

National Education Series for Geography Teachers: (2) The Development and Planning of the Pearl River Delta and Guangdong-Hong Kong-Macao Greater Bay Area

Speaker: Hong Kong Baptist University, Faculty of Social Sciences, Associate Dean (Research), Department of Geography - Professor Yang Chun

Date: 16 December 2022 (Friday)

I. Location and background of Zhujiang (Pearl River) Delta and Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area)

A. Introduction to the Physical Geography of Zhujiang Delta

- Zhujiang (Pearl River) is the general term for the water system composed of Dongjiang, Xijiang and Beijiang.
- The plain created by the joint forces of the Three Rivers and the South China Sea is the Zhujiang / Pearl River Delta (PRD), the largest alluvial plain in the southern part of China.
- In a narrow sense, the Zhujiang Delta consists of two parts: the Xijiang, Beijiang and Dongjiang deltas. It reaches Sanshui River in Foshan at the confluence of Xijiang and Beijiang in the north, Dongguan Shilong in the lower course of Dongjiang in the east, and Xinhui Yamen in Jiangmen in the south. The area is nearly 6,000 km².
- The river network of the Zhujiang Delta is dense, and "three rivers converging and eight outlets diverging" has become an important feature of the delta's hydrological system.

B. The Areal Extent of the Zhujiang Delta

- The Zhujiang Delta is derived from the concept of physical geography, while the academic and policy fields are based on the concept of economic region
- As an economic region, the Pearl River Delta Economic Open Zone (1980), the Pearl River Delta Economic Zone (1994), the Pearl River Delta City Cluster (2004) and derivative concepts have emerged successively
 - Greater Pearl River Delta (2005)
 - Pan-Pearl River Delta (2013): "9+2"
 - Guangdong-Hong Kong-Macao Greater Bay Area (2019)

The Timeline of our country's Reform & Opening Up Development Strategy

<https://www.zxx.edu.cn/elecEdu>

C. Special Economic Zone, Open City



II. Development and transformation of the Pearl River Delta

A. Temporal and Spatial Transformation of City and Regional Development of Pearl River Delta

1. Historical period (Before 1949)

- Before Yuan Dynasty: single center in Guangzhou, radial network

Before the Yuan Dynasty, the Pearl River Delta was still at the beginning of development. Under the feudal natural economic conditions, in addition to Guangzhou as a single-center development, there were also some isolated towns that developed as small-scale regional centers with several communication lines, connecting them to form a radial network. This is the first stage of the Pearl River Delta economic geographical network.

- Before the Opium War: Guangzhou-Macao Dual Center, T-shaped network

The Pearl River Delta has leapfrogged into the ranks of advanced economic regions in our country, and has prepared a relatively strong foundation for urban revitalization and internal and external transportation. After the 16th century, when European colonists came to the east, Macao rose as an international trade port, and a dual-center development situation of Guangzhou and Macao emerged. At the same time, the four major towns of Guangzhou, Foshan, Chencun, and Longgang were successively formed, roughly distributed from east to west, forming a T-shaped network with the Guangzhou-Macau north-south axis, covering more areas in the delta.

- From the Opium War to Before Liberation: Transposition of Hong Kong and Macao and New Development of T-shaped Network

One of the results of the Opium War was the transfer of our country's trade center from Guangzhou to Shanghai. To a certain extent, the hinterland of Guangzhou was divided, and its position in commerce and transportation in the whole country was shaken and weakened.

Macao's economy is in decline, ending its status as "Big Port" in the East and becoming a vassal of Hong Kong.

Hong Kong replaced Macao as a giant trade port, moving the Guangzhou-Macao north-south axis eastward, forming the Guangzhou-Hong Kong axis, and shifting the focus of the axis of the delta geographical point to the Guangzhou-Hong Kong Corridor.

Adapted from: 司徒尚紀：珠江三角洲經濟地理網絡的歷史變遷，《熱帶地理》，第 11 卷第 2 期—1991 年 6 月。

2. 1949-1978: Hong Kong vs Pearl River Delta

- Hong Kong's economic rise since the late 1960s has become one of the four Asian Dragons, and has become an international trade, shipping, and financial center. The population increases by 100,000 every ten years, reaching 4.4 million in 1976, surpassing Guangzhou.
- Due to the closed-door policy of the Mainland, the economic development of the Pearl River Delta is slow, and the urbanization process is slow, and its status in the national urban system has declined.
- Hong Kong has very little connection to the Pearl River Delta through the Guangzhou-Hong Kong Corridor, and only has trade relations with a few cities such as Guangzhou. The points and axes of the Pearl River Delta have been closed and divided for a long time.

