
Access China

Inner Mongolia

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Economist Intelligence Unit

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Province summary

Main economic indicators

	2010	Rank
GDP		
Nominal GDP (Rmb bn)	1,167	15 out of 31
GDP per head (Rmb)	47,764	6 out of 31
Consumption		
Disposable income per head (Rmb; urban)	17,698	10 out of 31
Total expenditure per head (Rmb; urban)	13,995	8 out of 31
Population (m)	24.4	23 out of 31
External trade (US\$ bn)		
Exports (by location of producer)	4.4	25 out of 31
Imports (by location of consumer)	7.3	21 out of 31
Exchange rate		
Rmb:US\$ (av)	6.77	–
Foreign investment (US\$ bn)		
FDI utilised	3.4	18 out of 31

Sources: Economist Intelligence Unit; National Bureau of Statistics.

Inner Mongolia's economy has expanded rapidly in recent years, benefiting from growing domestic demand for its resources. The development of the Bohai Bay rim as China's third hub (after the Pearl and Yangtze River deltas) has resulted in vastly improved transport links between the landlocked region and sea ports in Bohai, boosting trade with the resource-rich area. Rapid economic growth over the decade has propelled Inner Mongolia up the GDP ladder, and despite its relatively small population it now has the second-largest economy in western China.

However, the success of this autonomous region has been built largely on a base of highly energy-intensive and heavily polluting industries, which must now be modernised. A reliance on coal and other energy-related resources means that the region is vulnerable to swings in demand. Excessive investment in property development accompanied the overall economic boom, and has proved volatile. The older industrial belt in eastern Inner Mongolia is targeted for revitalisation, whereas the bulk of economic and industrial strength is centred in the provincial capital, Hohhot, and the nearby cities of Baotou and Erdos. The sheer area of the autonomous region—covering 1.18m sq km, or around five times the land mass of Guangxi—and its sparse population give rise to a wide range of developmental concerns.

Inner Mongolia's share of China's population has remained below 2% while its economic contribution has surged towards 3% of the national GDP. As a result, per-head incomes have increased. Inner Mongolia overtook the national average level of expressway penetration in 2004 and is home to China's longest railway network. Nevertheless, Inner Mongolia's transport network is not as dense as in most other provinces.

The region occupies a flat inland plateau surrounded by mountains. Road and rail links are mainly clustered around industrial areas in the central and eastern regions, and production output of a few industries, especially coal, has been

limited by a lack of transport links despite the improvements made in recent years. Weak infrastructure links have also deterred non-resource-focused investors in the region. Moreover, the region's ecological changes pose a potential bottleneck, if not an outright risk to growth. Desertification is taking its toll on grasslands, and is leading in turn to water shortages. The rapid development of the coal mining industry has created unease in local communities that culminated in serious clashes in May 2011.

Although Inner Mongolia is one of the officially designated ethnic autonomous regions in China, only 17% of the resident population is Mongolian. Other minorities account for another 3%, while the balance comprises Han Chinese. The region benefits from hefty central government support, mainly for investment rather than for community welfare. Following the ethnic unrest in 2011, however, this is beginning to change.

