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**Access China**

**Yunnan**

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100022  
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### **London**

Economist Intelligence Unit  
26 Red Lion Square  
London  
WC1R 4HQ  
United Kingdom  
Tel: (44.20) 7576 8000  
Fax: (44.20) 7576 8500  
E-mail: london@eiu.com

### **New York**

Economist Intelligence Unit  
The Economist Group  
750 Third Avenue  
5th Floor  
New York, NY 10017, US  
Tel: (1.212) 554 0600  
Fax: (1.212) 586 0248  
E-mail: newyork@eiu.com

### **Hong Kong**

Economist Intelligence Unit  
60/F, Central Plaza  
18 Harbour Road  
Wanchai  
Hong Kong  
Tel: (852) 2585 3888  
Fax: (852) 2802 7638  
E-mail: hongkong@eiu.com

### **Geneva**

Economist Intelligence Unit  
Boulevard des Tranchées 16  
1206 Geneva  
Switzerland  
Tel: (41) 22 566 2470  
Fax: (41) 22 346 93 47  
E-mail: geneva@eiu.com

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"0 or 0.0" means nil or negligible; "n/a" means not available; "--" means not applicable

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**Editors:** Tom Rafferty (editor); Elizabeth Cheng (consulting editor)  
**Editorial closing date:** June 1st 2012  
**All queries:** Tel: (44.20) 7576 8000 E-mail: [china@eiu.com](mailto:china@eiu.com)  
**Next report:** To request the latest schedule, e-mail [schedule@eiu.com](mailto:schedule@eiu.com)

## Province summary

### Main economic indicators

	2010	Rank
<b>GDP</b>		
Nominal GDP (Rmb bn)	722	24 out of 31
GDP per head (Rmb)	15,789	29 out of 31
<b>Consumption</b>		
Disposable income per head (Rmb; urban)	16,065	15 out of 31
Total expenditure per head (Rmb; urban)	11,074	20 out of 31
Population (m)	45.8	12 out of 31
<b>External trade (US\$ bn)</b>		
Exports (by location of producer)	5.1	23 out of 31
Imports (by location of consumer)	5.2	26 out of 31
<b>Exchange rate</b>		
Rmb:US\$ (av)	6.77	–
<b>Foreign investment (US\$ bn)</b>		
FDI utilised	1.3	23 out of 31

Sources: Economist Intelligence Unit; National Bureau of Statistics.

Owing to its relatively remote location, Yunnan province has lagged behind much of China in the past few decades. As China's economy develops, however, Yunnan's role in providing mineral and biological resources to the wealthier parts of the country is becoming more highly valued. The province is also a leading destination for domestic tourism.

The mountainous province is sparsely populated and ethnically diverse, with roughly one-third of its population comprising non-Han Chinese. Yunnan's economy is centred on its geological, ecological and cultural resources, through its pillar industries of mining, tobacco and tourism.

With its mild climate and abundance of plants and minerals, the province is a natural location for horticulture and the pharmaceutical industry. Yunnan's vast medicinal and mineral resources remain under-exploited, with 18,000 of the 30,000 plant types indigenous to China found in the province. It also has extensive rubber, coffee, tea and fruit plantations.