Comparative growth rates in the pre-reform era (1952-1978)

	Agricultural & industrial output	GDP	National Income
Pearl River Delta	8.3	-	-
Guangdong	7.7	5.2	5.3
Shanghai	9.9	8.8	8.7
China	8.2	-	6.0

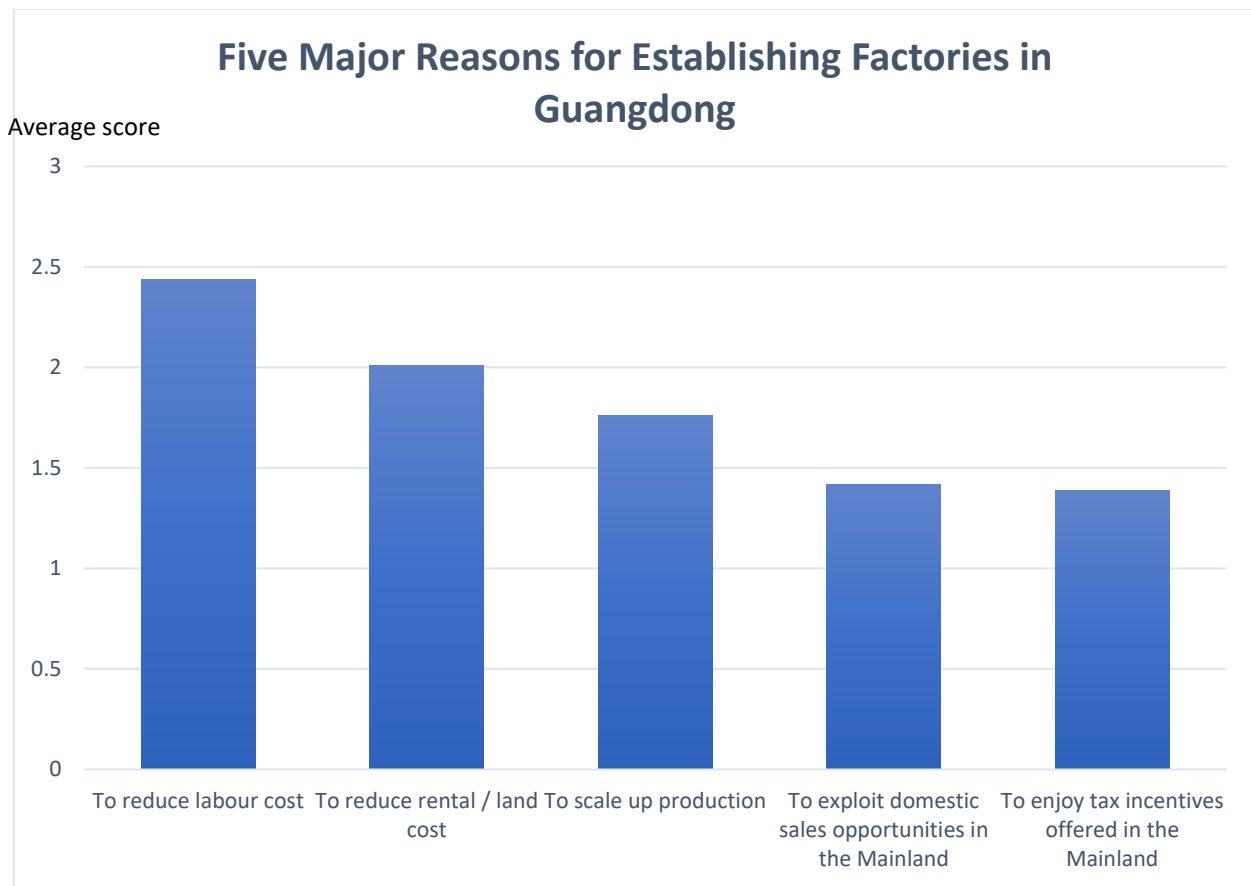
*Unit: %

Major Agricultural Production of the PRD (1980)

	Area ('000 mu)	Production	
		% of Guangdong	% of China
Rice	9800	35	5
Sugar Cane	900	64	33
Mulberry-silkworm	180	97	17
Pond fish	1000	68	20
Fruits	5000	66	20

3. After 1978: PRD in the "one step ahead" of the reform and opening-up of China

- Hong Kong capital goes north, and the Pearl River Delta becomes "workshop of the world factory"
- Export-oriented industrialization: industrial clusters
- Pearl River Delta model: Dongguan model, Shunde model...



Export-oriented industrialization in the PRD: Export/GDP ratio in major cities of the PRD (2008)

City	Exports (US\$)	GDP (RMB yuan)	Export/GDP Ratio (%)
Guangzhou	477.9	4115.8	96.1
Shenzhen	1472.8	3422.8	357.1
Zhuhai	218.1	546.3	331.4
Foshan	216.9	1656.3	108.7
Jiangmen	78.4	834.6	78.0
Dongguan	645.2	1155.3	463.5
Zhongshan	156.2	610.1	212.5
Huizhou	166.7	667.1	206.1
Zhaoqing	16.6	386.6	35.8

Guangdong rank No. 1 in China's national production

(Output size in 2001)

