

**THE GUANGXI BEIBU GULF ECONOMIC
ZONE AND CHINA'S MARITIME SILK ROAD
IN THE 21ST CENTURY**

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EAI Background Brief No. 931

Executive Summary

1. The Guangxi Beibu Gulf Economic Zone (BGEZ) in China has since 2008 enjoyed multi-level preferential central policies focusing on the development of western, coastal and border areas.
2. In 2008, the State Council of China approved the “Development Plan for the Guangxi Beibu Gulf Economic Area”, which has since been upgraded to a national strategy. The Plan constitutes an important part of the western development strategy implemented by the Chinese government since the early 2000s.
3. In the BGEZ, the Chinese and Malaysian governments aim to develop the China-Malaysia Qinzhou Industrial Park (CMQIP) into an advanced manufacturing base and a flagship project for mutual cooperation that could further enhance China-ASEAN (the Association of Southeast Asian Nations) relations.
4. Guangxi is perceived as the gateway for China-ASEAN cooperation as it is the only province in China with both land and sea access to ASEAN countries and the only western province with a sea gateway.
5. The Guangxi government is very active in initiating proposals to promote bilateral cooperation between China and ASEAN member states; it is hence eager to take on the “maritime silk road of the 21st century” initiative announced by the Chinese central government in 2013.
6. The Guangxi government attempts to make Guangxi an important part of this maritime silk road and to give the Beibu Gulf Zone new dynamics for boosting development.
7. With this maritime initiative, China’s vast inland central and western regions such as Guangxi would be looped into the global maritime trade via the South China Sea, Indian Ocean and East China Sea.

8. Guangxi has achieved fast economic growth since 2006; however, it remains one of the poorest and most underdeveloped regions in China.
9. Although a regional network of ports has been formed, the ports located in Guangxi have not achieved efficiency and cost effectiveness in the shipment of cargo.
10. The preferential policy granted by the Chinese central government to Guangxi and other western regions is converging and becoming quite homogeneous. Guangxi thus needs to find new ways to boost local economic development by capitalizing on its geographical advantages and resource abundance.
11. The bilateral trade and investment projects between Guangxi and Vietnam have been stalled by the anti-Chinese riots in Vietnam.