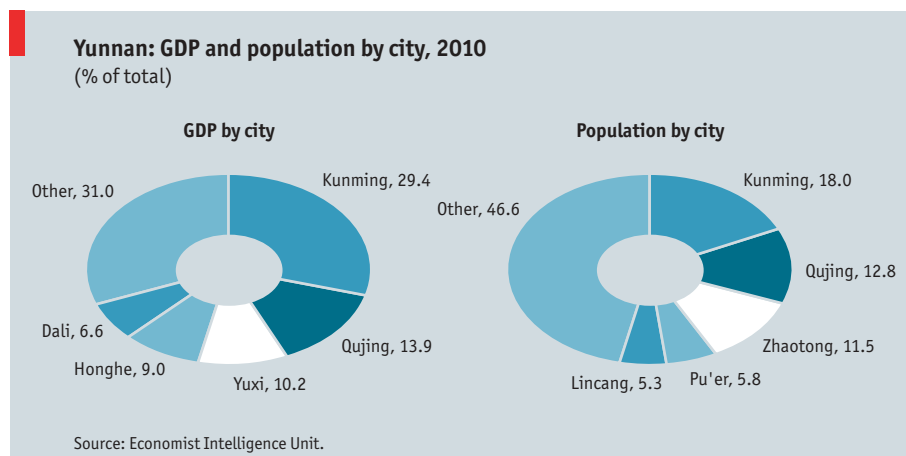
The province is seeking to position itself as a regional logistics centre, linking China with its South-east Asian neighbours. Shared borders with three countries—Myanmar, Laos and Vietnam—put Yunnan in a position to play a major role in strengthening regional trade relations. However, they also expose the province to potential instability in these countries, and in recent years the province has struggled to manage flows of refugees fleeing from conflict in neighbouring Myanmar. While Guangxi has the advantage of a coastline and deep harbour facilities (which can be utilised by investors in the pan-Beibu Gulf economic zone), Yunnan has closer commercial ties with its border neighbours Laos, Vietnam and Myanmar, three members of the Association of South-East Asian Nations (ASEAN).

## Highlights

- Economy**
- Yunnan recorded real GDP growth of 13.7% in 2011, 1.4 percentage points ahead of neighbouring Guangxi. Provincial GDP reached Rmb875bn (US\$138.9bn) in 2011, and the government hopes that it will break through the symbolically important barrier of Rmb1trn in 2012. (Guangxi passed this milestone in 2011.)
  - The Economist Intelligence Unit expects GDP growth to slow to 11.3% in 2012. Yunnan's economic prospects are bolstered by its extensive natural resources and robust growth in government expenditure, given its importance to relations with its ASEAN neighbours.
  - The secondary sector, which accounted for 45.6% of GDP in 2011, expanded by 18%. Growth was underpinned by the expansion of heavy industries, such as mining, metal smelting and chemicals. The output value of the province's tobacco industry expanded by 17.5% year on year.
  - Fixed-asset investment (FAI) accelerated by 27.4%, bucking the national trend. Growth was supported by industrial investment, major infrastructure projects and the expansion of the property sector. Investment grew by more than 50% in sectors including tobacco, pharmaceuticals and metal smelting. Foreign investment accounted for 30.2% of FAI.
- Industry**
- Yunnan is developing a sizeable export base, driven by trade with South-east Asia. Two-way trade surged by 19.6% in 2011 to reach US\$16.1bn. Trade with ASEAN represented more than one-third of the total (on the back of 30.2% growth, boosted by the launch of a free-trade agreement in 2010). The local authorities are looking to boost trade further through the expansion of services for renminbi-denominated trade. In May 2012 a crossborder renminbi centre was opened in Ruili, on Yunnan's border with Myanmar, to facilitate trade settlement and fund repatriation.
  - Yunnan's domestic trade is being re-oriented towards power, metals and mineral-based products. The province is home to one-third, one-fifth and almost one-tenth of national reserves of zinc, lead and copper respectively, increasing exposure to the economic cycle. A rebound in metal prices boosted profits and stimulated investment, including the upgrading of refining capacity. China destocked inventories of commodities in 2011, leaving room for restocking as prices moderate in 2012. Yunnan's trade has traditionally been dominated by cigarette exports to the rest of China.
  - Tourism has underpinned the rise in the tertiary sector's share of Yunnan's economy. The sector grew in value by 11.8% year on year in 2011, accounting for 38.3% of provincial GDP. Yunnan is a leading tourism destination, with a good transport system funded by tobacco revenue. Tourism-related property investment continues. In mid-2011 a Guangdong-based property developer, Agile, announced plans to develop in Yunnan a resort similar to its Clearwater Bay project in Sanya, Hainan province. The project will comprise a mixture of luxury properties, hotels, and sports grounds.