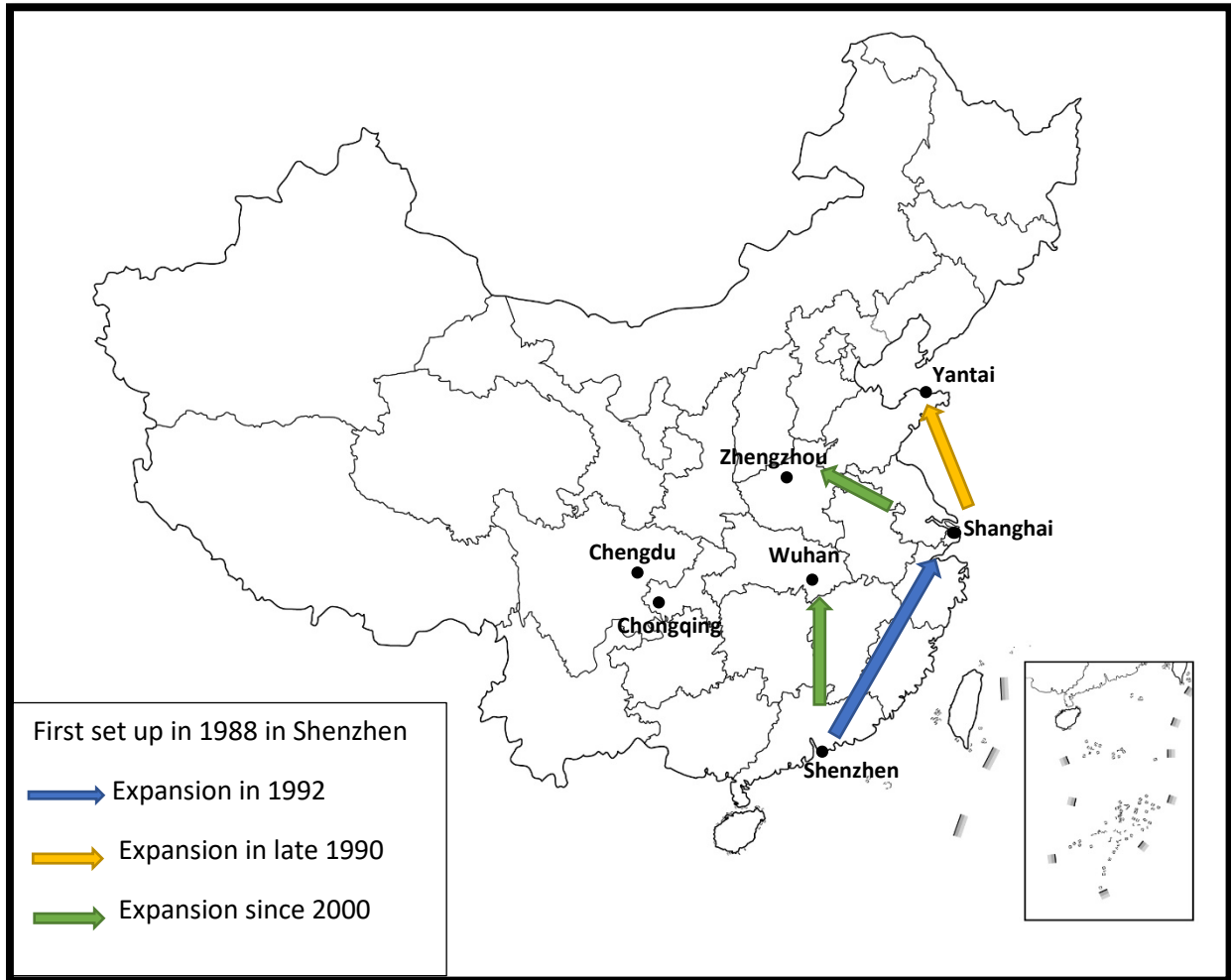
	Guangdong Output (‘000 units)	Guangdong's share in China's total (%)
Air-conditioner	8481	36.7
Color television	15930	38.9
Micro-computer	2287	26.1
LAN switch	30191	41.8
Telephone sets	76153	73.9
Fax machine	2222	69.8
Household refrigerator	2826	20.9
Electric Fan	7203.4	75.0

Guangdong Industrial Upgrading Policy: Emptying the Cage and Let the Right Bird in and Double Transfers (2008)

Differences in regional development within Guangdong Province

	North Guangdong	East Guangdong	West Guangdong	Zhujiang Delta
GDP (100 million RMB)	4910.23	5410.18	6075.67	62267.47
de jure population (10 thousand)	1664.08	1727.31	1583.34	5874.28
Rate of urbanization (%)	47.07	59.8	41.92	84.41

Foxconn's expansion in mainland China (Yang, 2013 & 2017)



Relocation to lower-cost Southeast Asian countries

(Yang, 2016; Chan and Yang, 2022)



