

**CAN XIONGAN NEW AREA COORDINATE
BEIJING-TIANJIN-HEBEI
DEVELOPMENT?**

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Executive Summary

1. In 2017, Xiongan New Area (thenceforth Xiongan) was officially demarcated to cover areas around 100 km southwest of Beijing to assist Beijing's non-capital functions and boost Hebei's economic growth.
2. Xiongan now covers 100 sq km of Xiongxian, Rongcheng and Anxin of Baoding city. It has been targeted to cover 2,000 sq km with planned population size of 2-2.5 million in the future.
3. To reach 2,000 sq km, Xiongan may have to quickly expand to the surrounding cities. First, Xiongan would have to carefully consider its positioning with Baoding (or Cangzhou) in the beginning.
4. Second, Xiongan's current population is around 1.03 million; with new residents from state-owned enterprises and university settlements moving in, it might be difficult to cope with the targeted 2.0-2.5 million population. It would hence have to balance its economy with the impending labour growth.
5. Third, as Xiongan is an annex to Beijing, the Beijing government will have to weigh its priorities in running Xiongan according to political or market functions.
6. China's previous successes with Shenzhen and Pudong relied on their positioning with surrounding regions of the major metropolises of south and southeast China.
7. The 'Shenzhen model' built a new city centre to link previously loosely connected local market centres in Yue-Gang-Ao (Guangdong-Hong Kong-Macau); the 'Pudong model' extended the existing centre to coordinate the current market agglomeration of Jiang-Zhe-Hu (Jiangsu-Zhejiang-Shanghai).
8. The Chinese government has now looked to Shenzhen and Pudong as examples of replication for Xiongan. Xiongan aims to integrate both market agglomeration and economic coordination functions in the Jing-Jin-Ji region.

9. The political support received for Xiongan is both its biggest advantage and biggest uncertainty. The Chinese government may have shortened Xiongan's development time, but the question is on the sustainability of such efforts.