## Consumer profile

- Urban disposable income per head was Rmb18,576 (US\$2,949) in 2011. Real income growth accelerated to 10.3%, from 8.1% in 2010. Rural net income per head increased by 13.9% to reach Rmb4,722 in 2011.
- Yunnan, as a relatively agrarian province, has an average income level that is far below the national average. The gap between urban and rural incomes is one of the highest in the country.
- Retail sales grew by 20% to Rmb300bn (US\$47.6bn) in 2011. Sales of petroleum and machinery and electronic products recorded the biggest annual gains, at over 50%. Around 40% of sales are concentrated in the provincial capital, Kunming, owing to comparatively high urban incomes and spending by tourists.
- Kunming is also witnessing strong growth in investment in consumer-oriented manufacturing, as companies hope to tap into crossborder demand from both south-west China and the neighbouring members of ASEAN. The city is also attracting investment from major retailers such as a Swedish clothes retailer, H&M, and a US-based coffee chain, Starbucks.
- Tourism should receive a boost once international flights begin to serve the popular tourist destination of Lijiang; visitors have previously had to transfer in Kunming.
- Yunnan's ethnic minorities hail from 25 of China's 55 minority groups. The largest representation is the Yi, with over 5m members.



## 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 to attract investment. The Central Yunnan Economic Zone was recognised in February 2012 as one of 11 key development zones within the "Go West" strategy.	To prevent further widening of the wealth gap between the wealthy coastal provinces and the interior western region.
	Greater Mekong Subregion (GMS)	Investment in physical infrastructure linking southern China with Cambodia, Laos, Thailand and Vietnam. A UN-initiated Trans-Asian Railway Network agreement took effect in June 2009. The GMS, promoted by the Asian Development Bank, is focused on the development of the eastern route, via Vietnam and Cambodia. In Dec 2010 a plan to build a high-speed railway from Kunming to Vientiane (Laos) was agreed upon, with China also providing loans for an onward link to Bangkok. The Australian government is allocating more than US\$346m for trade and infrastructure projects in the GMS through its overseas aid programme.	Regional economic integration and the promotion of crossborder trade by improving access to markets within the region; to promote international and subregional tourism.
	Pilot crossborder renminbi settlement	Kunming-based institutions permitted to settle trade in renminbi. In May 2011 the State Council (China's cabinet) approved a "Gateway Strategy" involving the promotion of Kunming as a regional financial hub for South and South-east Asia. Crossborder renminbi centre established in Ruili, on the Myanmar border, in May 2012.	To expand use of renminbi. The project also has stated aims of promoting Yunnan as an international destination, showcasing Chinese culture and promoting industries involved in trade-processing.
	Bridgehead strategy ( <i>Qiaotoubao zhanlue</i> )	Open trade channels to South Asian and GMS countries. Build base for industrial transfer from the east and for export-oriented processing trade. Accelerate the construction of road, rail and water transport channels with South Asia and GMS countries, with links from Kunming to Yangon (Myanmar), Bangkok (Thailand), Hanoi (Vietnam) and Calcutta (India). Host trade fairs, commodity fairs and business forums aimed at South and South-east Asian countries.	Initiated in 2009, the strategy puts Yunnan at the centre of China's communication and co-operation with South and South-east Asian countries through Yunnan. Particular emphasis is placed on opening access channels to the Indian Ocean through Myanmar, opening alternative routes to the Strait of Malacca.
	Support state-owned enterprises (SOEs) in Yunnan ( <i>Yanqi rudian</i> )	Co-operation agreement signed between provincial government and the State-Owned Assets Supervision and Administration Committee to support expansion of SOEs in Yunnan.	SOEs to use Yunnan as a "bridgehead" into South-east Asian markets; to develop local industrial base.

	<b>Plan</b>	<b>Includes</b>	<b>Purpose</b>
Provincial	Promote tourism	Plan to invest Rmb12bn (US\$1.9bn) in the establishment of ten national parks, with Kunming as the centre of the province's tourism industry.	To focus development of the province's tourism industry on Dali, Lijiang and Xishuangbanna.
	The "126" transport development plan (part of the bridgehead strategy)	In July 2011 Yunnan province signed an agreement with the Ministry of Transport to speed up the building of transport infrastructure, at an estimated cost of Rmb500bn (US\$79.4bn). The plan requires the building of 10,000 km of highways, 20,000 km of second-grade roads and 6,000 km of waterways by 2015.	To improve the province's logistics, transport, water and communications infrastructure so that it can serve as China's gateway to South and South-east Asia.