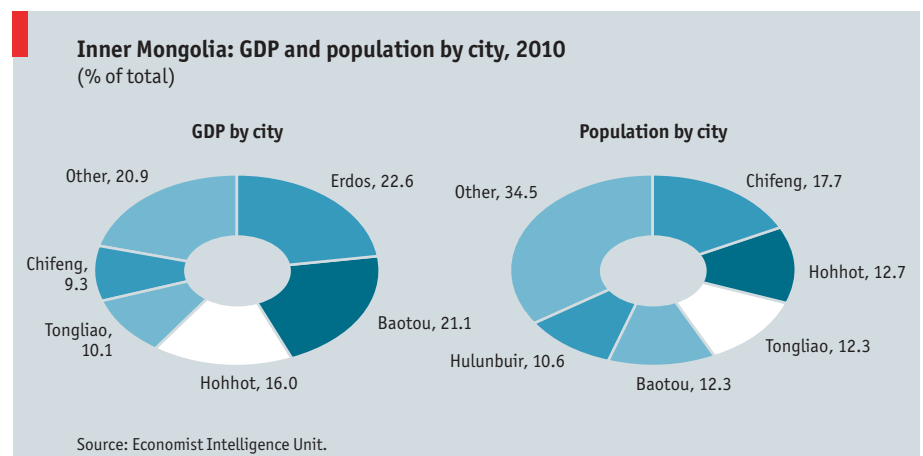
Inner Mongolia's development appears unbalanced and poorly co-ordinated. While the GDP per head of the Hohhot-Baotou-Erdos urban cluster is among the highest in China, the rest of Inner Mongolia remains poor: 60 out of 101 counties in the region are categorised as key areas for poverty alleviation, with around 2.6m people living in poverty. Some 1.5m of these are from herding communities.

Highlights

- Economy**
- Inner Mongolia's economy expanded by 14.3% in 2011, slightly slower than in the previous year. Growth was on par with Sichuan and Guizhou, and marginally slower than the provincial-level municipalities of Tianjin and Chongqing. The province started to see a significant decline in property-related investment, dragging down overall growth.
 - The Economist Intelligence Unit forecasts that real GDP growth will slow further to 12.5% in 2012 as property investment growth softens even more compared with the breakneck pace of development seen in 2010 and part of 2011. The slowdown in national growth will feed into weaker demand for commodities and energy, which will have a disproportionate impact on Inner Mongolia.
 - The region's growth has been spurred by resource extraction, which has in turn attracted further investment. Fixed-asset investment increased by 21.5% to Rmb1.1trn (US\$175bn) in 2011, or nearly 77% of GDP. The secondary sector expanded by 17.8% in 2011, much faster than the tertiary sector's growth of 11%. Investment in utilities (electricity, gas and water) declined by 14.2%.
- Industry**
- Inner Mongolia is home to China's second largest coal deposits, and it overtook Shanxi to become China's biggest coal-producing region in 2009. In 2011 its raw coal output reached 979m tonnes. Coal transport infrastructure is set to improve; in July 2012 a state-owned energy enterprise, Shenhua Group, signed an agreement with the Inner Mongolian government to invest Rmb10bn in the construction of six railways for coal transport.
 - In August 2012 the National Development and Reform Commission (NDRC, the top economic planning body in China) cut the coal production target for Inner Mongolia by 7% from 2011 output levels, because of excessive stockpiles. The national economic slowdown has reduced demand for energy and, in turn, coal, which has led to falling prices. Producers in the province are likely to have to cut back on production this year, as the new levels set by the NDRC are below the provincial government's original output forecasts for the year.
 - The region's renewable-energy industry has also expanded rapidly. Installed wind-power capacity rose from 170 mw in 2005 to 12.8 gw by the end of 2011, accounting for around 20% of China's total wind-power generating capacity.
 - Inner Mongolia is the main producer of rare earths, such as steel-strengthening minerals essential for the production of wind turbines. Along with nine other companies, the country's largest producer of rare earths, Inner Mongolia Baotou Steel Rare-Earth, established China's first rare-earth commodity exchange company in Baotou in August 2012. The company, with registered capital of Rmb100m, has yet to launch trading activities.

