

Changsha

Quick Facts

- Population: 7 Million
- GDP: £68 Billion (2012); 13% growth year-on-year
- 10% average economic growth rate over past 21 years
- Advantageous central position on China's high-speed rail network (e.g. 3 hours to Shenzhen/Guangzhou, 5 hours to Beijing, 1.5 hours to Wuhan)
- Sky City (bottom right) will become the tallest skyscraper in the world
- Hunan TV is China's leading broadcaster by audience ratings



Key Industries

- Machinery
- Automobile and components
- Chinese traditional medicine
- Pharmaceuticals
- Food and cigarettes
- Chemical engineering
- New Materials



Key Businesses

- Sany Group
- Zoomlion
- Broad Group



Why Changsha?

"We have enjoyed Changsha's advantages of labour and logistics costs, and government support." - Mr. Ha JoungWon, GM of LG Philips Shuguang, Changsha

Changsha is an important industrial city of inland China, and a key transport hub for the central region. Changsha is the capital city of Hunan Province, making it the political, economic, educational and cultural centre of the province. The city's regional importance has been enhanced recently by the new-high speed rail connections to Wuhan and Guangzhou.

Hunan is traditionally known for its agricultural industry, especially rice and cotton. However in recent years the province, and particularly Changsha city, has become an important centre for many industries, including steel, automotive components and bi-medicine. Changsha is benefiting from the drive of many international and Chinese companies to move manufacturing to inland areas - away from coastal provinces which are experiencing saturated markets and increasing labour costs.

Changsha's economy improved markedly during in the 11th Five-Year Plan period (2006-2010), when it experienced average annual growth of 15%. This had a rippling effect on Changsha society, for example total retail sales of consumer goods during the period experienced average annual growth of 19%. In the past five years, the economic development of Changsha has also been continually strong.

Changsha is well known as the place where former communist leader (1945-1976) Mao Zedong rose to political significance. The city itself was virtually destroyed by a fire during WW2 while fighting the Japanese, but has been successfully rebuilt since 1949.

The Sky City will be the tallest building in the world if completed as planned in 2014. The proposal is to assemble the Sky City from prefabricated sections and complete the process in only 90 days (although this schedule has received broad skepticism).



Foreign Direct Investment (FDI)

Changsha has attracted a substantial level of foreign investment, particularly from developed Asian nations. By 2009 more than 500 foreign companies had already made over USD 10 million worth of investments in Changsha. 59% of the total FDI has come from Hong Kong, South Korea, Singapore, and Japan, and only 37% from the USA and EU combined. Some well-known examples of FDI in Changsha include:

- HSBC
- Motorola
- Pepsi
- Bosch
- Standard Chartered
- LG
- ArceloMittal
- GAC Fiat
- Interbrew
- Dunlop
- Aviva COFCO
- Mitsubishi



CBBC Changsha is Here to Help

In January 2013, China-Britain Business Council established an office in Changsha - its 13th in China. CBBC Changsha has already built a strong relationship with the local government and business organisations at different levels in the region. CBBC Changsha offers quality research and advice to UK companies that are looking to develop their business in the region, as well as helping local Hunan based companies look for opportunities to expand and invest in the UK.

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12th Five-Year Plan (2011-2015)

Top 7 Strategic New Industries:

1. Advanced Manufacturing: intelligent engineering plant outfit, numerical control equipment, aerospace equipment, power transmission and rail transit equipment
2. Materials: new energy materials, advanced compounds and low-energy materials
3. New Energy and Environmental Protection: energy-conservation techniques and equipment, and the related service industry
4. New Energy Vehicles
5. Bio-industry: biological medicine, biological engineering and bio-manufacturing
6. Cultural Creativity: movies & tv, creative design, animation and digital information
7. ICT: basic software, application software and information service industry

Some specific 12th "Five-Year Plan" Projects Include:

- Completion of Changsha metro/underground transit system lines 1 & 2, which will include 39 underground stations
- Building of new highways/expressways covering 1,500km
- Building 7 tunnels across Xiangjiang river and 4 tunnels across Liuyang river