## Industry

### Recent projects

	Company	Activities	Investment value
<b>Emerging sectors</b>			
Automotive	Chang'an Automobile Group (China)	Agreement with Kunming municipal government to establish production base with annual production capacity of 400,000 vehicles and 1.2m engines. First phase of the plant is scheduled for completion in Mar 2013. (Kunming)	Rmb10bn (US\$1.6bn)
Chemical	Yunnan Manganese Group (China)	Construction of a 75,000-tonne capacity rubber production plant began in Apr 2012. To be completed within three years. (Xishuangbanna)	Rmb1.2bn (US\$190m)
Energy	CNPC (China)	Planning to build a 10m-tonne oil refinery in Anning county city, linked to the development of oil and gas pipeline with Myanmar. (Kunming)	Rmb23bn (US\$3.7bn)
Energy	Huaneng Power International (China)	The National Development and Reform Commission granted approval in Feb 2012 for two 300-mw gas-turbine-power plants. (Chuxiong)	Rmb2.7bn (US\$429m)
Energy	CNPC (China)	First phase of Yunnan refinery oil pipeline programme/"three routes one branch" project. It is a supporting project for Kunming refinery and the China-Myanmar oil and gas pipeline.	Rmb5.6bn (US\$889m)
Food and beverage	Starbucks (US)	Signed agreement in Feb 2012 with Yunnan Ai Ni Group, a local coffee grower, to form a joint venture to purchase and export Yunnan coffee beans and operate dry mills in the province.	—
Food and beverage	McDonald's (US)	Signed first developmental licence (as opposed to franchise agreement) in China with Kunming Northstar Group, which has committed to opening at least 20 restaurants within the first five years of the licence.	—
Food and beverage	LVMH (France)	Moet Hennessy is setting up a winery on a 30-ha high-altitude vineyard in collaboration with a China-based vintner, VATS Group. (Deqin county, Diqing)	—
Renewable energy	China Solar Energy (China)	Acquired Stream Fund High-Tech in 2011, including a 2-mw solar-power plant in Dali.	—
Renewable energy	Huaneng Shilin Photovoltaic Energy (China)	Joint venture with Yunnan Provincial Power Investment. Started operations of first (20-mw) stage of planned 166-mw solar-power plant. Completion date set for 2015. (Kunming)	Rmb9bn (US\$1.4bn)
Renewable energy	Huaneng Lancang River Hydropower (China)	First generating set of Nuozhadu hydropower to start operation in Jul 2012. Nuozhadu hydropower, the biggest power plant in the province, has a total installed capacity of 5.85m kw. (Pu'er)	Rmb50bn (US\$7.9bn)
Telecoms and technology	Lenovo (China)	To construct science and technology park to act as a local high-technology cluster, and to house business and technology services. (Kunming)	Rmb10bn (US\$1.6bn)
<b>Major sectors</b>			
Equipment manufacturing	Yunnan Heavy Industry (China)	Building work started on construction machinery assembly base project. (Kunming)	Rmb1bn (US\$159m)
Metals	Voltaix (US) and Sparton Energy (Canada)	Voltaix MOU to purchase all germanium produced at Huajun mine from Sparton Energy. (Lincang)	US\$4.2m
Metals	Yunnan Aluminium (China)	Alumina project with capacity of 800,000 tonnes/year (t/y) to start operations in 2012. (Wenshan)	Rmb4.5bn (US\$714m)
Metals	Yunnan Aluminium (China)	Established Yunnan Yunlu Zexin Aluminium Industry with Yunnan Metallurgical Group. Building a 300,000 t/y aluminium alloy plate process development project, scheduled for completion in 2014. (Fuyuan county, Qujing)	Rmb3.3bn (US\$524m)
Metals	Yunnan Aluminium (China)	Set up joint venture with Yunnan Metallurgical to produce 150,000 t/y of aluminium materials for the transport industry. To start operations in 2014. (Lijiang)	Rmb120m (US\$19m)
Metals	Yunnan Metallurgical (China)	1m t/y aluminium smelter. Yunnan Metallurgical is the parent company of Yunnan Aluminium. (Zhaotong)	Rmb1bn (US\$159m)