Consumer profile

- In line with Inner Mongolia's rapidly growing GDP, urban disposable income per head has been among the fastest-rising in China, growing by an average of 11.1% a year in 2006-10. In 2011 the urban disposable income per head rose by 15.3% in nominal terms to Rmb20,408 (US\$3,239), which remains below the national urban average of Rmb21,810.
- Wealth levels in cities built on rich reserves of natural resources, such as Baotou and Erdos, are among the highest in China. Thus, the bigger cities are important targets for many firms' domestic market-penetration plans.
- The net incomes of farmers and herdsmen rose by an annual average of 9.8% in 2006-10. Rural net income per head rose by 20.1% in 2011 (far more rapid than the 12% growth seen in 2010) to Rmb6,642. The average income remains slightly below the national rural average of Rmb6,977, although growth was ahead of the national increase of 17.9%. The government has pledged to raise urban and rural incomes to the national average by 2020. An estimated 11% of the population (around 2.6m people) still live below the poverty line—an issue that was raised by the region's Chinese Communist Party secretary, Hu Chunhua, at the March 2012 meeting of the National People's Congress.
- Retail activity is concentrated in the central part of the region, where incomes are high. Urban consumer expenditure per head rose to Rmb15,878 in 2011—a year-on-year increase of 13.5%.
- Total retail sales grew by 18% to Rmb393.7bn in 2011, with rural retail sales accounting for 12.6% of the total. The growth rate for automotive sales dropped to 18.8%, from 32.4% in 2010. On the other hand, retail sales of petroleum and petroleum products rose by a hefty 45.1% to Rmb56.6bn (US\$9bn).



National and provincial initiatives

	Plan	Includes	Purpose
National	"Go West" or "Great Western Development Strategy" (<i>Xibu dakaifa</i>)	Spending on physical and social infrastructure in order to attract investment; the plan to accelerate the development of the western region includes a proposal to build more coal-dedicated railway lines.	To prevent further widening of wealth gap between the wealthy coastal provinces and the interior western region; to reduce coal transport costs for coal, resulting in lower energy costs.
	Energy golden triangle	A policy initiative proposed by the National Development and Reform Commission and the National Energy Administration to co-ordinate the development of energy-related industries in four regions/provinces: Inner Mongolia, Gansu, Ningxia and Shaanxi. The plan has yet to obtain official approval from the State Council (China's cabinet).	To stimulate the development of energy and chemicals industry bases in Erdos (Inner Mongolia) as well as Ningdong (in Ningxia's capital, Yinchuan) and Yulin (Shaanxi); there is potential for a Xinjiang-Ningxia coal route alternative to Xinjiang-Inner Mongolia.
	Policies to boost reforestation	Central government announced policies to boost forest coverage to 21.5% of the total and grassland to 43% by 2015; desertification affects more than 50% of the region's land mass.	Inner Mongolia's chairman, Bagatur, acknowledged that 37% of the autonomous region's land has become fragile; policies are aimed at reversing this trend.
	"Revitalise the north-east" (<i>Zhenxing dongbei laogongye jidi</i>)	Reform of inefficient state-owned enterprises, cultivation of the private sector, encouragement for industrial diversification and utilisation of foreign capital. Includes five areas in Inner Mongolia: Hulunbuir, Xingan League, Tongliao, Chifeng and Xilingol League.	To improve the livelihood of workers affected by the downturn of industry in the north-eastern provinces.
Provincial	North-east Economic Zone	Co-operation agreement between the leaders of Heilongjiang, Jilin, Liaoning and Inner Mongolia.	To co-operate on the development of ecology, transport and the power grid, among other arenas; to promote integrated development.
	New-energy industry demonstration zone	Establishment of a development zone in Erdos.	To attract 11.95 gw in biomass, hydropower, solar and wind projects.
	Promote balanced development	Inner Mongolia government announced plans to regulate the use of natural resources in Hohhot, Baotou and Erdos.	To restrain growth in three areas that account for 55% of the region's GDP, roughly one-third of its population and 11% of its land mass, as urban-rural imbalances have become increasingly evident.
	Promote manufacturing and high-tech investment	For every Rmb2bn of fixed-asset investment in manufacturing or high-technology sectors, 100m tonnes of coal will be allocated; supply of rare earths to be limited, to encourage manufacturers to set up production in Inner Mongolia.	To encourage manufacturers to set up near sources of raw materials rather than near consumers.
	Reorganisation programme for coal enterprises	To reduce the number of coal enterprises in Inner Mongolia to 80-100; enterprises with annual production below 1.2m tonnes will be closed by 2013.	To optimise and upgrade the coal industry.

