

**DEVELOPMENT OF CHANGXING
ISLAND (DALIAN): A KEY INDUSTRIAL
PORT ZONE FOR NORTHEAST CHINA**

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Executive summary

1. The development of Changxing Island is significant for municipal, provincial and regional reasons -- Dalian needs a new area to further propel the municipal's opening-up and foreign economic ties.
2. The development of Changxing Island is a major measure in rejuvenating the old industry bases of Northeast China. It will stimulate Liaoning's coastal economy and the development of foreign economic relations for the vast hinterland of Northeast China.
3. Li Keqiang, CPC (Communist Party of China) Secretary of Liaoning Provincial Committee, is a rising political star who is widely seen as one of the front-runners to succeed Hu Jintao. The development of Changxing Island would help boost Li's image as a new, great leader within the Party and among the Chinese.
4. The long-term goals of developing Changxing Island are to transform the equipment manufacturing industry in Northeast China from resource-based to transport-based; to build a satellite town in Dalian with a population of 500 thousand in 15 years, and to become a major component port serving Dalian international shipping center.
5. The Liaoning Provincial Government and the Dalian Municipal Government implemented a series of preferential policies in support of the development of Changxing Island. The development of the island has gained substantial support from the central government.
6. Changxing Island hopes to attract foreign investment that focuses on the quality of its investment projects and gives high priority to sustainable development whilst emphasizing technology, expertise and talents.

7. The development of Changxing Island has important implications for the economic development of other regions. There will be competition between Changxing Island and other economic areas/industrial zones in Bohai Economic Rim. The development of Changxing Island will have an impact on the Northeast Asia economy, mainly international division of labor.