**Recent projects**

	<b>Company</b>	<b>Activities</b>	<b>Investment value</b>
<b>Major sectors</b>			
Metals	Yunnan CIMB Investment (China)	Collaborating with Thailand-based partners to manage investment in "ASEAN international iron and steel city", a zone dedicated to processing and distribution of metals. Construction to be completed within five years. (Anning county city, Kunming)	Rmb4.6bn (US\$730m)
Pharmaceuticals	Kunming Pharmaceutical Group (China) and Kunming Chinese Medicine Factory (China)	Jointly establishing bases for traditional Chinese medicine (TCM), to focus on research and development (R&D), quality control, modernisation and international standards of TCM. Ground-breaking ceremony held in Mar 2011. (Qidian Industrial Park, Kunming)	Rmb1.7bn (US\$270m)
Property	Hang Lung (Hong Kong)	In Nov 2011 the company acquired two sites in Kunming for the highest price ever paid in a land auction in the city (Rmb62,446/sq metre).	Rmb3.5bn (US\$556m)
Property	Dalian Wanda Group (China)	Mixed-use plaza development, featuring retail, office and hotel space; to include the city's tallest tower block. (Kunming)	More than Rmb10bn (US\$1.6bn)
Tourism	Franshion (China)	Franshion, the real-estate subsidiary of state-owned Sinochem, is constructing a resort complex in Lijiang. Completion is scheduled for 2013.	Rmb2.6bn (US\$413m)
Tourism	Indian Hotels Company (India)	Signed a memorandum of understanding in Jan 2012 to set up a joint venture with Yunnan Tourism to design, construct and manage two hotels in Kunming Expo Garden. The hotels are expected to open in 2013. (Kunming)	—
Tourism	Suning Universal Group (China)	Construction of the first phase of a cultural district project will be completed in 2014. The second-phase construction is to finish in 2017. (Shilin county, Kunming)	Rmb10bn (US\$1.6bn)

**Industrial structure**

Yunnan's economy has been dominated by domestic companies and raw material processing-related heavy industry, with a strong presence of state-owned companies in leading sectors such as tobacco, mining and energy. The tobacco industry, based in Yuxi, accounts for more than one-third of the province's above-scale industrial output and has been a key driver of the province's economic growth for more than a century, dominating the primary (tobacco-growing) and secondary sectors; cigarette manufacturers Hongta and Hongyun Honghe are the province's largest companies. However, China's population of smokers is peaking and diversification is under way. Other than tobacco, power-related industries and energy-intensive smelting activities hold a prominent place in the provincial economy.

Light industries are traditionally related to the processing of farm produce and natural resources (such as sugar, cigarettes and paper). More recently a broader range of subsectors—such as pharmaceuticals and consumer goods—have become increasingly significant. As the province's economy diversifies, the private sector and foreign investment are taking on a greater role, particularly in trade. Utilised foreign investment increased by 30.6% to US\$1.7bn in 2011, accounting for 1.5% of the national total—0.5 percentage points higher than in 2011. Nevertheless, heavy industry remains important, owing to the province's large, relatively accessible reserves of a range of metals and minerals, including lead, zinc and copper. Heavy industry accounts for around 55% of industrial output.

**Industrial trends**

Yunnan's mining and metals industries are in the midst of widespread upgrading and consolidation. For example, the Aluminium Corporation of China (CHINALCO), a major state-owned aluminium producer, became the

largest shareholder of Yunnan Copper when it acquired a 49% share in 2007. In 2010 and 2011 it increased its stake in Yunnan Copper to 51% and 58% respectively. The backing of a large state-owned company has helped the company to expand outside the province; in 2010 it started a smelter in Guangdong province and committed Rmb3bn (US\$476m) to new facilities in Sichuan province. It also closed a plant in Yunnan for upgrading between July 2010 and March 2011. A number of lead mines have been shut down amid environmental concerns. Nevertheless, with strong demand for batteries driven by electric vehicles and other renewable energy initiatives, the longer-term outlook for lead is positive.

The trend—evident across a range of industries, including tobacco, mining and energy—is for Yunnan’s larger companies to expand their operations to neighbouring provinces, bringing them closer to their customers, while continuing to source raw materials from Yunnan. The province’s cigarette industry has traditionally been protected by restrictions on the sale of tobacco leaves to other parts of the country.

At the same time, light industry is benefiting from tourists visiting the province. Like their counterparts in the metals sector, pharmaceutical and traditional Chinese medicine companies have enjoyed strong sales and profit growth in recent years. Domestic tourism generated a revenue increase of 30.4% in 2011, to Rmb119.6bn (US\$19bn).

## Infrastructure

### Recent projects

	Type	Link	Completion
Recently completed	Road	Xiaomo Road (from Xiaomenyang to Mohan), part of Kunming-Bangkok expressway	2011
	Air	Opening of New Changshui International Airport in Kunming	Jun 12
Due for completion	Rail	Yuxi-Mengzi section of Trans-Asian Railway en route to Hanoi (Vietnam)	End-2012
	Road	Lipan expressway (Lijiang, Yunnan to Panzhihua, Sichuan)	2013
		China's section of the oil and natural-gas pipelines running from Myanmar to Kunming	Jun 13
	Power		
	Rail	Jinning light rail to connect the main city of Kunming with Jinning county, Kunming	2013
	Rail	Dali-Ruili line to connect with South-east Asian rail network via Myanmar	2014
	Bridge	Longjiang Bridge, part of Baoteng expressway	2014
		Kunming South Railway Station (Chenggong New Town) will serve Kunming's metro system	2015
	Rail		
	Road	Beijing-Kunming highway	2015
	Rail	Kunming-Guilin line; overall plan to expand total rail network to 5,000 km by 2015	2015
	Rail	Kunming-Shangri-la (Diqing) line; first step in eventual link to Lhasa (Tibet)	2015
	Rail	Kunming-Changsha high-speed line; part of Shanghai-Kunming line, started construction in Mar 2010	2015
	Rail	High-speed lines connecting Kunming with Nanning and Chongqing	2015
Rail	Mohan (Xishuangbanna)-Vientiane (Laos), plus connections with Thailand's railway system	2015	

## Politics

Position	Name	Age	Native province	Previous position
Party secretary	Qin Guangrong	61	Hunan	Governor of Yunnan
Governor	Li Jiheng	55	Guangxi	Deputy party secretary of Yunnan

Qin Guangrong assumed Bai Enpei's role as party secretary in August 2011 after serving as governor from 2007. Mr Qin was replaced by Li Jiheng, who was confirmed in his role in February 2012. Mr Li spent the bulk of his career in various city party secretary roles in Guangxi. He attracted national attention in 2008 when he intervened to halt violent clashes between rubber farmers and police in Pu'er's Menglian county. His elevation to governor marks a continuation of efforts to forge closer links between Yunnan and Guangxi; both are vying to be China's main gateway to South-east Asia.

Mr Qin has a background in the Communist Youth League (CYL), the power-base of the president, Hu Jintao. He has taken an active approach to his work, making trips to India and Sri Lanka, as well as promoting Yunnan's drive to internationalise its tourism at a forum attended by Chinese provincial and US state governors in July 2011. At the forum, held in the US, Yunnan officials signed an agreement to partner with a US non-profit organisation, the Nature Conservancy, on biodiversity protection, highlighting the province's desire to promote itself internationally. Mr Qin has publicly promoted biodiversity protection and support for international non-governmental organisations, as well as supporting a comprehensive clean-up of Dianchi Lake. He is assisted by

Qiu He, a controversial reformer who was promoted to provincial deputy secretary in late 2011. Mr Qiu was previously the party secretary of Kunming.