Industry

Recent projects

	Company	Activities	Investment value
Emerging sectors			
Aviation	KB-SAT and China-Russia International Investment (Russia); China Oriental Sciences Group (China)	A joint venture (52%-owned by China Oriental Sciences Group, 38% by aircraft designer KB-SAT and 10% by China-Russia International Investment) is to make 400 4-12-seat airplanes by 2016. (Erdos)	Rmb8bn (US\$1.3bn)
Chemicals	Huadian (China)	Coal-to-chemical project started construction in May 2010; planned annual production capacity of 4bn cu metres of natural gas and 400,000 tonnes of ethylene glycol, as well as power-generation capacity. (Hulunbuir)	Rmb35bn (US\$5.6bn)
Chemicals	Shenhua (China)	Shenhua Wuhai Energy started construction of porous ammonium nitrate plant in Apr 2012, with targeted annual production of 180,000 tonnes; operations to start at the end of 2013.	Rmb780m (US\$124m)
Chemicals	Inner Mongolia Shengtai Energy Investment (China)	Co-operation framework agreement signed with Jarud Banner (county) in Jul 2012 for establishment of a methanol plant with annual production capacity of 1.2m tonnes; operations to start by 2015. (Tongliao)	Rmb6bn (US\$952m)
Metals	Chinalco (China)	Signed a framework agreement in Feb 2012 to build a 500,000-tonne aluminium project, 10m-tonne coal mine and three 350-mw power plants. (Erdos)	Rmb30bn (US\$4.8bn)
Metals	Kobe Steel (Japan)	Signed letter of intent in Dec 2011 to form 80%-owned joint venture with Jiangsu Alcha Aluminium to produce and sell aluminium coil and sheet; construction to start in 2013, production in 2015. (Baotou)	¥40bn (US\$480m)
Plastic	Zhejiang Changyuan Group (China)	Signed an agreement to build a production base for eco-friendly film (synthetic paper) with annual output of 725,000 tonnes. (Ulanqab)	Rmb11.5bn (US\$1.8bn)
Renewable energy	LDK Solar (China)	LDK Silicon & Chemical Technology to expand polysilicon production capacity from 30,000 tonnes to 55,000 tonnes by 2013.	—
Renewable Energy	Sanhua Holding Group (China)	Working on the Sanhua "Green Solar City" project, to be built in three phases and eventually including a solar-power demonstration base, downstream industrial base (including supporting manufacturers and research-and-development centre) and solar thermal-power generation projects; part of the first phase is scheduled for completion by 2013. (Alashan League)	Rmb32bn (US\$5.1bn)
Major sectors			
Agriculture	Yili (China)	Constructing a large-scale milk cattle husbandry demonstration farm. (Qingshuihe County, Hohhot)	Rmb220m (US\$35m)
Agriculture	Nestlé (Switzerland)	Announced in Jun 2012 an agreement with Chenbaerhu Banner to build a dairy farm, which will husband 2,000 cows; scheduled for completion in 2013. (Hulunbuir)	—
Coal	Huadian (China)	A subsidiary, Mengtai Buliangou Coal Industry, completed first year of pilot production in 2011 at the first "very large" (10m-tonne) coal mine developed by a power company. (Erdos)	Rmb2.9bn (US\$460m)
Coal	CoalTek (US) and Yijian Group (China)	The two companies will jointly build a clean coal processing facility; environmental and engineering approvals for the projects were granted by Chinese authorities in Nov 2011.	Rmb2.4bn (US\$381m)

