports of Cdn\$ 4.38 billion, the commodities exported included canned goods, live pigs, sugar, fireworks, antimony regulus, cassia bark, aquatic products, cotton, textiles, bamboo wares, cement, etc. Other exports were rice, poultry, tea, star aniseed oil, Chinese medicine, tungsten ore, talcum, granite stone materials, building materials, etc.

Imports in 1996 totalled Cdn\$ 1.24 billion. Over half of all imports were destined to Foreign Invested Enterprises, with industrial raw materials accounting for approximately 48%, agricultural raw materials 30% and machinery equipment 22%. The major imported items were fertilizer, diesel and crude oil, vehicles, chemical raw materials, steel products, cotton and paper pulp.

1. Railways

There are 2,291 kilometres of railways. The major lines link Hunan, Hubei, Guizhou, Yunnan and Guangdong provinces, the port of Fangcheng, Beibu Gulf and the city of Pingxiang (on the border with Vietnam). Railways under construction or planned include Nanning-Kunming, Qinzhou-Beihai, Hepu-Hechun, Litang-Zhanjiang (double tracking) and Yulin-Wuzhou.

2. Highways

There are 36,600 kilometres of highways, including approximately 20,000 km of grade highways. Grade B highways (Guilin-Yangshuo and Nanning-Beihai) have been constructed. Key highways under construction and planning are Nanning-Bose, Liuzhou-Guilin, Guilin-Wuzhou, Wuzhou-Zhaoqing, Cengxi-Luoding and Qinzhou-Dongxing.

3. Airports

Guangxi has five airports, in Guilin, Nanning, Beihai, Wuzhou and Liuzhou, with the main local carriers being China Southern Airlines and China Southwest Airlines. The new Guilin International Airport is a first-grade airport, and was opened on October 1, 1996. Airport modernization/expansion projects are underway for Beihai airport and Nanning airports, and new airports are planned for Yulin and Wuzhou.