As Yunnan shares borders with three countries it plays an important role in shaping China's relations with its neighbours in South-east Asia, particularly Myanmar. Differences of approach towards Myanmar have emerged in the past between the local and central governments, as efforts made at the local level to expand commercial interests have on occasion been perceived by the central government as detrimental to bilateral relations. Illegal logging and mining activities, in addition to a proliferation of casinos established to serve customers crossing the border from Yunnan, have damaged China's image in Myanmar. As the latter emerges from its isolation (owing to US and EU moves to improve ties), the Myanmar government hopes to reduce its dependence on China. In September 2011 it announced that construction work on the China-backed Myitsone dam had been suspended owing to public opposition. However, news leaks in April 2012 suggested that work on the dam was set to resume.

Authorities at both the local and central levels in China will need to respond effectively to ensure that crossborder trade and a number of infrastructure projects proceed smoothly. Work on the controversial China-Myanmar Pipeline project has been reported as progressing despite armed conflict within Myanmar between government forces and the Kachin ethnic group. The project comprises the laying of oil and gas pipelines over a distance of around 2,500 km, from Kyaukryu Port (on the west coast of Myanmar) to Ruli (a major border city in Yunnan's Dehong prefecture).

## Provincial cities

### Key city data, 2010

	Population <sup>a</sup> (m)	Metropolitan population <sup>a</sup> (m)	GDP per head <sup>a</sup> (Rmb)	Annual wages (Rmb)	Income per head (Rmb)	Exports (US\$ m)	Utilised FDI (US\$ m)
Kunming	8.3	5.1	25,685	34,403	18,876	5,327	813
Yuxi	2.2	0.2	33,966	30,243	16,741	265	32
Diqing	n/a	n/a	n/a	39,633	15,996	5	7
Qujing	5.9	0.4	17,105	32,520	15,940	158	22
Wenshan	n/a	n/a	n/a	27,030	15,837	59	3
Dali	n/a	n/a	n/a	28,956	15,801	108	22
Chuxiong	n/a	n/a	n/a	29,110	15,624	97	13
Lijiang	1.2	0.1	12,037	29,452	15,521	38	3
Baoshan	2.4	0.1	10,811	23,190	14,894	114	34
Dehong	n/a	n/a	n/a	25,511	13,788	851	24
Pu'er	2.6	0.2	9,353	27,092	13,489	95	1
Honghe	n/a	n/a	n/a	27,304	13,416	366	15
Xishuangbanna	n/a	n/a	n/a	21,850	13,383	76	4
Lincang	2.4	0.0	9,018	26,365	12,587	44	21
Zhaotong	5.2	0.2	7,238	28,796	12,295	3	1
Nujiang	n/a	n/a	n/a	31,154	10,479	0	8

<sup>a</sup> Economist Intelligence Unit estimates.

Sources: *Yunnan Statistical Yearbook 2011*; National Bureau of Statistics.

## Forecast summary

	2011	2012	2013	2014	2015	2016
<b>GDP</b>						
Nominal GDP (Rmb bn)	875.1	1,023.4	1,203.8	1,404.5	1,622.0	1,869.8
Real GDP growth (%)	13.7	11.3	12.1	11.2	10.0	9.4
<b>Expenditure on GDP (Rmb bn)</b>						
Private consumption	350.7	397.3	451.7	514.1	584.4	665.5
Government consumption	142.7	166.2	191.6	218.9	252.0	288.2
Gross fixed investment	739.1	902.3	1,068.9	1,237.3	1,411.7	1,593.3
Stockbuilding	14.6	8.8	8.0	9.3	6.5	8.7
Foreign balance	-372.0	-451.1	-516.5	-575.2	-632.6	-685.8
<b>Population and income</b>						
Population (m)	46.1	46.4	46.8	47.1	47.4	47.7
GDP per head (Rmb)	18,986	22,044	25,748	29,835	34,229	39,206
Real wages (% change, year on year)	8.1	8.0	7.3	7.0	7.0	7.3
<b>Prices</b>						
Consumer prices (av; % change)	4.9	4.2	4.1	4.0	4.1	4.3
Producer prices (av; % change)	4.7	2.6	5.2	1.5	1.4	2.9
<b>Foreign investment (US\$ bn)</b>						
FDI utilised	1.7	1.8	2.0	2.1	2.3	2.6
<b>External trade (US\$ bn)</b>						
Exports (by location of producer)	6.2	5.2	6.5	8.0	9.4	10.9
Imports (by location of consumer)	6.1	6.6	7.9	9.2	10.6	12.2

Source: Economist Intelligence Unit.

