



Guangdong-Hong Kong-Macao Greater Bay Area

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Young Global Leaders (YGL) Education Module
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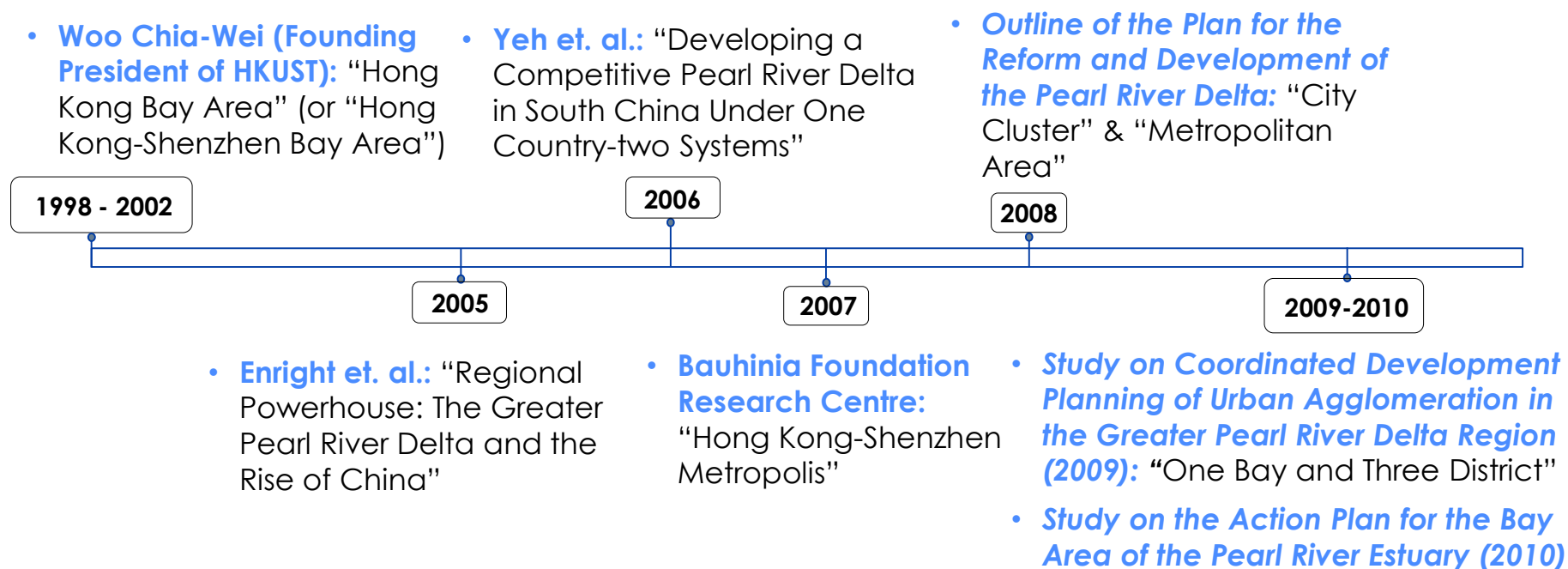


01 **Background** of the GBA Initiative

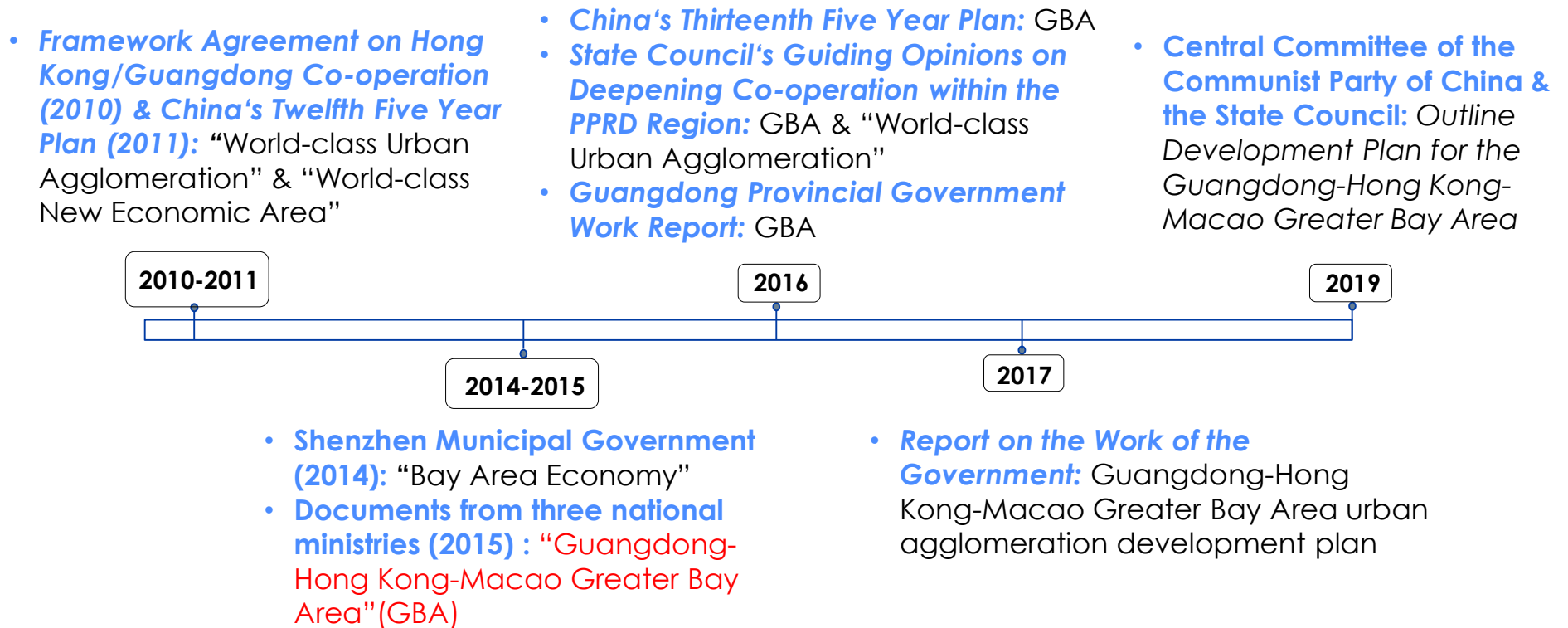
What is GBA?

- GBA is the abbreviation of **Guangdong-Hong Kong-Macao Greater Bay Area**
- It refers to the Chinese government's scheme to link **2** special administrative regions (Hong Kong and Macao) and **9** cities in Guangdong province (Guangzhou, Shenzhen, Dongguan, Foshan, Zhongshan, Zhuhai, Huizhou, Jiangmen and Zhaoqing) into an integrated economic and business hub

Process of proposing the GBA initiative (1/2)



Process of proposing the GBA initiative (2/2)



Background to the GBA initiative (1/4)

- GBA possesses the fundamental conditions for developing into an international first-class bay area and a world-class city cluster
- **The Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area** is an important outline document guiding the current and future cooperation and development of GBA



The Plan was issued and implemented in February 2019

Background to the GBA initiative (2/4)

The foundations to support the development of GBA



Distinctive geographical advantages

- Located at the forefront of the country's coastal **opening up**
- Important position in the construction of the **"Belt and Road"**
- Important **shipping center or ports** such as HK, Guangzhou and Shenzhen (see *line graph*)
- Internationally influential **aviation hubs** such as HK, Guangzhou and Shenzhen (see *graph*)



Concentration of innovation factors

- Acceleration of Guangdong's **comprehensive innovation and reform** pilot measures
- Acceleration of national innovation demonstration zones development
- Outstanding capabilities in **R&D** and **commercial application**

Background to the GBA initiative (3/4)

The foundations to support the development of GBA



Robust economic strength

- HK and Macao have highly developed **service sectors**
- The 9 PRD municipalities have developed **strategic emerging industries**
- **Advanced manufacturing and modern service** industries as the mainstay
- **GDP** of GBA stood at around **RMB 10 trillion** in 2017 (before the Plan was issued and implemented)



Solid cooperation foundations

- **Same cultural roots** of HK, Macao and the 9 PRD municipalities
- **Close ties and similar customs** between people in these 11 cities
- A pattern of **multi-level and comprehensive cooperation** has been established among Guangdong, HK and Macao

Background to the GBA initiative (4/4)

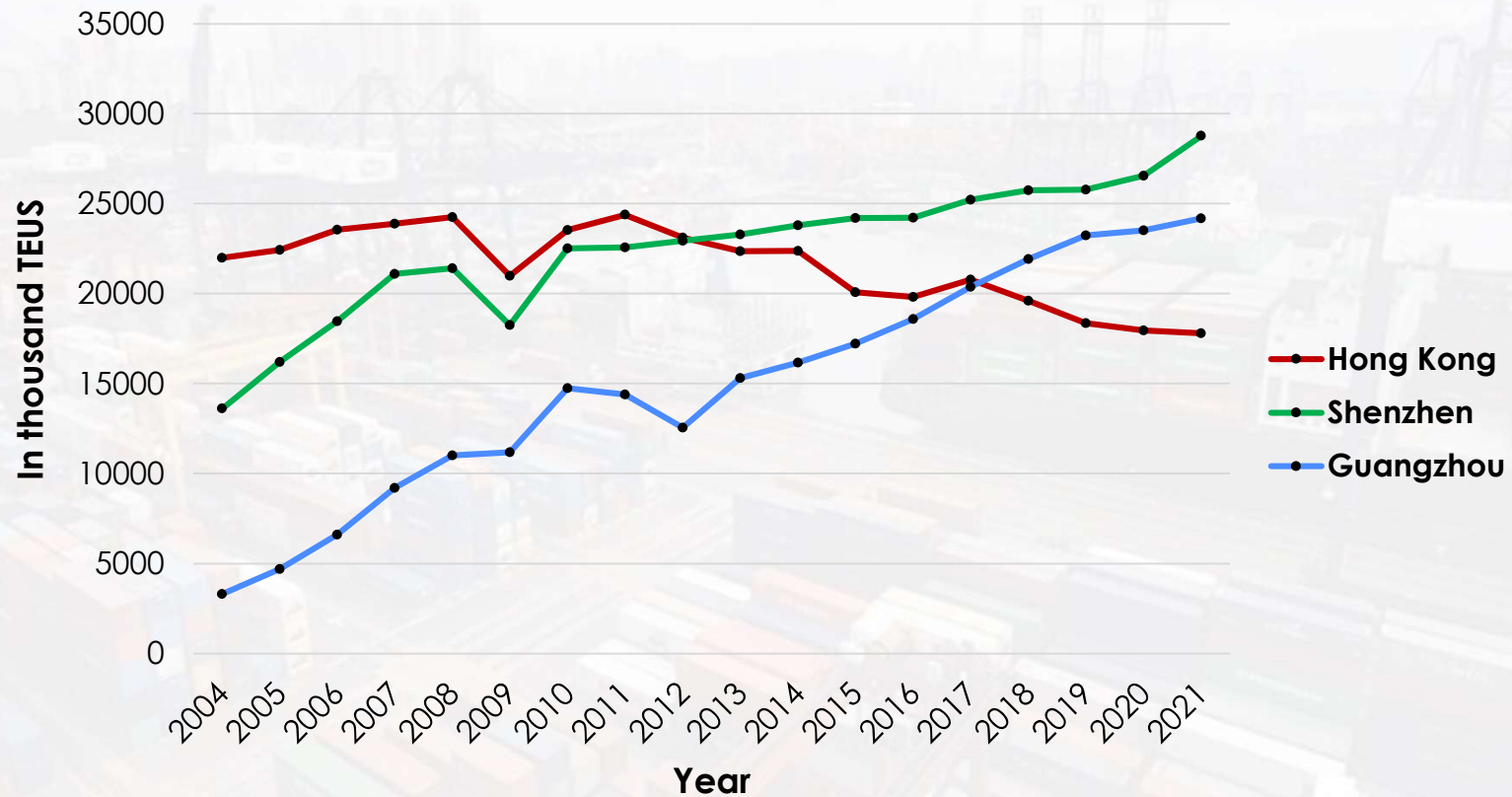
The foundations to support the development of GBA



