

contracts from January to December 1997, with contracted value totaling USD4 million. The projects included the assessment of Dogo Stadium, a technology transfer to Cambodia Pharmaceutical Factory, training aids of sports coaches to Cambodia, aid projects for the designing of the Zimbabwe Stadium and the Dental Hospital of Vanuatu. In the past year, this corporation made a breakthrough in its sand and stone export business in Macau by winning the contract for the seashore extension project for the construction of the Ocean World Park in Macau and the First Phase of the Macau Lu Huan New Power Plant, with total contracted amount totaling 120 million Macau dollars.

Development Zone - the major growth area in attracting foreign capital

Guangzhou Economic and Technological Development District (GETDD) is an industrial district approved to be established by the State in 1984. Many global corporations in the world have made investments in the Zone to set up factories and plants such corporations include P&G, Pepsi, Baxter, Arrows, American Standard, and Amway of the USA, Mitsubishi Electric, Yamaha, Casio, and Panasonic of Japan, ICI, Fustler, of the UK, Phillips of Holland, BHP of Australia, and ABB and Nestle of Switzerland.

The total industrial output of the Development Zone for 1997 reached RMB 19.85 billion, a growth rate of 23.9% over the previous year, accounting for 12.6% of the total industrial output of the city. The total export value reached USD 502 million, a growth rate of 8.7% over the last year. The exports in general trading grew at a rate of 14.75% over last year. A tax revenue of RMB 2.443 billion was achieved, an increase of 19.25%, and investment in fixed assets reached RMB 3.65 billion. Total number of industrial enterprises reached 321, of which 33 were newly established and 32 had an annual output value of over RMB 100 million.

Utilization of foreign capital in 1997 amounted to USD 717 million, a growth rate of 9.25% over the previous year and accounting for 32.61% of the total utilized foreign capital of the city. Actual utilization of foreign capital amounted to USD 405 million and 50 projects for foreign investment have been newly approved, along with 27 other projects approved for investment increments. There are 15 projects with investment amount over USD 10 million. More than 75% of the project negotiations have been successful.

At present, the GETDZ covers an area of 30 square kilometres. Both the soft and hard environments for investment are favourable. Forty-seven of the world's leading 500 enterprises have made investments in this Development Zone, involving 28 countries or regions in the world. Within the bounds of developed

area in the zone, the investment density per square metre is as high as USD 415 and the output density per square meter is RMB 14,700.

Exchanges with International Friendship Cities

Guangzhou and Vancouver, British Columbia became friendship cities on March 27, 1985. In October 1998, an economic delegation from Canada visited Guangzhou and the Pearl River Delta to further economic and trade cooperation. Prospects for future cooperation in education, construction material, environmental protection, high-technology and other fields look promising.

Guangzhou has now established friendship relationships with Kwangju city of South Korea, Ho Chi Minh City of Vietnam, Lyon of France, Frankfurt of Germany, Bari of Italy, Manila of the Philippines, Fukuoka of Japan and Linköping of Sweden.



Celebration of the Founding of the Children's Therapy Center

Brief introduction of Investment Projects in Guangzhou (1999)

(I) Name of Project : Guangzhou No. 1 City Metro Line

1. Scale of construction : Overall length of 18.47 kilometres
2. Main construction sub-projects: 16 stations, 15 tunneled sections, 1 carriage depot, 1 control center, 2 transformer substations, trains and carriages, fire-fighting systems, signaling systems, ticketing systems, etc.

3. Total investment and composition: Total investment of RMB 14.075 billion, including self-financed RMB 9.365 billion and foreign investment of 541.28 million US dollars.

(II) Name of Project : Pearl River Steel Mill

1. Construction scale and major products: Annual production capacity of 1 million tons of molten steel, 965,000 tons of hot-rolling sheets, 300,000 tons of cold-rolling sheets. Major products after operation include hot-rolling sheets (thickness of 1.5-12.7mm, width of 1000-1350mm and weight of 10-23.4 tons) and cold-rolling sheets (thickness of 0.5-2.0mm, width of 970-1270mm, and weight of 5-10 tons).

2. Major sub-projects: Adopting the excessively high efficient arc furnace with the advanced standards of the incorporating continuous foundry and rolling of thin steel sheets; Major sub-projects include 150-ton ex-high efficient vertical arc furnace with frames, 150 steel ladle fine smelting