## Annual data

	2005	2006	2007	2008	2009	2010
<b>Expenditure per head (Rmb)</b>						
Urban	6,996.9	7,379.8	7,921.8	9,076.6	10,201.8	11,074.1
Food	2,997.1	3,102.5	3,562.3	4,272.3	4,460.6	4,593.5
Healthcare & medical services	663.0	600.1	631.7	606.9	708.8	637.9
Transport & communications	930.6	1,076.9	1,034.7	1,216.5	1,587.2	2,039.7
Culture, education and recreation services	775.6	754.7	705.5	733.0	798.7	1,014.4
Rural	1,789.0	2,195.6	2,637.2	2,991.0	2,924.9	3,398.3
Food	486.0	530.8	619.0	734.7	741.0	839.7
Healthcare & medical services	122.3	138.2	167.9	182.0	198.0	239.9
Transport & communications	99.8	157.3	216.7	248.3	313.0	337.9
Culture, education and recreation services	182.6	177.9	181.7	168.6	178.0	206.5
<b>Ownership (Units per 100 households)</b>						
Urban						
Cars	7.9	8.7	8.9	11.1	14.9	18.3
Refrigerators	78.2	81.1	78.1	78.8	82.9	85.5
Colour televisions	122.1	125.9	121.9	119.4	122.4	123.2
Personal computers	29.4	32.4	35.7	40.2	46.5	53.6
Mobile Telephones	130.8	153.9	168.0	177.2	186.0	197.9
Rural						
Cars	0.4	0.8	0.7	0.8	1.7	–
Refrigerators	6.9	7.5	8.4	9.8	12.3	18.2
Colour televisions	70.5	77.5	84.1	89.0	92.3	96.2
Personal computers	0.7	0.4	0.6	0.8	1.2	2.4
Mobile Telephones	32.3	47.1	69.8	91.2	115.3	138.8
<b>Domestic investment by sector (Rmb bn)</b>						
Mining	6.9	8.6	12.9	18.7	19.8	25.1
Production & supply of electricity, gas & water	33.9	47.1	53.7	62.6	73.1	75.7
Construction	0.7	0.4	0.4	2.5	1.2	0.7
Transport, storage and post	33.7	40.5	42.1	37.5	57.1	97.8
Hotels and catering services	2.6	3.2	3.7	3.4	4.0	8.2
Banking and insurance (Financial Intermediation)	0.3	0.4	0.4	0.6	0.6	0.5
Real estate	35.1	47.2	63.7	76.7	104.1	122.3
Education	4.1	4.7	5.9	7.1	12.6	0.8
Health, social security & social welfare	1.4	1.2	1.8	2.7	5.0	6.7
<b>Sectoral trends</b>						
Building area under construction: Residential (m, sq metre)	71.2	67.6	94.3	106.4	113.7	133.0
Energy consumption: Total (m, tonnes SCE)	60.2	66.2	71.3	75.1	80.3	–
Retail trade: Cosmetics (Rmb bn)	0.5	0.6	0.6	0.8	0.9	1.1
<b>Income (Rmb)</b>						
Urban disposable income per head	9,266	10,070	11,496	13,250	14,424	16,065
Highest 20%	18,055	20,030	25,344	27,587	29,337	32,674
Rural net income per head	2,042	2,250	2,634	3,103	3,369	3,952
Highest 20%	–	–	–	–	–	–

Source: National Bureau of Statistics.



**GDP growth in comparable provinces**

(%)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Yunnan	12.2	10.6	12.1	12.3	13.7	11.3	12.1	11.2	10.0	9.4
Guizhou	14.8	11.3	11.4	12.8	15.0	14.1	13.8	12.2	11.1	9.9
Guangxi	15.1	12.8	13.9	14.2	12.3	11.7	12.1	11.2	10.6	9.4
Av of all provinces	14.6	12.0	11.6	12.8	11.7	10.6	11.1	10.4	9.7	9.0

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