Recent projects

	Company	Activities	Investment value
Energy	Huineng Group (China)	1.6bn-cu-metre coal-to-synthetic natural gas (SNG) project; targeted for completion at the end of 2013. (Erdos)	Rmb8.9bn (US\$1.4bn)
Energy	Datang International Power Generation (China)	4bn-cu-metre coal-to-SNG project for completion in 2012. (Chifeng)	Rmb25.7bn (US\$4.1bn)
Energy	Kunlun Energy (Hong Kong)	Signed an agreement in Apr 2011 to build liquefied natural gas facilities. (Wuhai)	Rmb4.1bn (US\$651m)
Energy	PetroChina (China)	Expanding capacity at Hohhot oil refinery from 1.5m tonnes/year (t/y) to 5m t/y. Completed in Jul 2012.	Rmb8.3bn (US\$1.3bn)
Energy	Wuyang Iron & Steel and Yitai Coal (both China)	Signed a strategic co-operation agreement for a coal-to-natural gas project to be built in three phases over 2011-16.	Rmb64.5bn (US\$10.2bn)
Energy	Shenhua (China)	Shenhua Erdos coal-to-SNG project started construction in Apr 2012; to be in operation at the end of 2015. (Erdos)	Rmb16bn (US\$2.5bn)
Food & beverage	Sorbic International (China)	Food-preservative facility to start production in Sep 2012; annual capacity is 15,000 tonnes of potassium sorbate and sorbic acid. (Ulanqab)	Rmb103.5m (US\$16.4m)
Food & beverage	Jarressa Estate Wine Group (Australia)	Construction of first phase of a wine production base scheduled for completion by the end of 2012. (Ulanqab)	A\$30m (US\$31.2m)

Industrial structure

The industrial sector in Inner Mongolia is dominated by heavy industry, which accounts for three-quarters of total industrial output. The government has noted that the region suffers from a weak services sector and industrial imbalances. A drive to attract manufacturing industries using rare earths sourced from the region has achieved mixed results.

Large-scale Chinese mining of rare earths over the past decade has pushed down global prices, making production uneconomic elsewhere. In September 2009 the Inner Mongolian government announced that it would limit production and exports of rare earths in response to concerns raised by the Ministry of Industry and Information Technology (MIIT) that domestic reserves of dysprosium (used in hybrid car batteries) and terbium (for LCD screens) might be insufficient for national needs. China has reduced the amount of rare earths that can be exported in recent years, and raised the export tax in April 2011.

Slower global growth in 2011 saw rare-earth prices plummet from their peaks. Manufacturers ran down inventories, resulting in underutilised export quotas. Inner Mongolia accounts for three-quarters of China's rare-earth deposits, and the state-owned Baotou Steel Rare Earth dominates the market for light rare earths.

Consolidation efforts in several heavy industrial sectors have resulted in state-owned enterprises playing a larger role in Inner Mongolia's core industries. Inner Mongolia is China's largest livestock producer, including cashmere, milk and meat.

Foreign-invested enterprises (which include those from Hong Kong, Macau and Taiwan) as playing a minor—albeit growing—role as renewable energy becomes an increasingly important industry. The development of small and medium-sized enterprises has been slow. The region relies on a relatively narrow economic base and has not been successful thus far in utilising advanced processing techniques or developing innovative technologies. Relatively high wages in the mining and energy sector serve to boost average wages overall, diminishing the attractiveness of the region to manufacturers.

Industrial trends Inner Mongolia has pledged to restrict its coal production to 1bn tonnes by 2015. This will be an uphill battle as coal output reached 990m tonnes in 2011—an increase of 26% on the previous year. To achieve its target, more mines will have to be closed or consolidated. The plan is to reduce the number of companies from 350 to 180, and to form two dominant firms, each with annual output capacity of more than 100m tonnes. At present Shenhua, which is listed on both the Hong Kong and Shanghai stock exchanges, accounts for more than one-fifth of total coal output. Additionally, the development of the coal-chemical industry is being promoted as a means to add more value in the region. In 2010 a Beijing-based company, Shenhua, became the owner of the world's first operating coal-to-olefins facility. China's push into the coal-to-liquids field has been concentrated on Inner Mongolia, as projects in the rest of the country have been suspended over the course of the past five years amid volatility in oil prices.