Case Study: Upgrading of production in Dongguan

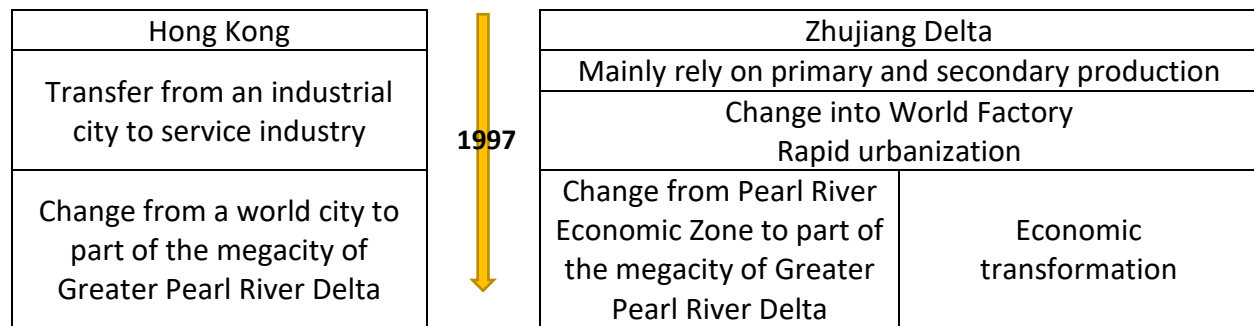
- Dongguan covers an area of 2,460 square kilometers. As of 2018, the city has a de jure population of 8.3922 million, an urban population of 7.6386 million, and an urbanization rate of 91.02%. Dongguan is also one of the famous hometowns of overseas Chinese in our country, with more than 700,000 compatriots from Hong Kong, Macao and Taiwan, and more than 200,000 overseas Chinese.
- Emerging industry
 - Following the "five pillars and four characteristic" industries, Dongguan will focus on five key emerging industries in the future. The "Dongguan City Key Emerging Industry Development Plan (2018-2025)" proposes to focus on five emerging areas, break through ten key industries, and build a development layout of "one core, three belts and ten districts" to create new momentum for industrial development in Dongguan.
 - According to the plan, by 2025, the five major emerging industries will develop into new pillars, and the scale of key emerging industries will grow by more than 18.6% annually, with a total scale of more than 4 trillion RMB. Supporting the strategic adjustment of Dongguan's industrial structure, the ability of sustainable development has been significantly enhanced, and Dongguan will be built into an advanced manufacturing center and an innovative city with global influence.

- Five Key areas
 - New information technology
 - Life Sciences and Biotechnology
 - New energy
 - New materials
 - High-end equipment manufacturing

B. Changes in the co-operation among Guangzhou, Hong Kong and Macao

1. Front-shop-and-back-factory (1980s and 1990s)

- Hong Kong's labor-intensive manufacturing industry moved north to the Pearl River Delta on a large scale
- Three Import and Compensation Trade (三來一補): processing with supplied materials, processing with supplied samples, assembly with supplied parts, compensation trade
- Front-shop-and-back-factory: Hong Kong is responsible for receiving orders, sales market network, and financial management, and the Pearl River Delta is responsible for processing and manufacturing with low-cost labor and land.
- "Bottom-up" regional cooperation: Hong Kong entrepreneurs and ordinary citizens, and participated by local governments in the Pearl River Delta participate



2. Closer Economic Partnership Arrangement

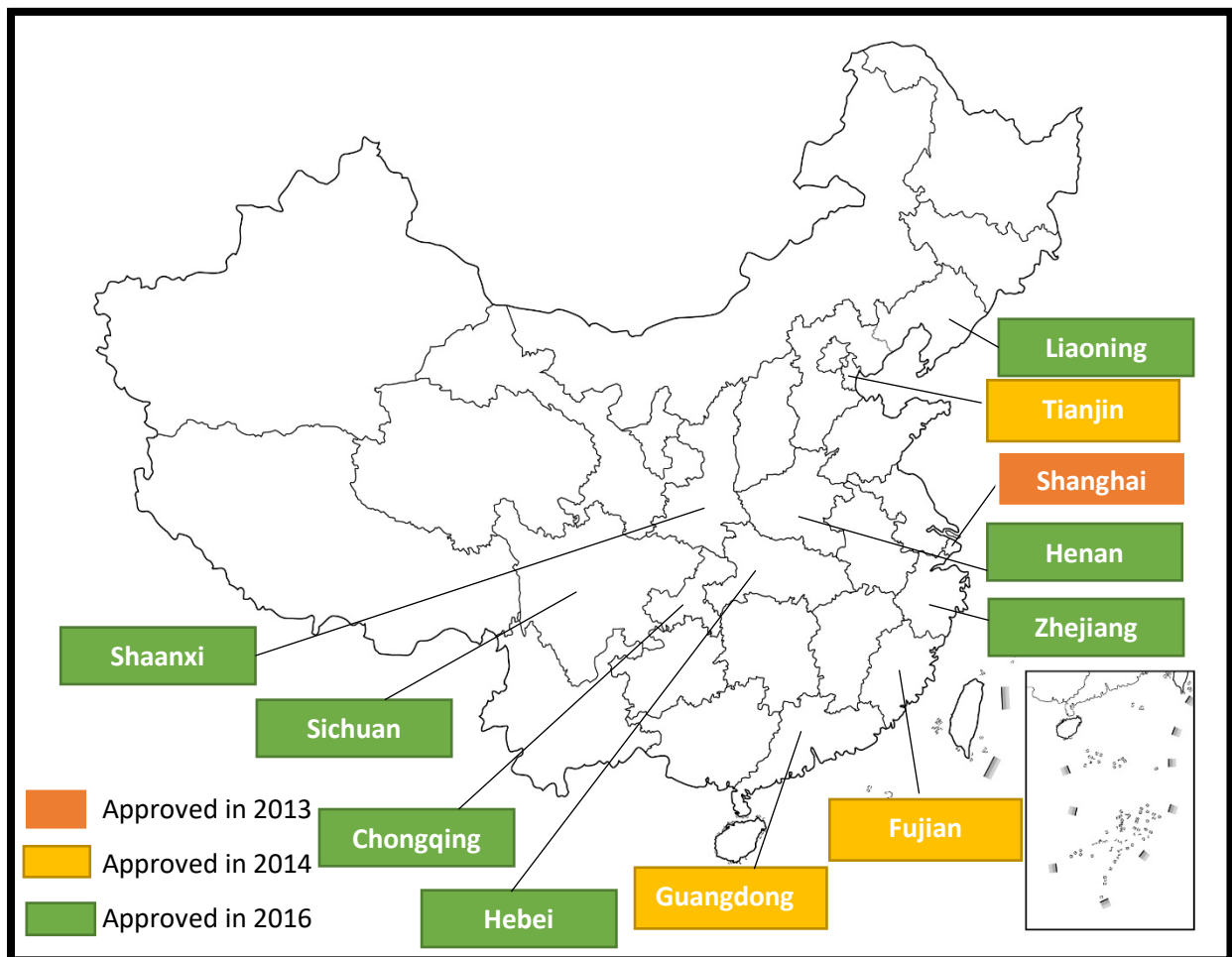
- It is the first bilateral free trade agreement (FTA) between the Mainland and Hong Kong
- It is an open and developing platform.
- Signed on June 28, 2003 and implemented on January 1, 2004
- Supplementary agreement signed every year
- Content
 - Trade in goods

- Trade in services
- Trade and Investment Facilitation

3. Free Trade Zones

- In April 2015, the State Council approved the establishment of the Guangdong Free Trade Zone
 - Actively explore the management model of payment to national citizens and the negative effects before foreign investment access
 - Build an internationalized, market-oriented, legalized business environment, and explore the liberalization of service trade in Guangdong, Hong Kong and Macao
 - Open innovation in the financial field

Free Trade Zones of Our Country



4. Guangdong Free Trade Zone: Three regions

- Guangzhou Nansha Region (廣州南沙片區): focus on the development of shipping logistics, high-end manufacturing and other industries, and a new development of modern industries dominated by productive service industries and a comprehensive service hub with world-leading levels.
- Shenzhen Qianhai Shekou Region (深圳前海蛇口片區): Focus on developing strategic emerging service industries such as finance, modern logistics, information services and technology services, and be a demonstration model for financial opening-up.
- Zhuhai Hengqin New Region (珠海橫琴新片區): focus on the development of tourism, leisure and health, culture, science and education, and high-tech industries, build a leading area for opening up culture and education and an international business service, leisure and tourism base, and create a new carrier to promote the moderately diversified development of Macao's economy.

5. Changes in the regional planning of Zhujiang Delta

- In 1989, the Pearl River Delta region carried out a regional spatial planning centered on urban system planning (城鎮體系規劃), and then carried out three city cluster planning studies (城市群的規劃研究) in 1994, 2004 and 2006 respectively.
- The early city cluster planning was based on the urgent need to establish a regional infrastructure network that adapts to the trend of urbanization, prevent the loss of cultivated land and environmental degradation caused by rapid industrialization, and alleviate the vicious competition and market segmentation among cities under the background of fiscal decentralization, and then began to include three aspects: the development focus of city clusters in the Mainland and abroad, the division of labor.

6. Three planning stages of city cluster of Zhujiang Delta

Content of the Regional Planning of Zhujiang Delta			
Source: 《粵港澳大灣區城市規劃的歷史、特徵與展望》			
Planning of city cluster of Zhujiang Delta	Problems faced	Development vision	Major strategies
1994	Land use is out of control and the environment is deteriorating; construction of infrastructure is fragmented	Build a modernized city cluster	Nodal axial development: three metroropolis, four types of landuse model
2004	The hinterland of the market is small, urban and rural areas are mixed; construction quality is not high	World class manufacturing base and energetic city cluster	Closer ties between the Pan-Pearl River Delta and Southeast Asia; building a "backbone" to enhance the core competitiveness of the region; implementing regional policy divisions
2008	The old model is unsustainable, regional and urban-rural development is unbalanced	Co-operate with Hong Kong and Macao to build up an international competitive city cluster	Cooperate closely with Hong Kong and Macao, build independent innovation center, strengthen economic integration

- 1994: Promoted directly by the Provincial Party Committee and the Provincial Government, beyond the scope of departmental planning, the overall coordination is unprecedented
- The structure of "one ridge, three belts and five axes" (「一脊三帶五軸」) proposed in the 《珠三角城鎮群協調發展規劃》 in 2004
 - The provincial government decided to jointly organize the compilation with the Ministry of Construction
 - Eight action plans, among which the "Bay Area Development Plan"(「發展灣區計劃」) proposed the concept of "Bay Area"(「灣區」) for the first time
- 2010 "Pearl River Delta Urban and Rural Planning Integration Planning"(《珠江三角洲城鄉規劃一體化規劃》) (2009-2020)
- 2010 "Key Action Plan for the Construction of a Livable Bay Area Around the Pearl River Estuary" (《環珠江口宜居灣區建設重點行動計劃》)

- As Hengqin, Nansha and Qianhai around the Pearl River Estuary have successively become the key development platforms, the cooperation of the "Pearl River Estuary Bay Area" has gradually entered the decision-making agenda of the governments of Guangdong, Hong Kong and Macao.
- In April 2010, the Department of Housing and Urban-Rural Development of Guangdong Province, the Hong Kong Planning Department and the Department of Transport and Public Works of Macao jointly organized the compilation of the "Pearl River Estuary Livable Bay Area Construction Key Action Plan" (《環珠江口宜居灣區建設重點行動計劃》), covering some areas of Guangzhou, Shenzhen, Dongguan and Zhongshan as well as the entire area of Zhuhai (19 districts under the jurisdiction of the five cities) and the entire territory of the two special administrative regions of Hong Kong and Macao, starting from the current situation assessment, defining six major problems such as the environment, public services, and leisure space, and proposing action plans.
- The final results were reviewed by the governments of Guangdong, Hong Kong and Macao according to their respective procedures and completed by the end of 2014, marking the transformation of spatial planning cooperation between Guangdong, Hong Kong and Macao from "strategic planning coordination research" (「策略性規劃協調研究」) to "implementation-oriented action plan" (「面向實施的行動計劃」). The governments also showed their attention to the Pearl River Estuary Bay Area.
- "Bay Area" has gradually become an issue at the national level. In this process, the scope of the Bay Area has also changed from the "Small Bay Area" (「小灣區」) in the 2004 version of the "Pearl River Delta City Cluster Coordinated Development Plan" (《珠三角城市群協調發展規劃》) to the "Key Action Plan for the Construction of a Livable Bay Area Around the Pearl River Estuary" (《環珠江口宜居灣區建設重點行動計劃》) which includes 7 cities. The "Medium Bay Area" (「中灣區」) was expanded to include the "Greater Bay Area" (「大灣區」) which includes 11 cities including Hong Kong, Macau and 9 cities in the Pearl River Delta Economic Zone.
- 2019 "Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area" (《粵港澳大灣區發展規劃綱要》)
 - In 2019, the Central Committee of the Communist Party of China and the State Council issued the "Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area". There are five major development goals: energetic world-class city cluster, an international innovation and technology hub, an important support for the "Belt and Road" initiative, a demonstration zone for in-depth cooperation between the Mainland, Hong Kong and Macao, and a quality living circle for living, working and travelling.

- The Guangdong-Hong Kong-Macao Greater Bay Area presents a high degree of agglomeration in terms of urban functional space as a whole, but there is still a lot of room for catching up in conditions such as international influence, service functions, innovation capabilities, environmental quality, and regional development "resilience".

3. Recent Development and Planning of Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area)

A. The formation of the Greater Bay Area

- More than 20 years from academic discussion to local policy to national strategy
 - In 1994, Professor Wu Jiawei, president of the Hong Kong University of Science and Technology at that time, proposed to "compare San Francisco to build a Shenzhen-Hong Kong Bay Area" (對標舊金山，建設深港灣區)
 - In 2003, the former Hong Kong Baptist University Professor Huang Zhilian proposed to establish a "Lingdingyang Bay Area" (伶仃洋灣) or "South China Bay" (華南灣區) similar to San Francisco Bay in the United States. In 2008, the concept of "Guangdong-Hong Kong-Macao Development Bay Area" (粵港澳發展灣區) was proposed, emphasizing the bay area's estuary, hinterland, international trade functions, international city characteristics, and the characteristics of multiculturalism, inclusiveness and system construction.
 - In 2009, the "Greater Pearl River Delta Urban Coordinated Development Planning Research" (大珠三角城鎮協調發展規劃研究) listed the "Bay Area Development Plan" (灣區發展計劃) as a part of the coordinated planning of the overall spatial layout.
 - In 2015, the national "Thirteenth Five-Year Plan" was proposed to promote the construction of major cooperation platforms in the Guangdong-Hong Kong-Macao Greater Bay Area and across provinces.
 - On March 5, 2017, Premier Li Keqiang proposed in the government work report to promote the deepening of cooperation between the Mainland and Hong Kong and Macao, study and formulate the development plan of the Guangdong-Hong Kong-Macao Greater Bay Area urban agglomeration, give full play to the unique advantages of Hong Kong and Macao, and enhance the national economic development and opening up position and function in it.

B. Bay area and bay area economy

- A bay area is a specific geographical unit of the coastal zone, usually including one or several bays whose coastlines are sheltered inland, land areas bordering the bays, and adjacent islands.
- Bay area economy is an important coastal economic form. Internationally renowned bay areas, such as New York Bay Area, San Francisco Bay Area, Tokyo Bay Area, etc., are the most important for openness, innovation, livability and internationalization. It has the characteristics of an open economic structure, efficient resource allocation capabilities, strong agglomeration and spillover functions, and a well-developed international exchange network. It plays the growth pole of leading global economic development and leading technology and innovation.
- In our country, the bay area cities are the core areas of social and economic development, and their economic aggregates account for more than 40% of the country's total. Only the hinterland metropolitan area of the three major bay areas of Bohai Bay, Hangzhou Bay and Guangdong-Hong Kong-Macao Bay accounts for 35% of the country's total GDP, becoming the three major regional powerhouses of our country's economic development.

Planning Stages of the Guangdong-Hong Kong-Macao Greater Bay Area

Year	Important concepts / events related to the planning of the Greater Bay Area
1990s	Non-government scholars advocate the concept of the Greater Bay Area
2008	“Outline Plan for Zhujiang” (2008-2020) 《珠三角地區改革發展規劃綱要》
2010	“Agreement on Hong Kong/Guangdong Co-operation” 《粵港合作框架協議》
2015	“Promoting the Vision and Actions of Jointly Building the Silk Road Economic Belt and the 21st Century Maritime Silk Road” 《推動共建絲綢之路經濟帶和 21 世紀海上絲綢之路的願景與行動》
2017	“Framework Agreement on Deepening Guangdong-Hong Kong-Macao Cooperation in the Development of the Bay Area” 《深化粵港澳合作 推動大灣區建設框架協議》
2010	“Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area” 《粵港澳大灣區發展規劃綱要》

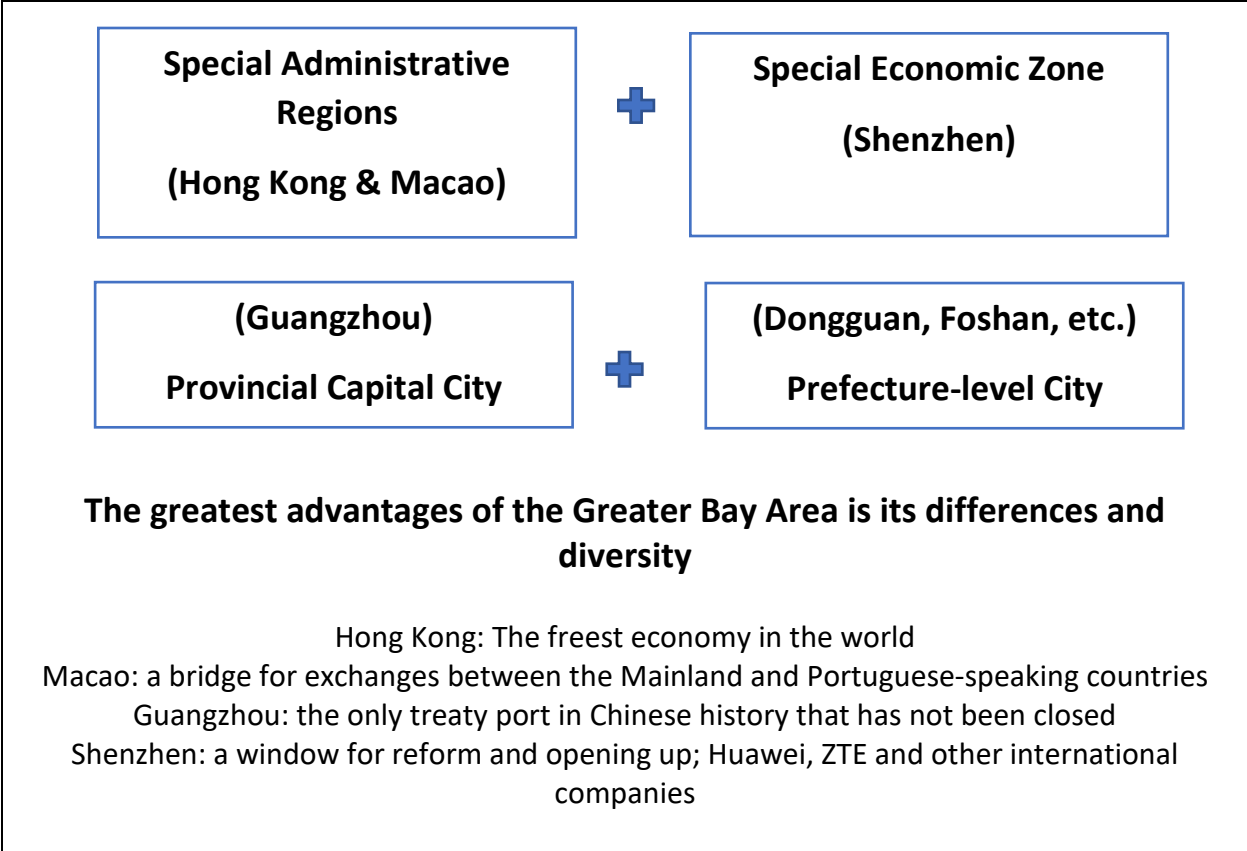
Overview of the Greater Bay Area

Total area: 56,000km²



C. The characteristics of the Greater Bay Area

- Location advantages
 - Possess the most dense port and airport cluster in the world
- Strong economy
- Convergence of innovative elements
- Leading level of internationalization
- Good basis for cooperation
- The most important is the institutional advantage of "one country, two systems"



D. The four Bay Areas in the world

	Greater Bay Area	San Francisco Bay Area	New York Bay Area	Tokyo Bay Area
Area (10,000 square kilometers)	5.59	1.79	2.15	3.69
Population (10,000)	6,958.0	764.1	2,020.0	4,396.2
Gross Domestic Production (GDP) ¹ (100 million US\$)	15,134.2	7,811.6 ²	16,574.6 ²	17,742.3 ³
Real GDP growth (%)	7.0	5.3 ²	0.9 ²	1.9 ³
GDP per capita (US\$)	21,750	102,230 ²	82,050 ²	40,360 ³
Percentage share of tertiary industry in GDP (%)	65.6	71.9 ²	83.3 ²	77.0 ³

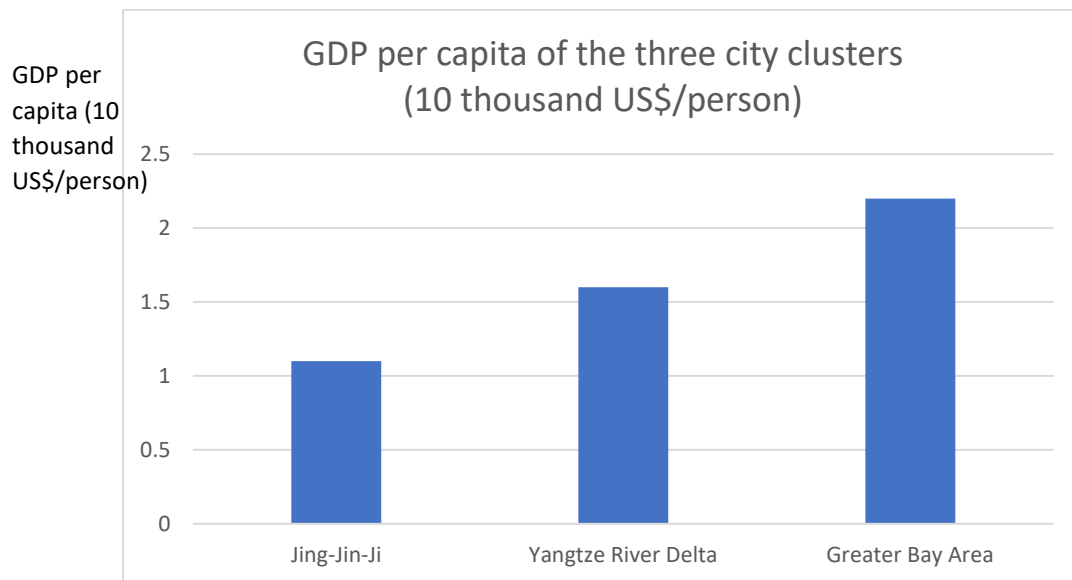
Remarks: 1. calculated based on the price of commodity at that year
2. data of 2016
3. data of 2015

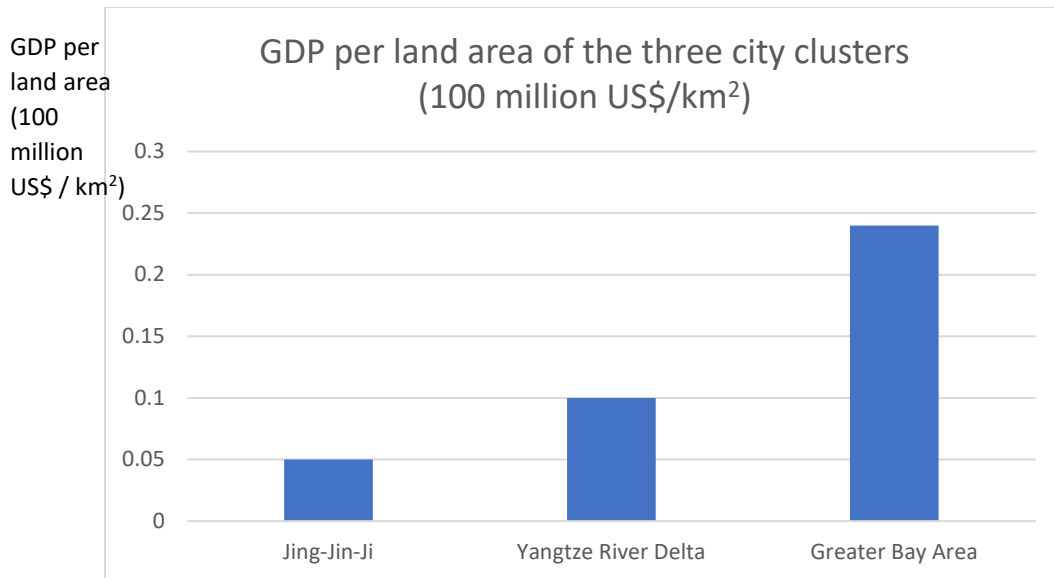
Source of information: Hong Kong Trade Development Council (2018) “Statistics of Guangdong-Hong Kong-Macao Greater Bay Area” and “Study of Economy and Trade” 22 June 2018

E. The three big city clusters

The three major city clusters are characterized by polycentricity and high density. In terms of spatial scale, the overall land area and construction land area of the Greater Bay Area are smaller than the other two city clusters, but the population and economic density are the highest.

	Bohai Bay Jing-jin-Ji City Cluster	Hangzhou Bay Yangtze River Delta City Cluster	Greater Bay Area
Land area (km ²)	21.8	21.2	5.6
Construction area (km ²)	4.37	6.97	1.04
de jure population (100 million)	1.11	1.54	0.72





F. Outline Development Plan of the Greater Bay Area

1. Seven Areas of Development

- Developing an international innovation and technology hub
- Expediting infrastructural connectivity
- Building a globally competitive modern industrial system
- Taking forward ecological conservation
- Developing a quality living circle for living, working and travelling
- Strengthen cooperation and jointly participating in the Belt and Road Initiative
- