

Chongqing Municipality - A Gateway to Middle and Southwestern China

General Information:

Overview

Chongqing is situated at the transitional area between the Qinghai-Tibet Plateau and the plain on the middle and lower reaches of the Yangtze River in the sub-tropical climate zone often swept by moist monsoons. It often rains at night in late spring and early summer, and thus the city is famous for its "night rain in the Ba Mountains". The municipality reaches a maximum width of 470 kilometers (290 mi) from east to west, and a maximum length of 450 km (280 mi) from north to south. It borders the following provinces: Hubei in the east, Hunan in the southeast, Guizhou in the south, Sichuan in the west and northwest, and Shaanxi to the north in its northeast corner.

In 1997 Chongqing became one of four municipalities under the direct administration of the central government. Over the last few years, Chongqing's economy has been witnessing a rapid development. Its GDP grew to \$257.4 billion in 2015, up 11 percent year-on-year, the fastest growth rate among 31 provinces in China.

History

Chongqing has a 3000-year-long history, was the State of Ba during the Spring and Autumn period after moving from their first capital Yicheng in Hubei under pressure from Chu. This new capital was first named Jiangzhou in 316 BCE, however, the state of Ba was conquered by the State of Qin.

In 1362, (Yuan Dynasty), Ming Yuzhen, a peasant rebelling leader, established the Daxia Kingdom at Chongqing for a short time. In 1621 (Ming Dynasty), another short-lived kingdom of Daliang was established by the Chongming with Chongqing as its capital. In 1644, after the fall of the Ming Dynasty to rebel army, Chongqing, together with the rest of Sichuan, was captured by Zhang Xianzhong, who was said to have massacred a large number of people in Sichuan and depopulated the province. The Manchus later conquered the province, and during the Qing Dynasty, immigration to Chongqing and Sichuan took place with the support of Qing emperor.

Chongqing Municipality



Population (2015):	30.161 million
Capital:	Chongqing
GDP 2015 :	\$257.4 b, up 11%
GDP per capita:	\$7,810
Import trade 2014:	\$32.04 b, up 46.3%
Export trade 2014:	\$63.41 b, up 39%

In 1890 the British Consulate General was opened in Chongqing. The following year, the city became the first inland commerce port open to foreigners. The French, German, US and Japanese consulates were opened in Chongqing in 1896-1904.

In 1929, Chongqing became a municipality in the Republic of China. During the Second Sino-Japanese War (1937–1945) it was Chiang Kai-shek's provisional capital. More than 50 embassies moved to Chongqing with the Kuomintang (KMT) government at the time, and by now, some of which are still well protected. During this time, the Allies set up the Chinese Anti-fascist headquarters in Chongqing, which was responsible for directing the allied army of China, Vietnam, Thailand, Burma and Malaysia. It was under the direction of Chiang Kai-shek and General Joseph Stilwell. The Japanese Air Force heavily bombed it. Due to its mountainous environment, many people were saved from the bombing. Due to the bravery, contributions and sacrifices made by the local people during World War II, Chongqing became known as the City of Heroes. Many factories and universities were relocated from eastern China to Chongqing during the war, transforming this city from inland port to a heavily industrialized city. In late November 1949 the Nationalist KMT government fled the city.

Geography

Chongqing covers a large area crisscrossed by rivers and mountains. The Daba Mountains stand in the north, the Wu Mountains in the east, the Wuling Mountains in the southeast, and the Dalou Mountains in the south. The whole area slopes down from north and south towards the Yangtze River valley, with sharp rises and falls. The area is featured by mountain and hills, with large sloping areas at different heights. Typical karst landscape is common in this area, and stone forests, numerous collections of peaks, limestone caves and valleys can be found in many places. The Yangtze River runs through the whole area from west to east, covering a course of 665 km, cutting through the Wu Mountains at three places and forming the well-known Three Gorges: the Qutang, the Wuxia and the Xiling gorges. Coming from northwest and running through "the Jialing Lesser Three Gorges" of Libi, Wentang and Guanyin, the Jialing River joins the Yangtze in Chongqing.

The central urban area of Chongqing, or Chongqing proper, is a city with its unique features. Built on mountains and partially surrounded by the Yangtze and Jialing rivers, it is known as a "mountain city" and a "city on rivers". The night scene of the city is very illuminated, with millions of lights and their reflection on the rivers. With its special topographical features, Chongqing has the unique scenery of mountains, rivers, forests, springs, waterfalls, gorges, and caves.

Geographically Chongqing is adjacent to Sichuan, Hubei, Hunan, Huizhou and Shaanxi provinces. Its unique location serves as a perfect gateway and bridgehead to Middle and Southwestern China.

Economy

Chongqing has long been one of southwest China's major commercial and industrial hubs. As the only municipality in western China under the jurisdiction of the central government, Chongqing is at the forefront of the "Go West" national development campaign, and is crucial in attaining goals for western development laid out in the 12th Five-Year-Plan.

The city is receiving increasing attention from foreign and domestic enterprises as continued growth and opening takes place in Chongqing's traditionally strong manufacturing and legal sectors, and new growth expands the education, tourism, retail, and high-tech sectors. In 2015, foreign direct investment (FDI) in Chongqing reached \$10.76 billion, with over 250 Fortune 500 multinationals having an established presence in the city. Chongqing's GDP reached \$257.4 billion in 2015, up 11 percent from 2014. This was accompanied by an 8.3 percent year-on-year increase in urban per-capita disposable income, which reached \$4,323 by the end of 2014. Such growth highlights the increasing strength of Chongqing's consumer economy and helped fuel a 12.5 percent increase in retail sales from 2014.

Manufacturing

Auto & Auto parts – In 2015 Chongqing became the largest automotive production base in China with total production of 3.04 million units of vehicles, an increase of 15.15%, accounting for 12.4% of national total.

Now 10 auto makers have set up their production base in Chongqing. Among the 10 auto makers, Chongqing ChangAn Motor is far way bigger than others in scale. ChangAn Motor and its affiliated factories in other provinces produced 2.78 million units of vehicles in 2015. It is reported that ChangAn Motor (JV with Ford) still keeps expanding its production capacity recently. Its third factory in Chongqing is scheduled to start production by the end of this year. When completed, the total annual production in Chongqing will reach 2.5 million units in 2016. Besides, other auto makers, like Shanghai GM, Dongfeng Motor, Hyundai and others planned to make investments in building manufacturing facilities in Chongqing city.

According to the plans from those auto makers, by 2020 the total production of vehicles made in Chongqing will reach 5 million units a year.

Currently there are over 1,000 auto parts makers in Chongqing.

Electronics – Chongqing's electronic industry, including computer, smartphone, monitor, printed circuit board, printer and others becomes one of two pillar industries (automotive and electronic) for Chongqing's manufacturing industry. Over the last 5 years, almost all global giants of electronic manufacturers, such as Intel, Dell, PH,

Lenovo, Foxconn, Investec, Acer, Hynix, Ju Teng, Lai Bao, AT&S, BOE and others set up their manufacturing facilities in Chongqing.

In the first half of 2015, Chongqing produced 79.52 m units of smartphones and 8.6 m units of TFT-LED monitors, representing an increase of 64.31% and 49.93%, accounting for 10.1% and 10% of national total respectively compared to the same period of last year, while national growth rate at the same period was only 4.55% and 9.46%.

Chongqing became the largest lap top computer manufacturing center in the world since 2013. Now, every one of three lap top computers on the market place in the world is made in Chongqing.

Motorcycle – China is the No.1 motorcycle producing nation in the world. Chongqing is not only famous for its beautiful three Gorges scene, but known as the capital of motorcycle in China. Chongqing produced over 8.41 million units of motorcycles in 2015, accounting for about 44.6% of national total. The annual engine production exceeds 10 million units, of which about 15% of them export to overseas markets.

There are over 600 local companies specialized in making motorcycle and related parts.

Die & Mold – Over 2,000 companies are emerged in Chongqing in the past 10 years. They will be huge potential buyers for machine tool products in the future.

Other Target Markets (provinces and industries)

Geographically Chongqing is adjacent to Sichuan, Hubei, Hunan, Huizhou and Shaanxi provinces. Its unique location serves as a perfect gateway and bridgehead to Middle and Southwestern China.

Sichuan

- Heavy duty machinery: power generation, metallurgical equipment, chemical engineering equipment, gas and oil equipment, locomotive equipment
- Aerospace
- Automotive: 17 automotive makers (with 1 million units of vehicles annually) including BMW, Dong Feng Motor, FAW-VW, FAW-Toyota, Volvo, Geery and others. Total production is about 1 m units of vehicles.

Hubei

- Automotive: 1.7 m units of vehicles annually, accounting for 7.3% of national total.
- Machine tool and robots

Hunan

- Construction equipment
- Rail transit and locomotive: SRC

Guizhou

- Aerospace
- Mining equipment

Shaanxi

- Aerospace
- Truck and engine

Map of Middle and Western China

