NANSHA NEW DISTRICT IN GUANGDONG: STATE INITIATIVES AND PERSPECTIVES

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Executive Summary

1. In the past little has been known of Nansha, a tiny fishing town outside Guangzhou. Due to the backward transportation facilities and relative remoteness, Nansha was regarded as the “Siberia of the Pearl River Delta” or an isolated and poor area.

2. The central government has given Nansha the opportunity to rejuvenate itself and play a lead role in the economic transformation of the Pearl River Delta region (PRD). In September 2012, it mapped out a new national development area and outlined a new blueprint for Nansha New Area of Guangzhou.

3. Central and local governments expect the development of Nansha to help speed up the industrial restructuring and upgrading of Guangdong. The development of advanced industries will develop Guangzhou into a key national city of global significance. Nansha Port as the only gateway for Guangzhou to access the sea is set to take on a key role.

4. The economic performance of Nansha makes it a fast growing area in Guangzhou and the PRD as a whole. The automobile sector, which accounted for more than 42% of total industrial output of Nansha in 2011, is fast becoming one of the three key automobile production and export bases in China.

5. Nansha is closely associated with the late Dr Fok Ying-tung (1923-2006), a powerful Hong Kong tycoon. Fok Ying-tung forged close political ties with Beijing and was a politically well-connected businessperson. Nansha was his hometown. For years, Fok had lobbied Beijing for special treatment and state initiatives for Nansha.

6. The increasing regional competition has pressured Guangdong leaders to promote the development of Nansha in order to strengthen Guangdong’s regional competitiveness. Nansha is targeted to achieve breakthroughs in key
reform areas, including administration, innovation, and economic and social management with the implementation of a wide range of pilot programs.

7. Nansha enjoys many state preferential treatments. The development of Nansha will be coordinated through a National Development and Reform Commission-led national mechanism, unlike the regional development plans for Qianhai in Shenzhen and Hengqin in Zhuhai.

8. However, the current institutional framework and administration structure reflect that the Nansha government lacks the authority to exercise real autonomy over local development, implement reform initiatives or achieve reform breakthroughs.

9. The structure of the Nansha government administration is still too cumbersome. The Nansha government may have to streamline its departments to reduce red tape and the burden of bureaucracy through adjustments, mergers and dissolution.