Advanced level of internationalization

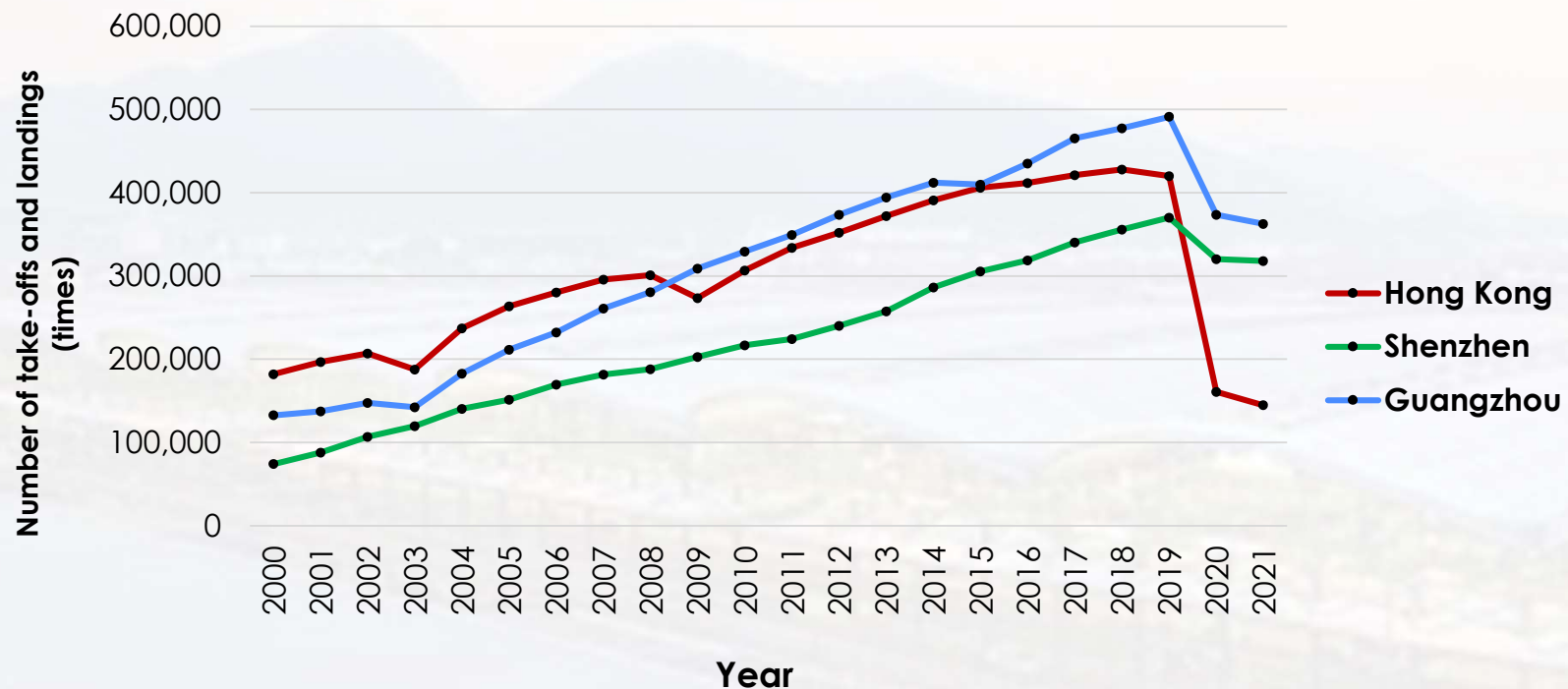
- HK as one of the **freest economies** in the world
- Macao's role as a **world tourism, leisure center**, and **platform for business cooperation** between China and Portuguese-speaking countries
- 9 PRD cities as the **most outward-oriented** economic regions in the Mainland and as a role in accelerating the construction of a new open economic system across the country

Container Throughput, 2004-2021, HK, SZ, GZ



Source: List of ports with the largest container throughput in the world (Wikipedia) retrieved November 2022

Air Traffic Movement, 2000-2021, HK, SZ, GZ



Source:

- China's National Airport Throughput Ranking, retrieved November 2022
- China's Statistical Bulletin of Civil Aviation Airport Throughput, retrieved November 2022
- Hong Kong Civil Aviation Department Air Traffic Statistics, retrieved November 2022

Pause for Analysis (1)

Hong Kong's Diminishing Relative Role within the GBA

VIDEO: [<https://www.youtube.com/watch?v=D3rFwEfYUOw>]
CGTN / 4:04 / 3 May 2022



02

Reasons to Promote the GBA Initiative

Purpose of Establishing the GBA



1. Facilitate the country's implementation of innovation-driven development and adhere to reform and opening up
2. Solve the shortcomings of various bay area cities, learn from each other's strengths, and seek a win-win situation
3. Create a region with the economic heft that is comparable to the San Francisco Bay Area, New York Bay Area and Tokyo Bay Area

Source:

<https://www.bayarea.gov.hk/en/about/overview.html>

<https://assets.kpmg/content/dam/kpmg/cn/pdf/en/2017/09/the-greater-bay-area-initiative.pdf>

Significance of the GBA (1/2)



- Facilitate the implementation of “one country, two systems”
- Foster closer cooperation between Mainland and 2 SARs
- Maintain the long-term prosperity and stability of HK and Macao

- Facilitate the further deepening of reform and opening up
- Facilitate the building of a new system of open economy in line with international standards
- Facilitate the development of a new platform for high-level international cooperation



Source: Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area

Significance of the GBA (2/2)



- Facilitate the implementation of new vision of development
- Step up the supply-side structural reform
- Accelerate the new economic drivers development
- Facilitate the early realization of innovation-driven development

- Facilitate the advancement of the Belt and Road Initiative
- Become an important support area for the convergence of the Silk Road Economic Belt and the 21st Century Maritime Silk Road



Source: Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area



03

Characteristics of 11 Cities & GBA Comparisons



GBA's Location Within Guang- dong Province



11 GBA Cities at a Glance (1/2)



11 GBA Cities at a Glance (2/2)

Special Administrative Region (SAR)

- HK and Macao are the 2 SARs in China.
- They practice special administrative areas such as social, political, economic and cultural systems and enjoy a high degree of autonomy.

Special Economic Zone (SEZ)

- Shenzhen and Zhuhai are 2 of the 7 SEZs in China.
- They implement special economic policies, flexible economic measures and special economic management systems.



Capital City

- Guangzhou is the capital city of Guangdong, which is a political, economic, cultural and transportation center of the province.

Shunde District

- Shunde is 1 of the 5 administrative districts of Foshan city.
- It is in the center of the transport network of GBA.
- It has been awarded the 1st place among the top 100 districts with overall strength for 8 consecutive years since 2012.

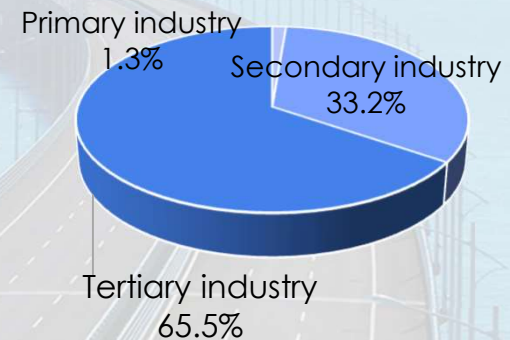
The Greater Bay Area 粵港澳大灣區

Major social and economic indicators (2021)

| | |
|---|------------------------|
| Area | 56,098 km ² |
| Population | 86,700,000 |
| GDP | 15,371.4 billion RMB |
| GDP per capita | 177,292.25 RMB |
| Value of total merchandise trade | 10,334.5 billion RMB |
| <i>Data source: Guangdong Statistical Yearbook 2021</i> | |

Industrial structure*

***2020 data**



Five strategic positions of GBA

- A vibrant world-class city cluster
- A globally influential international innovation and technology hub
- An important support pillar for the Belt and Road Initiative
- A showcase for in-depth cooperation between the Mainland China, Hong Kong and Macao
- A quality living circle for living, working and travelling

1. Hong Kong 香港

(Core city of GBA)

Major social and economic indicators (2021)

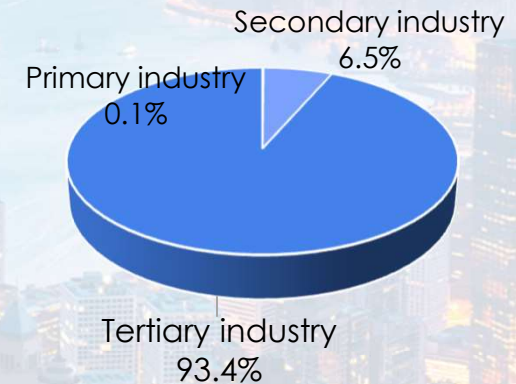
| | |
|--|-----------------------|
| Area | 1,114 km ² |
| Population | 7,413,100 |
| GDP | 2,637.25 billion RMB |
| GDP per capita | 355,653 RMB |
| Value of total merchandise trade | 9,436.66 billion RMB |
| <i>Note: the above figures are provided by relevant department of the HKSAR Government</i> | |

City positioning

- An International hub for shipping and aviation
- A major international financial center in the GBA
- A global offshore RMB hub and an international center for asset and risk management
- An international legal and dispute resolution service provider in the Asia-Pacific region

Industrial structure*

*2020 data



1. Hong Kong 香港

(Core city of GBA)

Reasons to be included in GBA

1. An ideal location for **business**
2. An international **trade and financial center**
3. An international **shipping and aviation hub**
 - Airport ranks 7th in the world in terms of container throughput
 - Container port is one of the 10 busiest container ports in the world
4. Good tradition of the **rule of law**
 - Well-established IT infrastructure and financial system
 - High-end talents and professional services with extensive knowledge on global markets
5. Expected to **strengthen its international leadership** in finance, transport, trade, logistics, aviation, innovation and technology



2. Macao 澳門

(Core city of GBA)

Major social and economic indicators (2021)

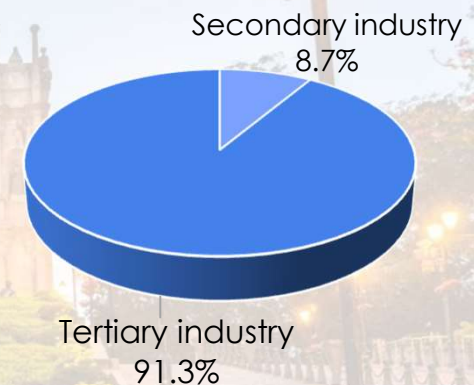
| | |
|--|--------------------|
| Area | 33 km ² |
| Population | 683,200 |
| GDP | 223.07 billion RMB |
| GDP per capita | 311,500 RMB |
| Value of total merchandise trade | 148.49 billion RMB |
| <i>Note: the above figures are provided by relevant department of the Macao SAR Government</i> | |

City positioning

- A well-renowned tourism and leisure destination
- One of the lowest tax rates in the GBA with zero FX control and status as a free port and separate customs territory
- A commerce and trade cooperation service platform between China and Portuguese-speaking countries

Industrial structure*

*2020 data



2. Macao 澳門

(Core city of GBA)

Reasons to be included in GBA

1. **High economy growth rates** driven by the tourism and gambling industries since 1999
2. **Strong economic vitality**
 - Open economic policy
 - Lowest tax rate in the region
 - Sound fiscal system
 - No limit in foreign exchange
 - A free port and has its own customs territory
3. Economic diversification promoted to develop the city into a base for **cultural exchange and cooperation**



3. Shenzhen 深圳

(Core city of GBA)

Major social and economic indicators (2021)

| | |
|----------------------------------|-----------------------|
| Area | 1,997 km ² |
| Population | 17,681,600 |
| GDP | 3,066.5 billion RMB |
| GDP per capita | 174,000 RMB |
| Value of total merchandise trade | 3,543.557 billion RMB |

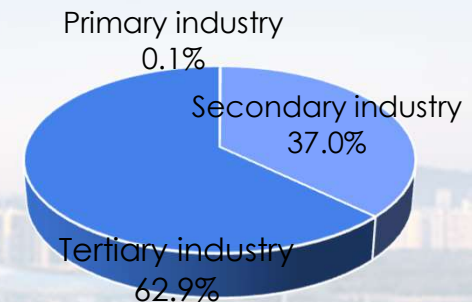
Data source: the Statistical Communiqué of Shenzhen on the 2019 National Economic and Social Development

City positioning

- An International hub for shipping and aviation
- A major international financial center in the GBA
- A global offshore RMB hub and an international center for asset and risk management
- An international legal and dispute resolution service provider in the Asia-Pacific region

Industrial structure*

*2020 data



3. Shenzhen 深圳

(Core city of GBA)



Reasons to be included in GBA

1. Leading role as a **special economic zone**, a **national economic core city** and a **national innovation city**
2. **Efficient integrated transport system**
 - A solid foundation for Shenzhen's economic development
3. **Largest number of boundary checkpoints** covering land, sea and air travel
 - Largest inbound/ outbound passenger flow and vehicular flow in the Mainland
4. Obvious advantages in **high-tech, financial services, modern logistics, and cultural industries**
5. Focuses on the development of **7 emerging industries of strategic importance**
 - Biotechnology, Internet, new energy, new materials, cultural & creative industries, new generation information technology, and energy conservation & environmental protection

Development of SEZs in 1980s

14 coastal port cities from Dalian to Beihai became SEZs.

