

# HK-Jiangxi trade, investments set for new heights

By JOYCESUN in Hong Kong

Jiangxi province is teaming up with Hong Kong to achieve economic growth and social prosperity, leveraging on the nation's opening-up strategy.

The 2018 Jiangxi-Hong Kong Economic and Trade Cooperation Conference was held in the SAR earlier this year, with more than 500 projects provided to Hong Kong investors, covering electronic information, LED lights manufacturing, automobile and auto-parts production, and artificial intelligence.

Total investments sought reached some 1.2 trillion yuan (\$189 billion).

Once seen as an undeveloped hinterland, Jiangxi has emerged as a leader in the "rise of central China". Last year, the southeastern province recorded an 8.9-percent, year-on-year GDP growth, joining the 2-trillion-yuan league for the first time.

In the past two decades, trading and investment activities between Jiangxi and Hong Kong had risen by leaps and bounds. Hong Kong direct investments in the province soared a stunning 47 times during the period, hitting \$ 8.63 billion in 2016. The trading volume of imports and exports stood at \$3.66 billion in 2016, dwarfing the \$263 million recorded some 20 years ago, according to data from the Jiangxi provincial government.

The province has six major promising industries, according to

the Department of Commerce of Jiangxi Province. They comprise the medicine, electronic information, automobile, aviation, photovoltaic power and food-processing sectors.

Jiangxi exports electronic products, textiles and agricultural products to Hong Kong each year, and imports high-tech products from the SAR.

Hong Kong remains Jiangxi's biggest source of foreign capital, accounting for 72.25 percent of the total foreign capital utilized by the province, according to Xinhua News Agency.

To date, Jiangxi enterprises have invested in 140 companies in Hong Kong, covering commercial and tourism services, as well as product development, with gross investment reaching \$374 million as of late 2016, according to official statistics.

Hong Kong, as the first-stop for Chinese domestic companies going global, has attracted a big number of Jiangxi-based companies seeking initial public offerings in Asia's financial hub.

Earlier this month, Jiangxi-based Ganfeng Lithium the Chinese mainland's largest and the world's third-largest lithium producer completed its IPO and debuted in Hong Kong, raising \$424 million.

The Hong Kong stock market is emerging as the first choice of Jiangxi-based companies seeking flotations outside the mainland after Hong Kong Exchange and



The Financial Secretary, Mr Paul Chan, speaks at the 17th Jiangxi-Hong Kong Economic and Trade Co-operation and Exchange Seminar. PHOTO PROVIDED TO CHINA DAILY

Clearing launched new policies, removing listing curbs on dual-class share enterprises and pre-profit biotech companies.

So far this year, 17 Jiangxi-based companies have gone public in Hong Kong, including Jiangxi Copper, China Weaving Materials and Jiangxi Bank, with total funds raised exceeding \$1 billion.

In conjunction with HKEx's IPO reform, the Jiangxi government unveiled guidelines on the "task book", "road map" and "timeline" of enterprises going public in an attempt to support at least 120

Jiangxi enterprises covering the metal, agriculture and textile industries, with the aim to complete their IPO procedures by late 2020. Total funds raised could exceed 250 billion yuan, according to data from Jiangxi province government.

To further strengthen economic cooperation, business executives from Guangdong-Hong Kong-Macao Greater Bay Area visited "The Gan River New Area" – the nation's 18th new area located in Jiangxi province in August in a bid to boost private-sector collaboration.

Kaya Tao, one of the early investors in Jiangxi province two decades ago and who's now secretary of the Hong Kong Automobile Chamber of Commerce, said Jiangxi's portrait and transportation system have undergone significant changes since 1993 when she first went to the province.

"Hong Kong and Jiangxi are very close in terms of geopolitical and economic links," said a Hong Kong government official. "We could open a new era by seizing the historical opportunities created by the Bay Area."

## A province with endless stories of history

By JOYCESUN in Hong Kong

Jiangxi – the southeastern mainland province in the middle-and-lower reaches of the Yangtze River and dubbed the "sacred place of the Chinese revolution" has endless stories in modern history.

Its provincial capital Nanchang is known as the "cradle of the people's army", Mount Jinggang is called the "cradle of the Chinese revolution" and Ruijin city lays claim to the moniker, the "cradle of the People's Republic". The events that took place in the mountains and forests of Jiangxi during the tumultuous first half of the 20th century have shaped the destiny of modern China.

Ties between Jiangxi and the Hong Kong Special Administrative Region dated back to the Song Dynasty (960-1279) when the Wen, Deng and Peng clans from the province began migrating to Hong Kong. Today, more than 10,000 Hong Kong residents are from Jiangxi.

As a province enveloped by mountains and valleys, Jiangxi has many tourist attractions, including Unesco World Heritage Site Mount Lu, Mount Longhu and Mount Sanqing, which is the Ancient Kiln Folk Customs Museum in Jingdezhen -- China's "porcelain capital". That attracted many tourists from



Jiangxi Jiujiang Train Station welcomes tourists travelling to Jiangxi and other places around China during this year's national holidays. ASIANEWSPHOTO

Hong Kong.

During the National Day "Golden Week" earlier this month, Jiangxi was the first province to offer price concessions for key places of interest for both domestic and foreign visitors. Provincial officials said their aim was to

attract more overseas visitors to Jiangxi and have more travelers using its international airport in Nanchang.

As of 2016, more than 618,300 Hong Kong tourists had been to the province, accounting for nearly 30 percent of the overall num-

ber of overseas visitors. They contributed \$191 million in revenue for the province up almost 4 percent from the previous year.

With the launch of the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link last month, as well as the much-heralded Guangdong-Hong Kong-Macao Greater Bay Area, Jiangxi has great potential to further strengthen its links with the SAR in every aspect.

"Within China, the Bay Area has the potential to extend its reach beyond the Pearl River Delta to the nearby provinces of Fujian, Jiangxi, Hunan, Hainan, Guizhou and Yunnan, as well as Guangxi Zhuang autonomous region" said KPMG China's Managing Partner Ayesha Lau.

Known for its agricultural and natural ecological environment, Jiangxi is playing the role of a "provider" in the daily lives of Hong Kong people. Mount Sanbai – a 1,164-meter high mountain in Jiangxi's Ganzhou city -- is the source of the Dongjiang River, providing drinking water for Hong Kong's more than 7 million people.

Farmers from the province also provide a great amount of vegetables, raw pork and freshwater fish for Hong Kong, taking up more than a quarter of the city's total consumption.