Shenhua is also deeply involved in coal transport; around 40% of the coal from Inner Mongolia is transported away by rail systems owned by Shenhua Group. More broadly, Inner Mongolia is home to two of five major energy bases in China, located around the east of the region and Erdos in the south-west. Much of the coal is sold outside the region, and this will require more investment in rail transport. The system is set to expand significantly in the near term, with Shenhua announcing in mid-2012 that it would invest Rmb10bn (US\$1.6bn) in the construction of new railways. As transport has become more efficient, carrying costs have reduced. (The spread between the coal prices at Qinhuangdao, China's biggest delivery port for fuel, and at the Inner Mongolia mine-mouth has narrowed by 25% over the past two years as transport costs have declined with a shift from rail to road.)

Proximity to Mongolia, which is home to one of the world's largest untapped coking-coal deposits (Tavan Tolgoi), puts Inner Mongolia in a prime position to import minerals from its northern neighbour for processing. Crossborder trade has boomed: trade at Erenhot County City (Xilingol League) was reported to have shot up by 86% year on year in the first half of 2011. Nonferrous metals are also becoming increasingly important in the region, which has traditionally focused on ferrous metals. Production of aluminium, copper, lead and zinc has risen strongly in recent years, partly owing to the development of new power sources appropriate for the processing of these metals. The industry is likely to rise further in importance with the development of Mongolia's huge Oyu Tolgoi copper and gold deposits near its border with Inner Mongolia.

Infrastructure

Recent projects

	Type	Link	Completion
Recently completed	Rail	Jining (Ulanqab)-Zhangjiakou (Hebei)	2011
Due for completion	Road	Upgrade of the Xinghe-Hohhot section of National Highway 110	Aug 2012
	Rail	Double track Jining-Baotou section of Beijing-Baotou Railway	End-2012
	Road	Expansion of Hohhot-Baotou section of Beijing-Lhasa expressway	Nov 2013
	Road	Hanjiaying-Hohhot section of Beijing-Xinjiang Expressway	End-2013
	Rail	ErDOS-Caofeidian section of Zhangjialou-Caofeidian (Hebei) freight line	2014
	Water	Water improvement project at Bayannur, including wastewater treatment	2016

Politics

Position	Name	Age	Native province	Previous position
Party secretary	Hu Chunhua	49	Hubei	Governor of Hebei
Chairman	Bagatur	57	Liaoning	Secretary of Discipline Inspection Commission for the Inner Mongolia party committee

Hu Chunhua replaced Chu Bo as the region's Chinese Communist Party (CCP) secretary in 2009. Mr Hu is one of the two youngest provincial party secretaries in China's history, and is considered a rising star among China's sixth-generation leaders. Hu Chunhua served as first secretary of the Communist Youth League (CYL) in 2006-08. Fourth- and fifth-generation leaders Hu Jintao, the current president, and Li Keqiang, the vice-premier, were first secretaries of the CYL in 1984-85 and 1993-98 respectively. Like Hu Jintao, Hu Chunhua also spent a formative period of his career in Tibet; this has resulted in the younger man being referred to as "little Hu" on occasion and being widely perceived as a close ally of the elder Mr Hu. The swift response of Hu Chunhua to the ethnic unrest in May 2011 enhanced his credentials with the central leadership, and he is tipped for promotion in the leadership reshuffle at the upcoming party congress in late 2012.

The province benefits from strong central-government backing for the region's development as a western province, but it is particularly exposed to national strategic considerations. For example, the backing of high-level leaders is helping to push the development of Inner Mongolia's renewable-energy industry ahead of those in other provinces. At the same time, the province is a global supplier of rare earths—a sector tightly regulated by the national government. Inner Mongolia is the country's largest supplier of coal, while neighbouring Mongolia is China's largest source of coking coal imports (largely for steel production). However, output, prices and the overall direction of these sectors are determined by shifts in national policy.

Inner Mongolia does not have a history of ethnic tensions, as is the case in Tibet or Xinjiang, but discontent has intensified recently, stoked by rapid and uneven development in the region. In May 2011 protests broke out in Xilingol over the death of an ethnic Mongol herder who was run over by a Chinese coal lorry driver. Conflicts between herders and miners have intensified as grasslands have been decimated by mining activities. However, the tension was largely economic, unlike in Tibet and Xinjiang, where religious and cultural differences remained at the core of unrest.

In June 2011 the State Council (China's cabinet) issued opinions on the promotion of the region's social and economic development, including promoting Inner Mongolia as an important national energy and new chemical base, as well as a producer of non-ferrous metals and agricultural and farming goods. The central government has also issued guidelines insisting that miners include herders in their development plans; give employment priority to herders who have had land appropriated or affected by mining; and allow them to use compensation payments to acquire stakes in their companies.

In January 2011 Liu Zhuozhi, a vice-chairman of Inner Mongolia known for his zeal in promoting the mining boom, was dismissed from his position and investigated for corruption, centring on the sale of official positions. He was expelled from the CCP in July 2011 and sentenced to life imprisonment in July 2012. Several railway officials are also under investigation for alleged illegal deals relating to the transport of large amounts of coal from mines in the region.

Provincial cities

Key city data, 2010

	Population ^a (m)	Metropolitan population ^a (m)	GDP per head ^a (Rmb)	Annual wages (Rmb)	Income per head (Rmb)	Exports (US\$ m)	Utilised FDI (US\$ m)
Baotou	3.0	2.2	82,316	41,403	25,862	1,200	1,100
Erdos	1.5	0.3	180,849	53,015	25,205	317	1,080
Hohhot	3.1	1.8	60,250	37,685	25,174	760	837
Wuhai	0.6	0.6	64,422	39,837	19,741	3	n/a
Alashan League	n/a	n/a	n/a	42,414	19,111	45	6
Xilingol League	n/a	n/a	n/a	35,288	15,464	366	n/a
Hulunbuir	2.6	0.3	36,051	33,118	14,858	199	85
Bayannur	1.7	0.3	34,642	30,331	14,422	160	46
Ulanqab	2.2	0.3	24,781	31,006	14,289	53	79
Tongliao	3.0	0.4	39,300	26,432	14,263	87	n/a
Chifeng	4.3	0.8	25,013	31,321	14,109	145	56
Xingan League	n/a	n/a	n/a	25,201	11,505	3	n/a

^a Economist Intelligence Unit estimates.

Source: *Inner Mongolia Statistical Yearbook 2011*.

Forecast summary

	2011	2012	2013	2014	2015	2016
GDP						
Nominal GDP (Rmb bn)	1,424.6	1,647.3	1,913.2	2,207.2	2,520.8	2,855.3
Real GDP growth (%)	14.3	12.5	12.3	11.4	10.6	9.8
Expenditure on GDP (Rmb bn)						
Private consumption	312.4	352.8	399.5	448.9	503.7	559.7
Government consumption	223.7	257.9	300.9	347.6	401.1	462.4
Gross fixed investment	1,085.1	1,262.4	1,458.4	1,674.6	1,908.9	2,166.7
Stockbuilding	8.2	8.3	11.8	17.9	20.0	20.7
Foreign balance	-210.1	-240.2	-264.5	-290.0	-322.2	-364.7
Population and income						
Population (m)	24.6	24.7	24.8	24.8	24.9	25.0
GDP per head (Rmb)	58,027	66,805	77,275	88,824	101,126	114,243
Real wages (% change, year on year)	7.5	8.4	7.8	8.1	8.1	7.8
Prices						
Consumer prices (av; % change)	5.6	3.4	4.2	3.6	3.3	3.4
Producer prices (av; % change)	7.8	2.0	4.5	4.5	4.2	4.1
Foreign investment (US\$ bn)						
FDI utilised	3.8	3.9	4.3	4.8	5.1	5.5
External trade (US\$ bn)						
Exports (by location of producer)	6.1	6.4	7.3	8.2	9.0	9.9
Imports (by location of consumer)	8.8	9.8	11.1	12.6	14.1	15.7

Source: Economist Intelligence Unit.