SEZs expanded to **Hainan province**.



Current SEZs in China (as of 2022): Hainan Province, Xiamen, Shantou, Shenzhen, Zhuhai, Kashgar.

4. Guangzhou 廣州

(Core city of GBA)

Major social and economic indicators (2021)

| | |
|----------------------------------|-----------------------|
| Area | 7,434 km ² |
| Population | 18,810,600 |
| GDP | 2,823.2 billion RMB |
| GDP per capita | 150,000 RMB |
| Value of total merchandise trade | 1,082.588 billion RMB |

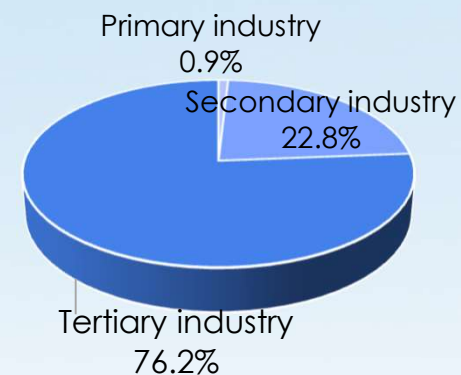
Data source: the Statistical Communiqué of Guangzhou on the 2020 National Economic and Social Development

City positioning

- A national core city and an integrated gateway city
- A national commerce and industry hub
- A major transportation hub in the GBA
- A technological, educational and cultural center

Industrial structure*

*2020 data



4. Guangzhou 廣州

(Core city of GBA)

Reasons to be included in GBA

1. An international commerce and industry center, a technological, educational and cultural center
2. An integrated transport hub
 - A Pearl River port, a good harbor for ocean freight, and a railway junction & hub of civil aviation in southern China
3. Focuses on advanced manufacturing industries with 3 pillar industries
 - Automobiles, electronics, and petrochemical industry
4. 6 cutting-edge production bases
 - Automobiles, ship & marine engineering equipment, nuclear power equipment, computer numerical control equipment, petrochemical, and fine steel manufacturing



Distinction Between Core Non-Core City

Core city

= Core engine for regional development

- Strengthen the radiating effect in leading the development of nearby regions

Non-core city

= Key node city

- Expected to leverage its own strengths
- Raise the development quality of the city cluster together with other non-core cities

Source: <https://www.bayarea.gov.hk/en/focus/bayarea-cities.html>

Why Hong Kong, Macao, Shenzhen and Guangzhou as Core Cities?

1. “Core cities” an **important feature** of the formation and development of bay areas in the world.
 - Including Tokyo Bay Area, New York Bay Area, and San Francisco Bay Area
2. Historically, Hong Kong, Macao, Shenzhen and Guangzhou have played an **important role** in regional development.
 - Each has its evident **comparative advantages**

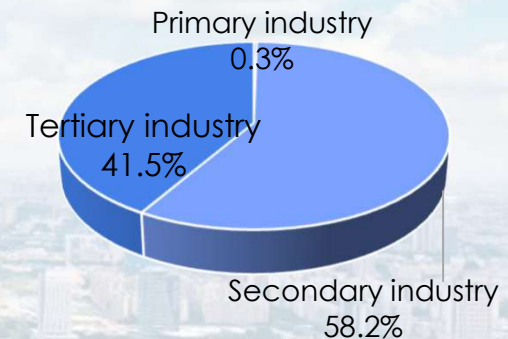
5. Dongguan 東莞

Major social and economic indicators (2021)

| | |
|----------------------------------|-----------------------|
| Area | 2,460 km ² |
| Population | 10,536,800 |
| GDP | 1,085.5 billion RMB |
| GDP per capita | 103,000 RMB |
| Value of total merchandise trade | 1,524.703 billion RMB |

Data source: the Statistical Communiqué of Dongguan on the 2020 National Economic and Social Development

Industrial structure* *2020 data



City positioning

- An important transportation hub and foreign trade port in Guangdong
- An internationally renowned manufacturing base for multinationals
- An electronics and high-end manufacturing center

5. Dongguan 東莞

Reasons to be included in GBA

1. Obvious **geographical advantages**
 - In the center of GBA and the middle section of the Guangzhou-Shenzhen science and technology innovation corridor
2. Connected to an **extensive network of expressways**, which
 - Convenient for people to travel between different GBA cities and to other provinces
3. An **internationally renowned manufacturing base**
 - For multinationals in the fields of electrical machinery and equipment, textile, garment, shoes and accessories, etc.
 - A cluster of emerging industries including LED lighting, new flat display, and photovoltaics
4. Expected to further develop into **a world-class center**
 - For electronic equipment and information technology and an incubator for new strategic industries



6. Foshan 佛山

Major social and economic indicators (2021)

| | |
|----------------------------------|-----------------------|
| Area | 3,798 km ² |
| Population | 9,612,000 |
| GDP | 1215.7 billion RMB |
| GDP per capita | 126,000 RMB |
| Value of total merchandise trade | 616.07 billion RMB |

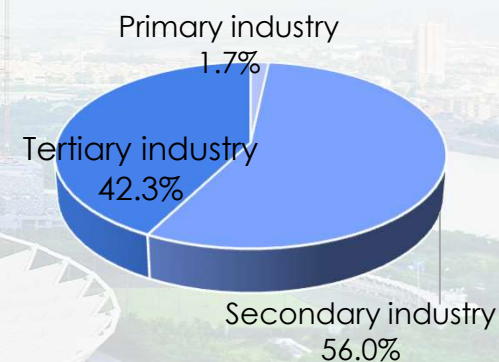
Data source: the Statistical Communiqué of Foshan on the 2020 National Economic and Social Development

City positioning

- A key part of the Pearl River-West River economic belt
- An important manufacturing center for Guangdong and China in general
- A city known as “land of fish and rice” and well-known for its fish pond systems with mulberry, banana, and sugarcane on the dyke
- One of the cities in the first batch of national demonstration base for agricultural industrialization

Industrial structure*

***2020 data**



6. Foshan 佛山

Reasons to be included in GBA

1. **Good transport network**
 - Modern air, rail, highways, river and public transportation
2. **Manufacturing-based economy**
 - Including traditional industries such as machinery equipment, household appliances, ceramic building materials, food and beverages
 - Including emerging industries such as optoelectronics, environmental protection, and new energy vehicles
3. Well-known for **fish pond systems** with mulberry, banana, and sugarcane on the dyke
 - One of the cities in the first batch of national demonstration base for agricultural industrialization
4. Expected to **lead the "Guangzhou-Foshan" alliance** and accelerate their integration
 - Help build an advanced **equipment manufacturing industrial belt** on Pearl River west bank
 - Become a pilot for comprehensive reform of **manufacturing transformation and upgrading**



7. Zhuhai 珠海

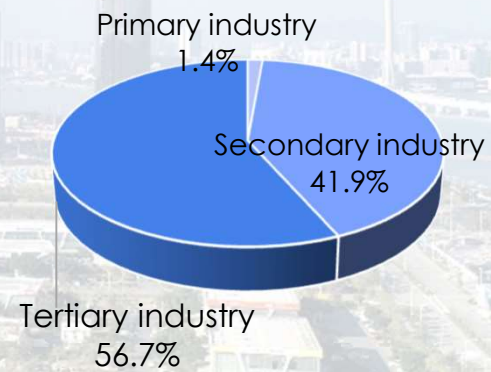
Major social and economic indicators (2021)

| | |
|----------------------------------|-----------------------|
| Area | 1,736 km ² |
| Population | 2,466,700 |
| GDP | 388.2 billion RMB |
| GDP per capita | 157,000 RMB |
| Value of total merchandise trade | 332.008 billion RMB |

Data source: the Statistical Communiqué of Zhuhai on the 2020 National Economic and Social Development

Industrial structure*

***2020 data**



City positioning

- The only mainland Chinese city with road connections with both Hong Kong and Macao
- A major tourism hub with a well-established industrial base

7. Zhuhai 珠海

Reasons to be included in GBA

1. A special economic zone
 - Constant rapid economic development particularly on industrial production since 1980
2. Convenient land, sea and air transport
 - Zhuhai Port is one of the main coastal ports of the country
3. Help develop industrial belt for advanced equipment manufacturing on Pearl River west bank
4. Lead the strong combination of Macao-Zhuhai
 - Lead GBA in participating in international cooperation in great intensity
5. Build the construction of national coal reserve bases
 - And a cascade system of coal reception, transit and storage
6. Pursue differential development and positive interaction of airports in GBA
 - Set up a general aviation demonstration zone



8. Huizhou 惠州

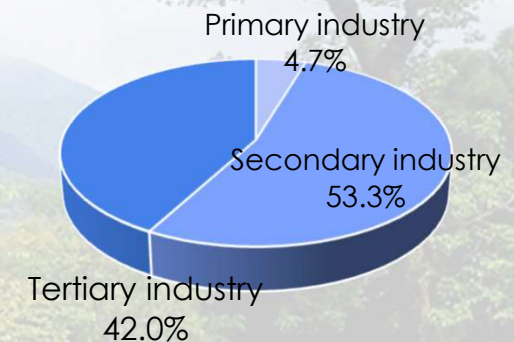
Major social and economic indicators (2021)

| | |
|----------------------------------|------------------------|
| Area | 11,347 km ² |
| Population | 6,066,000 |
| GDP | 497.7 billion RMB |
| GDP per capita | 82,000 RMB |
| Value of total merchandise trade | 305.509 billion RMB |

Data source: the Statistical Communiqué of Huizhou on the 2020 National Economic and Social Development

Industrial structure*

***2020 data**



City positioning

- Green city and the east hub of the GBA with an array of well-developed industries including petrochemicals, electronic information and clean energy

8. Huizhou 惠州

Reasons to be included in GBA

1. **Rich land resources, good living environment, and ample tourism resources**
 - Ranked the top 10 in terms of air quality among major cities in the country
 - Ranked the 1st in terms of green development index in the Guangdong Province
2. **Two pillar industries**, which are electronic information and petrochemicals
 - Automotive & equipment manufacturing, and clean energy industries form its modern industrial system
3. Expected to develop the **Hong Kong-Shenzhen-Huizhou-Shanwei sea travel route**
4. Expected to develop **the youth entrepreneurship and employment base** for HK and Macao
5. Expected to develop a **high-level production and supply base** for Guangdong-Hong Kong-Macao green agricultural products



9. Zhongshan 中山

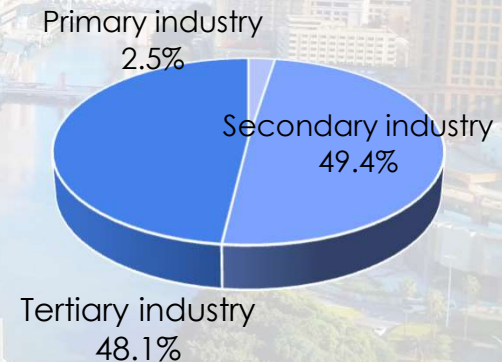
Major social and economic indicators (2021)

| | |
|----------------------------------|-----------------------|
| Area | 1,784 km ² |
| Population | 4,466,900 |
| GDP | 356.6 billion RMB |
| GDP per capita | 80,000 RMB |
| Value of total merchandise trade | 269.5 billion RMB |

Data source: the Statistical Communiqué of Zhongshan on the 2020 National Economic and Social Development

Industrial structure*

***2020 data**



City positioning

- A key city along China's coastal economic belt and a major hub for R&D commercialization
- A transportation hub on the west bank of the Pearl River

9. Zhongshan 中山

Reasons to be included in GBA

1. A **key transportation node** on the west bank of the Pearl River
 - Connects Guangzhou on the north and is close to HK and Macao
2. A base for **advanced manufacturing and modern service industries**
 - A pilot city for industrial upgrading in Guangdong Province
 - Has the only bonded logistics center on the west bank of the Pearl River Estuary
3. Expected to strengthen **industrial docking in GBA** and improve collaborative development level
4. Expected to further develop the **biomedical technology** innovation
5. Expected to promote the construction of **Guangdong-Hong Kong-Macao youth innovation and entrepreneurship cooperation platform**



10. Jiangmen 江門

Major social and economic indicators (2021)

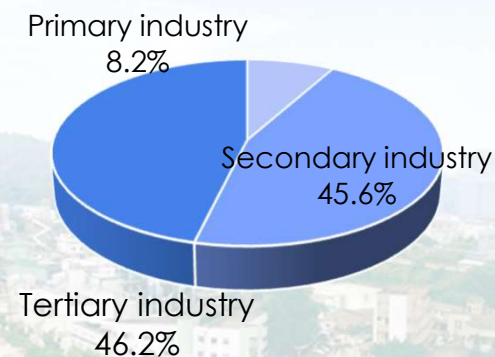
| | |
|---|-----------------------|
| Area | 9,507 km ² |
| Population | 4,835,100 |
| GDP | 360.1 billion RMB |
| GDP per capita | 75,000 RMB |
| Value of total merchandise trade | 178.95 billion RMB |
| <i>Data source: the Statistical Communiqué of Jiangmen on the 2020 National Economic and Social Development</i> | |

City positioning

- A logistics hub with several notable pillar industries including motorcycles, metal production and paper making
- West hub of GBA with a focus on developing major emerging sectors, such as advanced equipment manufacturing and next generation IT, new energy vehicles, health and new materials

Industrial structure*

***2020 data**



10. Jiangmen 江門

Reasons to be included in GBA

1. **Geographical advantage**
 - Integrated into the "one-hour economic circle" of the Greater Pearl River Delta
2. Two **national category-1 cargo ports**
 - Xinhui Port and Taishan Guanghai Port
3. Rapid development of **strategic emerging industries** and **comprehensive industrial system**
4. Important source of **agricultural products supply and by-products** for PRD, HK and Macao
5. Expected to establish **Greater Guanghai Bay economic zone** together with HK and Macao
 - Expand the cooperation in tourism, cultural and creative industries, and e-commerce
6. Expected to develop an **international corporation aggregation area** in the energy conservation and environmental protection industries
 - And an **entrepreneurship and innovation platform** for investment and talents from 2 SARs and overseas



11. Zhaoqing 肇慶

Major social and economic indicators (2021)

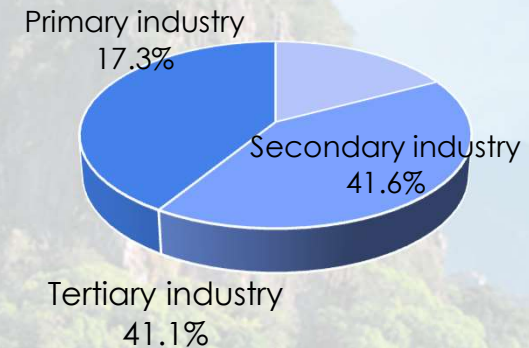
| | |
|---|------------------------|
| Area | 14,891 km ² |
| Population | 4,129,700 |
| GDP | 265 billion RMB |
| GDP per capita | 64,000 RMB |
| Value of total merchandise trade | 40.542 billion RMB |
| <i>Data source: the Statistical Communiqué of Zhaoqing on the 2020 National Economic and Social Development</i> | |

City positioning

- A cultural center and a popular tourist destination
- A hub linking GBA with China's southwestern region and is steadily growing its manufacturing sector, with rich primary resources including rare metals and herbal medicines

Industrial structure*

***2020 data**



11. Zhaoqing 肇慶

Reasons to be included in GBA

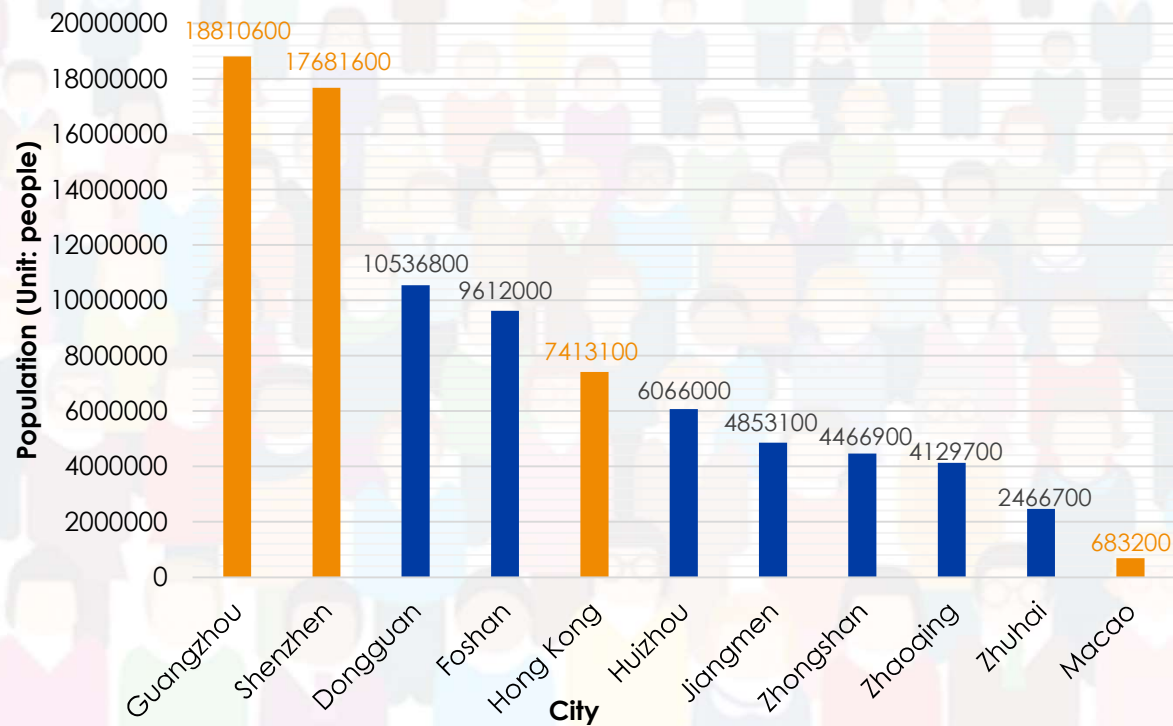
1. Focuses on **emerging industries development**
 - Including high-end new electronic information and biomedicine
 - Also including **3 industrial clusters** valued over **100 billion RMB** (e.g. new energy vehicles, advanced equipment manufacturing, energy conservation and environmental protection)
2. The **largest area** among 11 GBA cities
3. Famous for **tourism**
 - A great number of historical scenic spots
4. Expected to enhance collaboration and connectivity among industries in GBA
 - Raise the level of coordinated development
5. Expected to develop a **high-level distribution base for green agricultural by-products**



GBA Cities Rankings (1/6): Population

Population of the GBA Cities in 2021

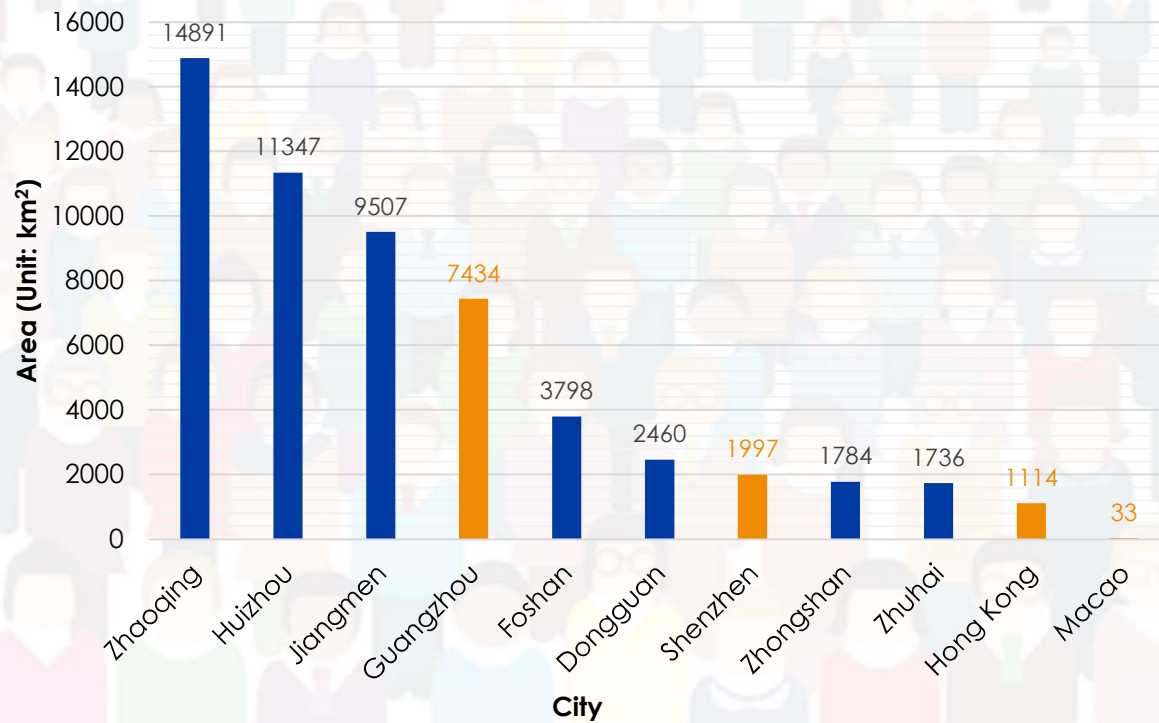
Note: Orange bars represent the 4 core GBA cities.



GBA Cities Ranking (2/6): Area

Areas of the GBA Cities in 2021

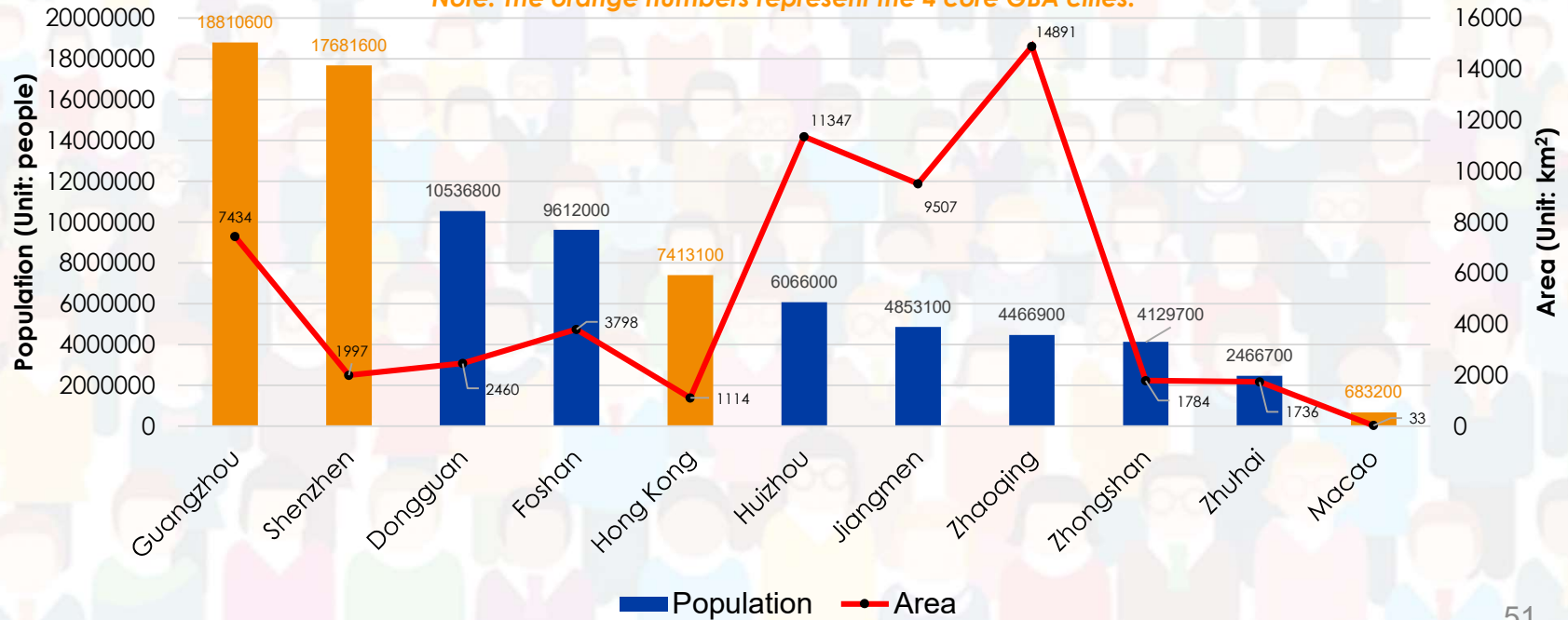
Note: Orange bars represent the 4 core GBA cities.



GBA Cities Ranking (3/6): Population and Area

Comparison of Population and Areas of the GBA Cities in 2021
(In Order of Population Size)

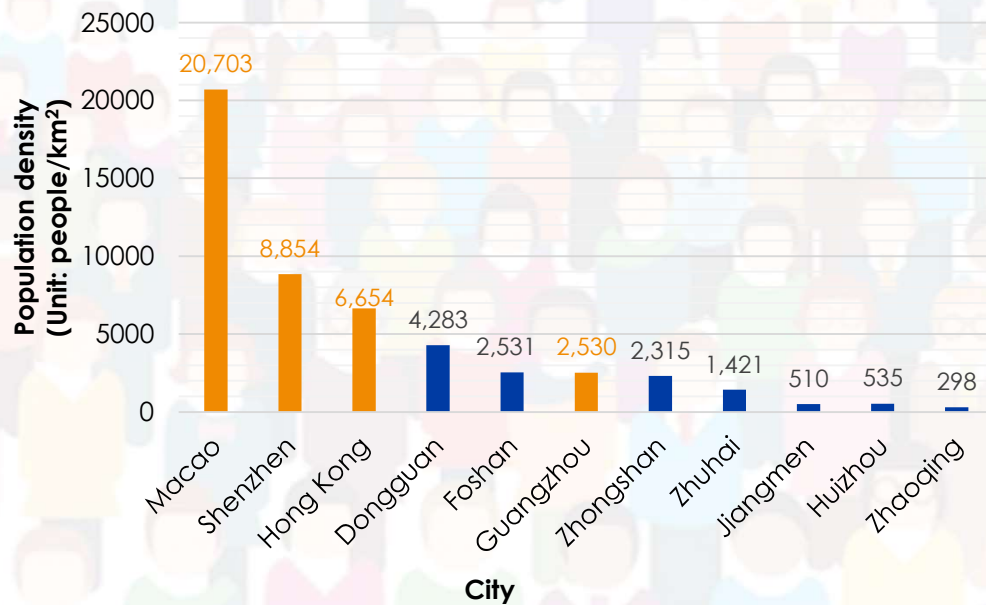
Note: The orange numbers represent the 4 core GBA cities.



GBA Cities Ranking (4/6): Population Density

Population Density of the GBA Cities in 2021

Note: Orange bars represent the 4 core GBA cities.

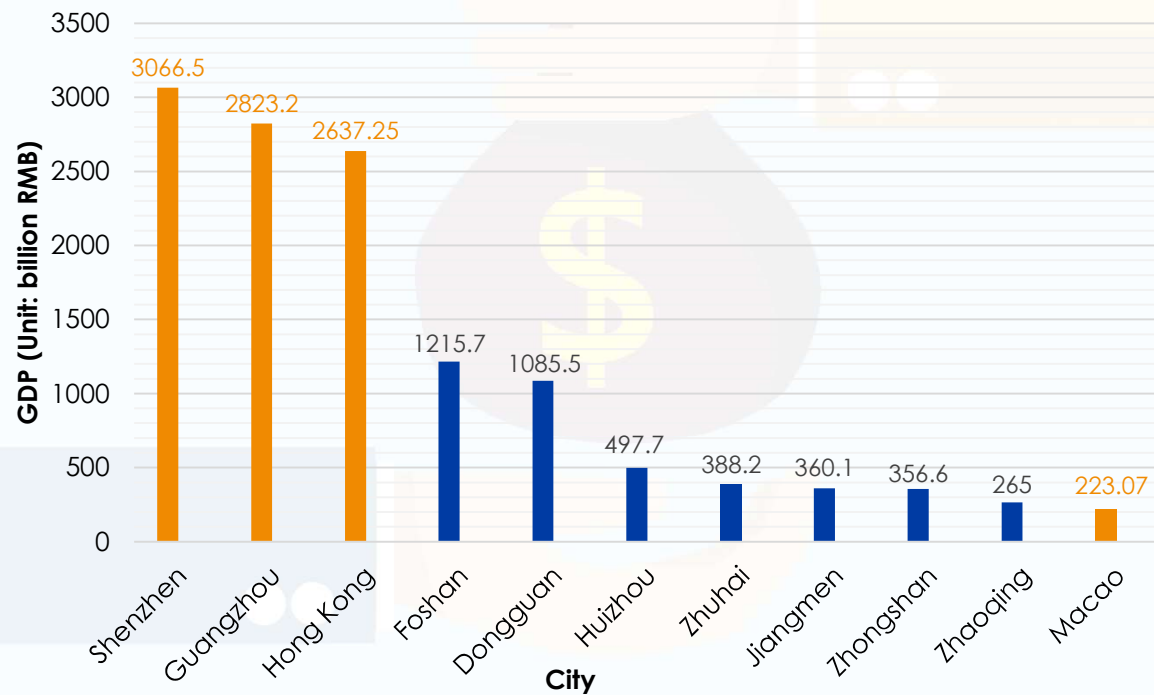


- GBA population is **unevenly distributed**
- Economic development of GBA has **attracted many talents** from other parts of China

GBA Cities Ranking (5/6): GDP

GDP of the GBA Cities in 2021

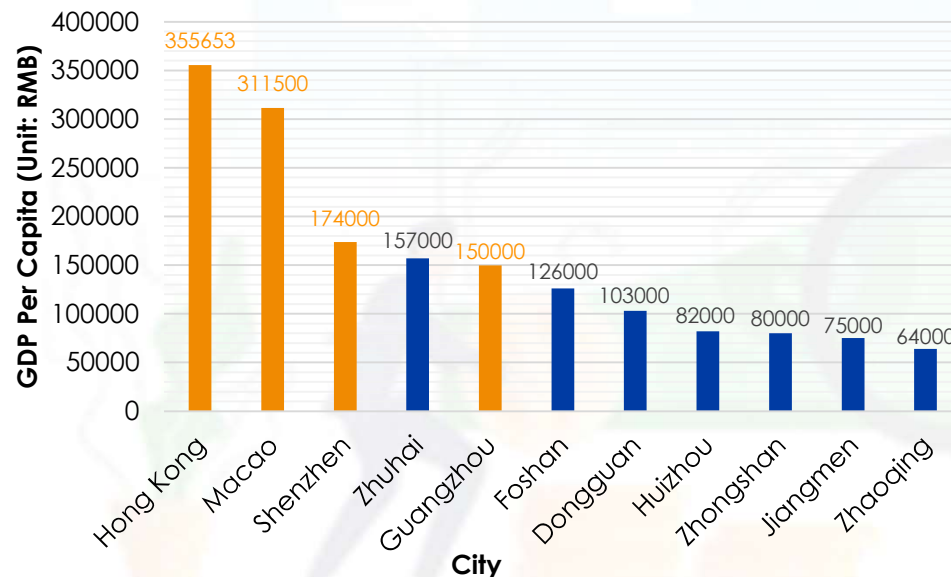
Note: Orange bars represent the 4 core GBA cities.



GBA Cities Ranking (6/6): GDP/Capita

GDP Per Capita of the GBA Cities in 2021

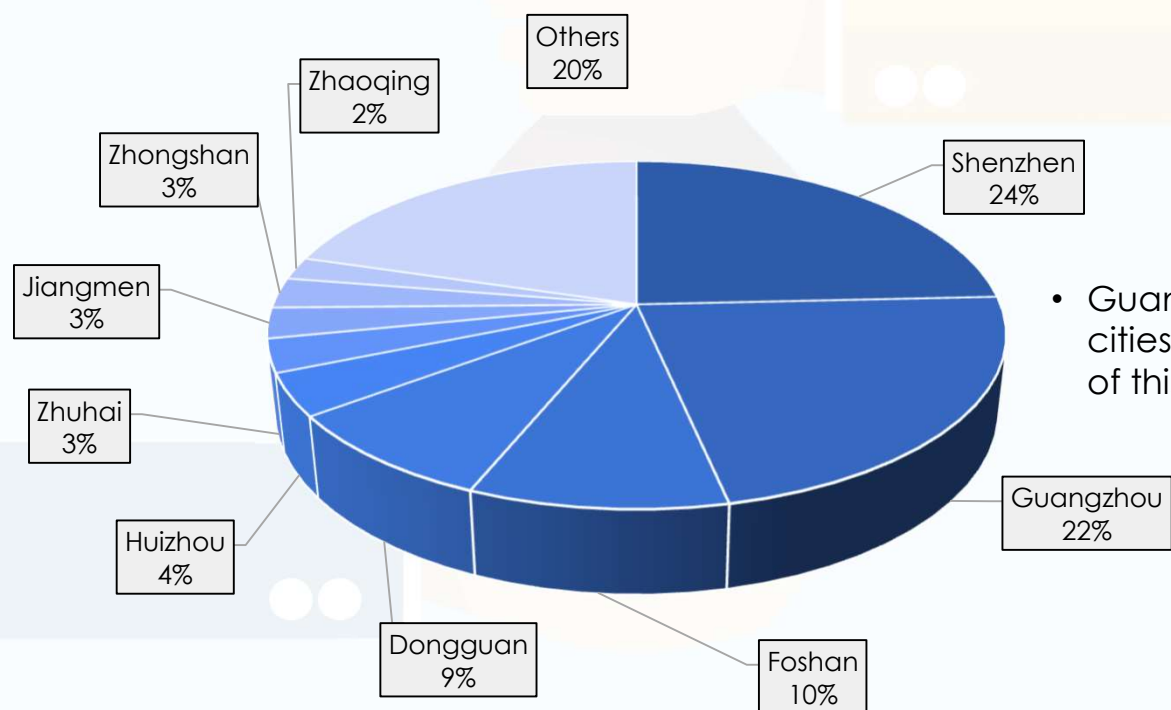
Note: Orange bars represent the 4 core GBA cities.



- GBA's GDP per capita **varies greatly among cities**
- Large disparity in income levels among cities may **not be conducive** to the coordinated development of cities in GBA

Mainland GBA Cities Ranking in GD by GDP

The Proportion of GDP of 9 GBA Cities in Guangdong Province in 2021



- Guangdong's 9 GBA cities account for 80% of this province's GDP.

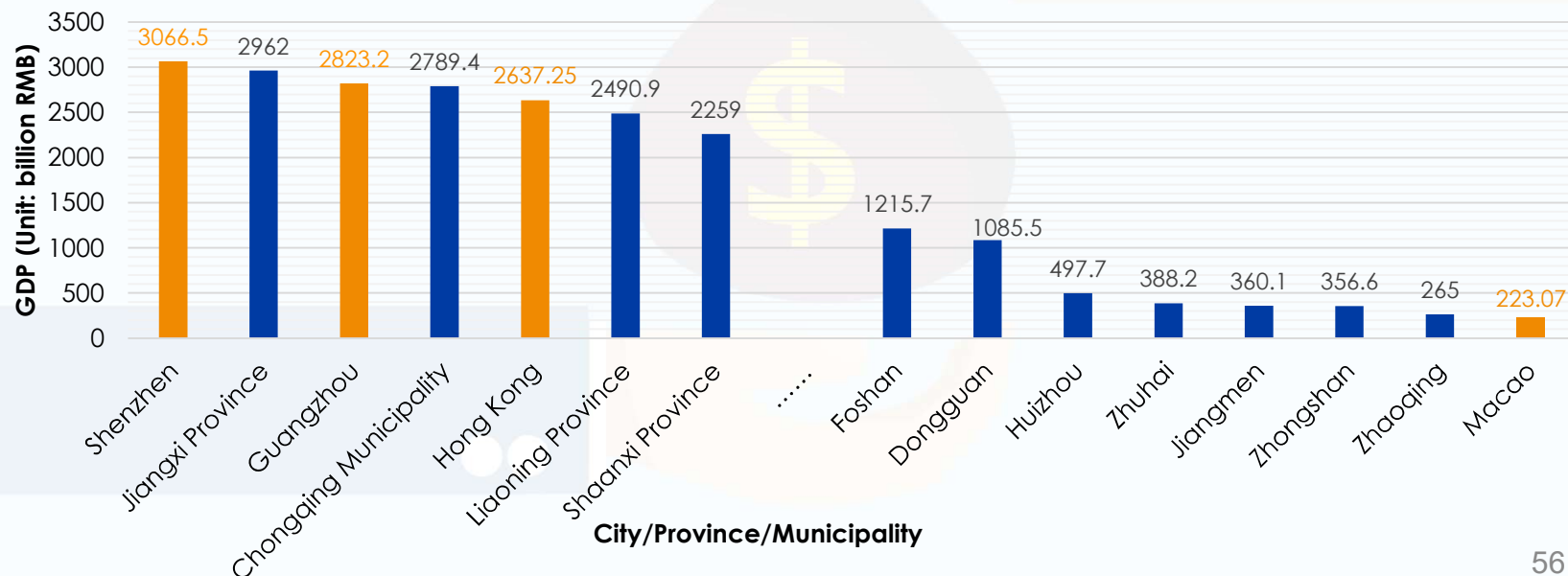
GBA Cities Ranking Within China by GDP

- The GDP of Shenzhen, HK, and Guangzhou even **exceeds** that of Shaanxi, Liaoning, Jiangxi, and Chongqing, which are GDP middle-ranked provinces or Municipality in China in 2021

GDP of GBA Cities and Several Provinces and Municipality in 2021

Source: China's local statistical bureau retrieved November 2022

Note: Orange bars represent the 4 core GBA cities.



Slide 56

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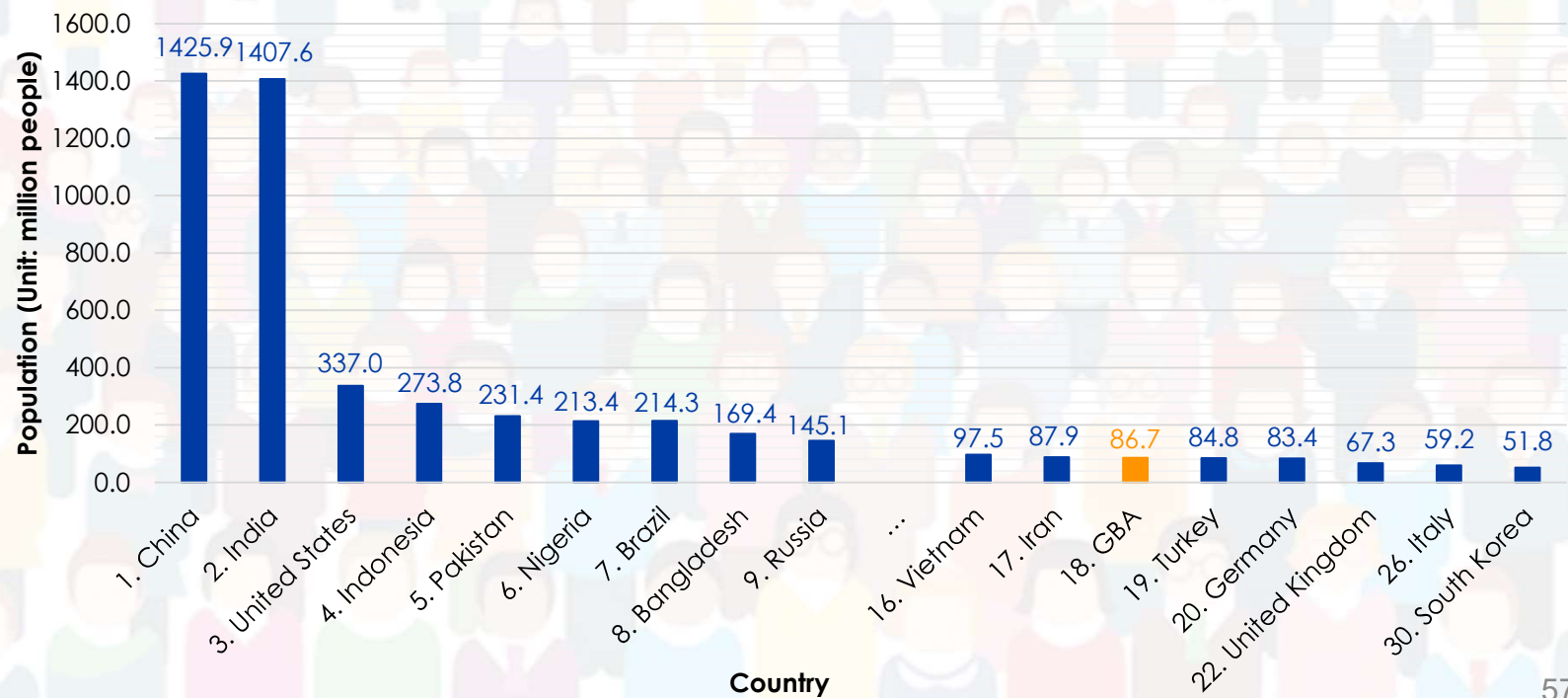
GUNAWAN Gerald, 2022-11-03T13:13:47.916

Global Ranking of GBA (1/4): POPULATION

Most Populous Countries & GBA Cities Population in 2021

Source: World Population Review, retrieved November 2022

Note: Orange bars represent the GBA cities.

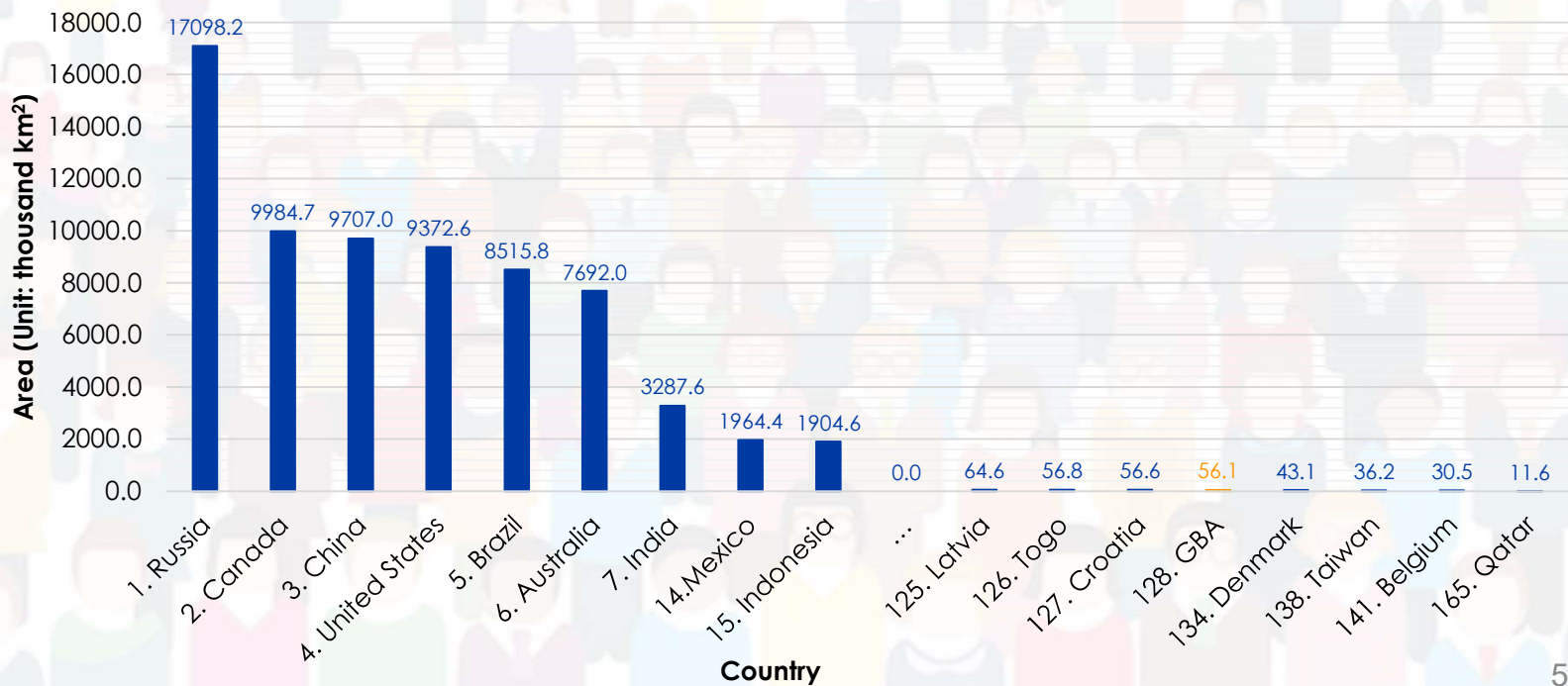


Global Ranking of GBA (2/4): AREA

Largest Countries & GBA Cities Area in 2022

Source: Worldometers Largest Countries in the World by Area, retrieved November 2022

Note: Orange bars represent the GBA cities.



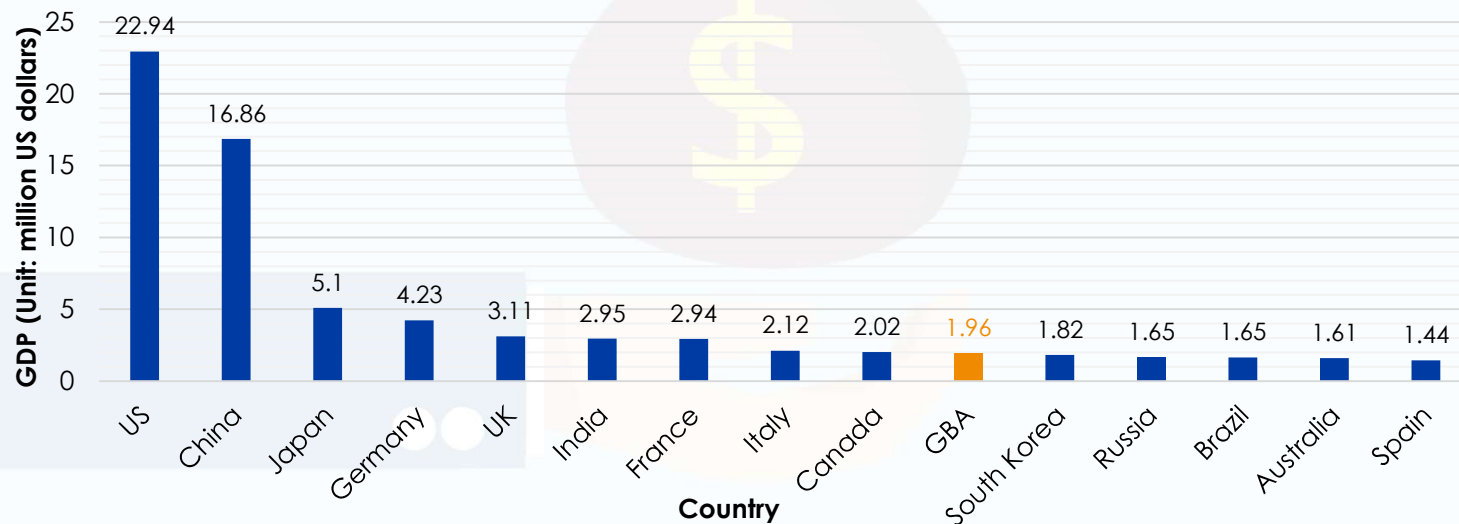
Global Ranking of GBA (3/4): GDP

- The total economic volume of the whole GBA in 2021 is nearly equivalent to that of **Russia**, making it the **12th largest economy** in the world.

Top 15 Countries by Nominal GDP in 2021

Source: International Monetary Fund World Economic Outlook retrieved November 2022

Note: The orange bar represents GDP of the whole GBA.



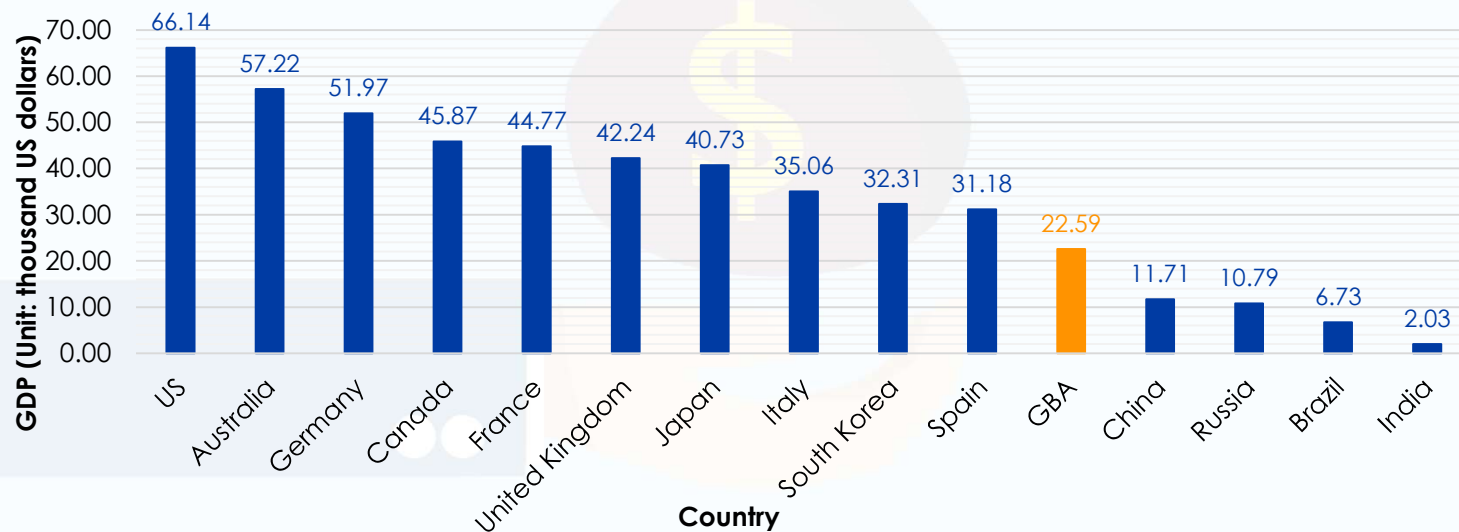
Global Ranking of GBA (4/4): GDP/CAPITA

- The total Nominal GDP per Capita of the whole GBA in 2021 ranks the 11th place in the world.

Top 15 Countries by Nominal GDP in 2021

Source: Visual Capitalist : GDP per Capita Worldwide retrieved November 2022

Note: The orange bar represents GDP per Capita of the whole GBA.





04

Development Goals & Vision in 10 Years' Time

Pause for Analysis (2)

The GBA is not just an empty label

Development goals

Long-Term (2035)

- Substantially increase **overall strength** of GBA, and further enhance **internal driving forces** for development in the region
- Essentially form a framework for an international first-class bay area and **world-class city cluster**

Mid-Term (mid-2020s)

- Shape an economic ecosystem and development mode underpinned by **innovation**
- **Markets** within GBA are highly connected
- Remarkably improve **coordination of regional development**
- People become **wealthier**
- Further development of culture and **cultural exchange**
- Agreeable for **living, working, and travelling**

New Vision of GBA in 10 Years' Time (1/3)



A vibrant world-class city cluster

- Institutional innovation and early & pilot implementation are expedited
- A modern economic system is developed
 - Better integrate into global market system
- A global base of emerging industries is built
 - Advanced manufacturing and modern service industries
- An internationally competitive world-class city cluster is built



A globally influential innovation and technology hub

- An economic system mainly driven and supported by innovation is developed
- Act as a hub of global technological innovation

New Vision of GBA in 10 Years' Time (2/3)



An important pillar for the Belt and Road Initiative

- Better leverage the roles and functions of HK and Macao in China's opening up
- Development of an **open economy** in the 9 PRD municipalities is enhanced
- An influential international **transport and logistics hub** is developed
- An international **cultural exchange center** is developed



A showcase for in-depth cooperation between the mainland and Hong Kong and Macao

- **Flow of people, materials, capital and information** is more convenient
- A model for **closer co-operation** between the Mainland and HK and Macao is provided

New Vision of GBA in 10 Years' Time (3/3)



A high-quality sphere for living, working and travelling

- The **life quality** of GBA residents is well improved
- More convenient for HK and Macao residents to **study, work and live in Mainland**
- The environment is more beautiful and the society is more stable
- The **multi-cultural exchange and integration** are strengthened



05

National and Local **Policies** for GBA

Representative National Policies (1/3)

General policies

2019-02-18

Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area

2021-03-15

The 14th Five-Year Plan (2021-25) for National Economic and Social Development and the Long-Range Objectives Through the Year 2035

City construction policies

2020-10-12

Implementation Plan (2020-2025) for Comprehensive Pilot Reform in Shenzhen to Build the City into a *Pilot Demonstration Zone* for Socialism with Chinese Characteristics

Infrastructure policies

2021-02-25

Outline of the National Comprehensive Multidimensional *Transport Network* Plan

Representative National Policies (2/3)

2018-02-09

Technological innovation policies

The Several Provisions (Trial) on Encouraging Colleges and Research Institutions from Hong Kong Special Administrative Region and Macao Special Administrative Region to Participate in the Centrally-Financed S&T Projects

2020-10-22

Modern industry policies

The Construction Plan for the Chinese Medicine Highlands in the Guangdong-Hong Kong-Macao Greater Bay Area (2020-2025)

2020-12-30

The Culture and Tourism Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area

2020-04-29

Ecological civilization policies

Meteorological Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area (2020-2035)

Representative National Policies (3/3)

Living condition policies

2019-04-09 Plan for the Construction of the Hengqin International *Recreation and Tourist Island*

2019-11-29 Interim Measures for Hong Kong, Macao, and Taiwan Residents to Participate in *Social Insurance Scheme* in the Mainland

Finance and taxation policies

2019-03-14 Notice Regarding Preferential *Individual Income Tax* Treatment for the Guangdong-Hong Kong-Macao Greater Bay Area

2020-11-05 Notice Regarding the Implementation of Relevant *Value-added Tax* Policies in the Guangdong-Hong Kong-Macao Greater Bay Area

Employment and entrepreneurship policies

2018-07-04 Notice on Providing *Employment and Entrepreneurship Services* for Hong Kong, Macao and Taiwan Residents in the Mainland

Representative Local Policies (1/6)

Guangdong Province

A *3-year Action Plan* for Building the Guangdong-Hong Kong-Macao Greater Bay Area (2018-2020)

2019-07-05

Opinions of CPC Guangdong Provincial Committee and Guangdong Provincial Government on the *Implementation of the Outline Development Plan* for the Guangdong-Hong Kong-Macao Greater Bay Area

2019-07-05

Hong Kong

Technology Talent Admission Scheme

2020-01-30

Memorandum of Understanding on the Launch of the *Cross-Boundary Wealth Management Connect Pilot Scheme* in the Guangdong-Hong Kong-Macao Greater Bay Area

2021-02-05

Representative Local Policies (2/6)

Macao

Medical Insurance Subsidy Scheme for Macao SAR residents residing in Hengqin

Macao *Youth* Policy (2021-2030)

2019-10-25

2021-06-21

Shenzhen

Measures to Further *Facilitate the Development* of Hong Kong and Macao Residents in Shenzhen

Administrative Measures on Shenzhen-Hong Kong-Macao *Science and Technology Projects* in Shenzhen

2021-03-31

2020-07-28

Representative Local Policies (3/6)

Guangzhou

Several Measures for Guangzhou to Accelerate the Construction of a *Digital Economy Innovation Leading City*

2020-04-02

The Guangzhou Comprehensive *Transportation Hub* Plan (2018-2035)

2019-11-05

Dongguan

Guidelines on Accelerating the Construction of a Modern Comprehensive *Transport System* and Building a Quality Transport City in the Guangdong-Hong Kong-Macao Greater Bay Area

2020-02-05

Implementation of the *Action Plan* on <*Financial Support* for the Construction of the Guangdong-Hong Kong-Macao Greater Bay Area> in Dongguan

2020-12-23

Representative Local Policies (4/6)

Foshan

The Implementation Measures for Setting Up *Start-Up Incubation Bases* for Hong Kong and Macao Youths in Foshan

2019-06-06

Master Plan for the Development of Sanlong Bay *High-end Innovation Cluster* in Foshan (2020-2035)

2021-02-20

Zhuhai

Policy Measures of Supporting Hong Kong and Macao *Youths' Employment and Entrepreneurship* in Zhuhai

2019-07-12

Interim Measures to support the *Law Industry* in Hengqin New District

2020-09-14

Representative Local Policies (5/6)

Huizhou

The Implementation Measures for Setting up *Start-Up Incubation Bases* for Hong Kong and Macao Youths in Zhongkai, Huizhou

2019-06-19

Administrative Measures for the *Admission and Nurturing* of *International, Hong Kong, Macao and Taiwan Students* in Huizhou Secondary and Primary Schools

2019-11-18

Zhongshan

Working Plan to Strengthen *Business Start-up and Innovative Demonstrative Bases* for Hong Kong and Macao Youths

2019-06-06

Regulations for the Point Based *School Admission System* for Migrant Persons

2020-03-10

Representative Local Policies (6/6)

Jiangmen

Implementation Measures on strengthening the development of an *innovation and entrepreneurship base* for Hong Kong and Macao youths in Jiangmen **2019-06-05**

Jiangmen Municipality Interim Measures Concerning Administration on *Financial Subsidies* Related to *Individual Income Tax Preferential Policies* in the Guangdong-Hong Kong-Macao Greater Bay Area **2019-07-31**

Zhaoqing

Measures to Foster the Development of *Business Environment* in Zhaoqing in the Guangdong-Hong Kong-Macao Greater Bay Area **2019-09-10**

Implementation Measures on *Talent Green Cards* in Zhaoqing (Trial) **2019-10-15**

06

Challenges Faced by GBA



Challenges to GBA's Success (1/2)



1. **Overcapacity, imbalance, and mismatch** of supply and demand structure
 - Endogenous impetus for economic growth has to be strengthened



2. **Different social systems and legal systems** between Guangdong and 2 SARs
 - Customs territories are separate
 - Efficient flow of factors of production has yet to be attained
 - Market connectivity needs to be further improved

Challenges to GBA's Success (2/2)



3. **Wide development gap** within GBA
 - Homogeneous competition and mismatch of resources exist
 - Coordination and compatibility need to be strengthened



4. **Lack of sustainable and stable support** in HK continuous economic growth
 - Macao's economic structure is **homogeneous** with **limited resources** for development
 - Market economy structure in 9 PRD cities calls for improvement



5. Regional development faces **various bottlenecks**
 - Constraints on resources and energy supplies
 - Pressure on ecology and environment
 - Reduction in the demographic dividend

VIDEO: [https://www.youtube.com/watch?v=48zDIjgsf_8] SCMP / 3:29—5:55 / 4 Dec 2021

Pause for Analysis (3)

Impact of COVID on development of the GBA initiative



07

Comparison of Major Bay Areas Within China and in the World

Comparison of China's Major Bay Areas

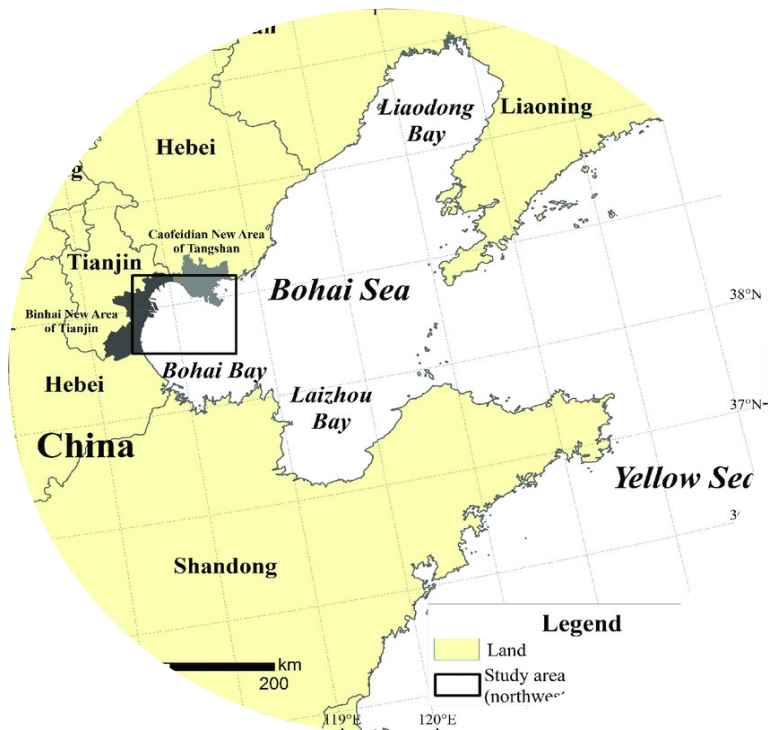


Key data (2019) on the four Bay Areas and their strategic positions

Data source: statistics bureaus of local governments

| Bay Area | Area | Population | GDP | GDP per capita | Advantage industry |
|---|-------------------------|---------------|----------------------|----------------|---|
| The GBA | 55,910 km ² | 72.70 million | 11,600.2 billion RMB | 159,630.1 RMB | Technology, finance, high-end manufacturing |
| Bohai Bay (Beijing-Tianjing-Hebei City Cluster) | 10,500 km ² | 113.1 million | 7897.41 billion RMB | 69826.8 RMB | Technology, education, finance, medical care, high-end manufacturing |
| Hangzhou Bay | 52,204 km ² | 41.28 million | 8,099.1 billion RMB | 175,799.9 RMB | Technology, education, finance, foreign trade, high-end manufacturing |
| Beibu Gulf City Cluster | 116,600 km ² | 46.07 million | 2,078.8 billion RMB | 45,122.6 RMB | Steel and oil industry, foreign trade |

Bohai Bay (Beijing-Tianjin-Hebei City Cluster)



- Located in the west of the Bohai Sea
 - Corresponds to Beijing-Tianjin-Hebei city cluster
- **World-class city cluster** centered on capital
 - New engine for innovation-driven growth
- **Expansion plans: Bohai Economic Rim**
 - To the Central-and-Southern Liaoning area and Jiaodong Peninsula

Hangzhou Bay

- Located in the northeast of Zhejiang Province
- **Important intersection zone** between “One Belt and One Road” and the Yangtze River Economic Belt
- **Most economically dynamic resource allocation center**





Beibu Gulf City Cluster

- Located in the northwest of South China Sea
 - Most convenient sea port in southwest China
- **State-level city cluster**
 - Including the city of Nanning, Beihai, Zhanjiang, Maoming, and Haikou
- **Livable and business-friendly** gulf city cluster
 - Facing ASEAN and serving the southwest, central south and south China by

Comparison of world's major bay areas



Key data (2021) on the four Bay Areas and their strategic positions

Data source: <https://research.hktdc.com/en/article/MzYzMDE5NzQ5>

| Bay Area | Area | Population | GDP | GDP per capita | Proportion of tertiary industry | Advantage industry | Fortune 500 Companies |
|------------------------|------------------------|---------------|----------------------|----------------|---------------------------------|--|-----------------------|
| The GBA | 56,098 km ² | 86.70 million | 1,958.14 billion USD | 22,585 USD | 64.8% | Technology, finance, high-end manufacturing | 24 |
| New York Metro Area | 17,312 km ² | 19.26 million | 1,809.32 billion USD | 93,934 USD | 77.1% | Finance, real estate, medical care | 35 |
| San Francisco Bay Area | 17,887 km ² | 7.76 million | 1,016.42 billion USD | 130,903 USD | 72.8% | Technology, different kinds of professional services | 17 |
| Tokyo Bay Area | 36,898 km ² | 44.37 million | 1,991.64 billion USD | 44,983 USD | 84.7% | Automobile, petrochemicals | 36 |

GBA's Technology-Related Advantage

Data source: Official website of municipal statistics departments

| | R&D intensity (R&D as a % of GDP) | Number of R&D personnel per 100,000 employment ^[1] | S&T personnel ^[1] | Number of patents (granted/applied) ^[1] |
|-----------|-----------------------------------|---|------------------------------|--|
| Hong Kong | 0.99% | 868 | N/A | 7,300/ 17,323 |
| Macao | 0.20% | N/A | N/A | 18/ 70 |
| Shenzhen | 5.46% | 2,354 | 464,119 | 166,609/ 261,502 |
| Guangzhou | 3.10% | 888 | 534,878 | 104,811/ 177,223 |
| Dongguan | 3.54% | 1,750 | 55,051 | 60,421/ 83,217 |
| Foshan | 2.67% | 1,732 | 22,057 | 58,752/ 81,016 |
| Zhuhai | 3.26% | 2,124 | 43,243 | 18,967/ 33,137 |
| Huizhou | 3.00% | 1,769 | 10,688 | 14,577/ 22,701 |
| Zhongshan | 2.35% | 1,314 | 21,414* | 33,395/ 43,066 |
| Jiangmen | 2.45% | 1,218 | 20,014 | 13,282/ 20,475 |
| Zhaoqing | 1.08% | 459 | 3,156 | 4,524/ 7,031 |

^[1]2019 Data

*The S&T personnel of Zhongshan is 2017 data.



GBA's Finance-Related Advantage

Data source: Official website of municipal statistics departments

| | The percentage of GDP contributed by finance | Number of people employed in the financial sector |
|------------------|--|---|
| Hong Kong | 19% | 273,000 |
| Macao | N/A | 12,800 |
| Shenzhen | 13.6% | 353,192 |
| Guangzhou | 8.6% | 834,752 |
| Dongguan | 5.8% | 26,408 |
| Foshan | 4.6% | 87,438 |
| Zhuhai | 10.7% | 45,583 |
| Huizhou | 5.7% | 41,657 |
| Zhongshan | 7.8% | 19,397* |
| Jiangmen | 6.8% | 62,964 |
| Zhaoqing | 4.0% | 15,413 |

*The number of people employed in the financial sector in Zhongshan is 2017 data.

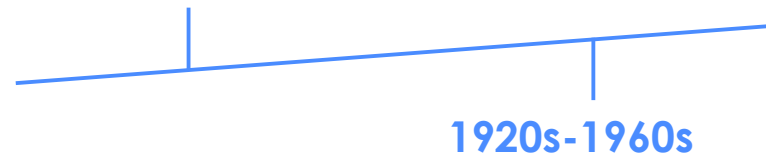
New York Bay Area

Since its development in the 1880s, the Bay Area of New York has become the heart of the U.S. economy and a world-renowned financial center, business center and shipping center.

Development History (1/2)

- Road Planning and construction started in 1811
 - A trade cluster centered gradually developed on Manhattan
 - New York's world status was initially formed after World War I

Early 19c-1920s



- New York acted as the core city and radiated to the surrounding cities
 - Formed a satellite city metropolitan area
 - Functions of each city were divided



New York Bay Area

Development History (2/2)

- 5 major cities formed an **urban agglomeration**
 - Including New York, Boston, Washington, Philadelphia, and Baltimore,
 - Initiated regional coordinated development

1960s-1990s

1990s-Present

- Became an **international financial center**
 - Developed in coordination with the industries of surrounding cities
 - Established as a **world-class bay area**



New York Bay Area

Distinct Features: Financial Bay Area

- **One of the world's financial centers:**
 1. NYC is the center of the Bay Area and the largest port city in US
 2. NYC has the world's largest and third largest stock exchange by market value
 3. Midtown Manhattan is world's largest CBD
 4. Home to more than 40% of the world's top 500 companies
- **Also famous for real state, medical care, education, technology, media, fashion, and entertainment industry**



San Francisco Bay Area

Since the gold rush in 1840s, the San Francisco Bay Area has become the world's famous high-tech center, educational center, and cultural center.

Development History (1/2)

- The Gold Rush attracted lots of immigrants
 - Gold mining smelting and port transportation developed rapidly
 - San Francisco became a central city

1840s-1920s



1920s-1950s

- Infrastructure construction vigorously developed
 - Transportation network layout started to form
- Research and manufacturing grew fast
 - San Francisco gradually spread its industry to surrounding cities



San Francisco Bay Area

Development History (2/2)

- Talent and capital accumulation helped expand Silicon Valley's influence
 - Formed a **multi-center decentralized** development pattern
 - Urban positioning gradually differentiated

1950s-Late20c



Late20c-Present

- Moved from regional to **global division of labor**
 - Head enterprises formed a strong leading role in the tech industry



San Francisco Bay Area

Distinct Features: Technological Bay Area

- **One of the world's high-tech innovation centers:**
 1. Home to more than 1,000 headquarters of high-tech companies
 2. Home to more than 20 research universities and 5 national laboratories
 3. Venture capital in Silicon Valley accounts for 40% of the US's
- **Also famous for education, artistic creation, exhibition, and sports domains**

Tokyo Bay Area

Since mid 19th century, Tokyo Bay Area has developed into an industrial bay area with iron and steel and metallurgy, while vigorously developing finance and high-end manufacturing.

Development History (1/2)

- Developed rapidly relying on the **port advantages**
 - Gathering surrounding resources

Mid19c-1950s

1950s-1970s

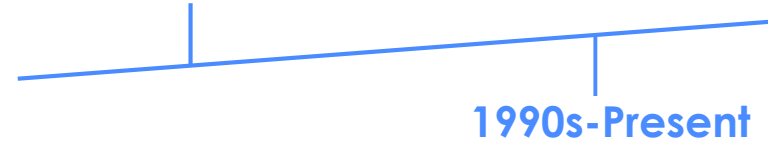
- Gradually formed a **metropolitan area** with the rapid development of **Japanese industry**
 - With Tokyo as the core spatial layout



Development History (2/2)

- Metropolitan economy developed
 - Formed a division of labor system dominated by Tokyo port group industries

1970s-1990s



- Regional system with Tokyo as the core was formed
 - Industrial division and cooperation system improved
 - Financial services and high-end manufacturing industries developed



Distinct Features: Industrial Bay Area

- **World-renowned industrial center :**
 1. The largest heavy and chemical industrial base in Japan
 2. Concentrated industries including equipment manufacturing, high-speed rail, chemical industry, modern logistics, and high-tech
 3. The largest port cluster and air network in Japan
- **Also the Japan business center, and famous for finance, cultural industry, and services**

References

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- [2] https://www.bayarea.gov.hk/filemanager/en/share/pdf/Outline_Development_Plan.pdf
- [3] <https://www.dsec.gov.mo/BayArea/en-US/#home>
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- [6] <https://assets.kpmg/content/dam/kpmg/cn/pdf/en/2017/09/the-greater-bay-area-initiative.pdf>
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- [14] <https://www.chinadailyhk.com/article/130740#New-policies-set-to-promote-Greater-Bay-Area-development>
- [15] <https://zh.wikipedia.org/wiki/%E4%B8%AD%E5%8D%8E%E4%BA%BA%E6%B0%91%E5%85%B1%E5%92%8C%E5%9B%BD%E6%9C%BA%E5%9C%BA%E8%BF%90%E8%90%A5%E7%BB%9F%E8%AE%A1%E5%88%97%E8%A1%A8>
- [16] <https://www.worldometers.info/geography/largest-countries-in-the-world/>
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- [19] <https://worldpopulationreview.com/countries>

End

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