Fact Sheet for Southwest China

- Southwest China is made up of the provinces of Sichuan, Yunnan and Guizhou and the municipality of Chongqing, with a total of over 190 million population in an area as big as Western Europe.

- Southwest China’s combined nominal GDP in 2015 was US$ 1.1 trillion, making the 4 provincial economies equivalent to the then 14th largest economy in the world.

- Two of the new seven Free Trade Zones announced in August 2016 were in Chongqing and Sichuan, opening more business opportunities for British companies.

- 80% of China’s shale gas is produced in Chongqing (2015). SW China is piloting the opening up of the world’s largest electricity market (worth approx £300 billion a year). The pilot markets in Chongqing, Guizhou and Yunnan are worth £20 billion a year.

- One in three of all laptops and one in eight of all cars in the world are made in Chongqing. 70% of all iPads and 50% of CPUs in the world are made in Chengdu.

- China’s first National Big Data Comprehensive Pilot Zone was established in Guizhou in February 2016 and the first national crowdfunding centre is also in Guizhou.

- Chengdu is China’s fourth largest aviation hub in mainland China. Chengdu Shuangliu International Airport is among the world’s top 40 busiest airports in terms of passenger traffic and currently handles approx 2m more passengers than Gatwick.

- Chongqing Cuntan International Container Terminal is the largest inland shipping terminal in China. More than 80% of China’s rail cargo to Europe travels from rail hubs in Chongqing and Chengdu.

- The West China Hospital Chengdu is China’s largest hospital with over 7000 beds and 5 million outpatients and 225,000 inpatients (2015).
ENERGY SECTOR HIGHLIGHTS

Chongqing and Sichuan are a hub for energy development in China, especially for its rich shale gas reserve estimated to be 25 tcm recoverable. Chongqing contributed 80% of China's shale gas production last year with daily capacity being 15 million cm. Southwest China continues to be a pilot for shale gas development and this opens up business opportunities in project management, reservoir monitoring, reservoir characterisation, wells and well innovation, reservoir prediction, environmental management, training that are potentially worth billions of pounds.

Southwest China is a national pilot for building up nuclear supply chain which brings wide range of business opportunities to UK businesses, such as decommissioning, enrichment, shipment, transportation, project management, training etc.

Southwest China offers opportunities in renewable energy sector, e.g. wind, solar, hydropower and in Energy Market Reform which also a national pilot.

Examples

- Under a 30-year contract, Shell and China National Petrol Corporation (CNPC) are working together to develop shale gas in central Sichuan. It is the first joint venture between CNPC and a foreign firm for China's shale gas industry.

- BP and CNPC Production-Sharing-Contract signing on extra shale gas blocks in Sichuan basin after the state visit in 2015 showed closer collaboration between UK and China. This PSC marks another achievement under BP and CNPC’s framework agreement on strategic cooperation that was signed in October 2015 during the visit to the UK of The President of The People’s Republic of China, Mr. Xi Jinping. In addition to unconventional resource exploration and development, the framework agreement covers possible future fuel retailing ventures in China, potential new oil and LNG trading opportunities globally and carbon emissions trading, as well as sharing of knowledge around low carbon energy and management practices.

For further information please contact Emma Yuan, Senior Trade and Investment Officer, at emma.yuan@fco.gov.uk, or +86 23 63691560.
THE BRITISH CONSULATE-GENERAL CHONGQING

The consulate opened on 1 March 2000.

It represents the UK across Southwest China. It does this through collaboration with local partners to achieve their shared outcomes of sustainable growth through transition to a low carbon economy, promotion of UK research and technology, the pursuit of commercial opportunities for UK businesses in priority sectors and Chinese investment to the UK.

Department of International Trade team working within the consulate focus on the priority business sectors of Automotive & Aerospace, Advanced Manufacturing & Transport, Construction, Environment and Infrastructure, Consumer, Creative and Education, Energy (Oil & Gas, Renewable, Nuclear), Information and Communication Technology and Life Science, Health and Social Care, but also seek out emerging opportunities for UK companies.