Annual Data

	2005	2006	2007	2008	2009	2010
Expenditure per head (Rmb)						
Urban	6,928.6	7,666.6	9,281.5	10,828.6	12,369.9	13,994.6
Food	2,177.6	2,323.6	2,824.9	3,553.5	3,772.6	4,211.5
Healthcare & medical services	533.4	555.0	719.1	869.7	992.7	1,126.0
Transport & communications	755.5	928.5	1,123.8	1,191.7	1,557.0	1,768.7
Culture, education & recreation services	968.8	1,052.7	1,245.1	1,383.5	1,504.4	1,641.2
Rural	2,446.2	2,772.0	3,256.2	3,618.1	3,968.4	4,460.8
Food	645.7	726.1	827.3	957.3	1,578.6	1,186.2
Healthcare & medical services	176.4	232.8	281.5	320.6	416.9	468.0
Transport & communications	293.3	361.8	375.6	406.7	466.3	598.6
Culture, education & recreation services	309.4	398.5	423.8	399.4	390.9	374.2
Ownership (Units per 100 households)						
Urban						
Cars	3.6	4.5	6.5	8.0	9.5	11.2
Refrigerators	85.5	86.8	95.1	91.1	94.7	95.6
Colour televisions	113.3	113.4	108.7	109.4	110.4	110.2
Personal computers	23.2	26.8	31.9	37.3	43.2	46.8
Mobile Telephones	128.4	140.3	161.6	162.0	170.9	172.8
Rural						
Cars	2.1	2.2	–	–	–	–
Refrigerators	12.9	20.6	26.1	29.3	37.0	42.8
Colour televisions	87.1	90.5	93.3	94.8	97.5	98.7
Personal computers	0.3	0.5	0.8	1.0	1.9	3.7
Mobile Telephones	41.6	63.2	84.7	96.3	115.6	128.3
Domestic investment by sector (Rmb bn)						
Mining	25.8	40.8	59.2	91.4	96.5	99.3
Production & supply of electricity, gas & water	63.2	58.6	67.1	74.6	112.6	137.6
Construction	1.4	1.7	2.6	3.4	6.9	11.2
Transport, storage & post	36.2	39.8	50.1	47.3	78.6	104.3
Hotels & catering services	3.3	4.7	4.9	5.4	6.2	7.7
Banking & insurance (Financial Intermediation)	0.2	0.2	0.3	1.7	2.3	3.8
Real estate	19.2	36.4	57.1	83.9	96.7	131.7
Education	3.4	4.6	5.7	6.9	9.8	15.1
Health, social security & social welfare	1.2	1.7	2.6	3.5	4.5	5.3
Sectoral trends						
Building area under construction: Residential						
(m, sq metre)	32.5	46.4	61.3	79.2	82.6	114.0
Energy consumption: Total (m, tonnes SCE)	107.9	128.4	147.0	164.1	174.7	–
Retail trade: Cosmetics (Rmb bn)	0.2	0.2	0.3	0.3	0.5	0.7
Income (Rmb)						
Urban disposable income per head	9,137	10,358	12,378	14,432	15,849	17,698
Highest 20%	18,613	21,046	24,251	21,868	35,038	39,126
Rural net income per head	2,989	3,342	3,953	4,656	4,938	5,530
Highest 20%	5,742	6,420	7,594	8,945	9,486	10,623

Source: National Bureau of Statistics.

GDP growth in comparable provinces

(%)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Inner Mongolia	19.2	17.8	16.9	15.0	14.3	12.5	12.3	11.4	10.6	9.8
Xinjiang	12.2	11.0	8.1	10.6	12.0	11.1	11.9	11.4	10.5	9.4
Tibet	14.0	10.1	12.4	12.3	12.6	11.6	12.5	11.3	10.7	9.7
Av of all provinces	14.6	12.0	11.6	13.1	11.7	10.3	10.7	10.0	9.5	8.8

Note. Provinces are compared with two others either in the same region or with similar development indicators.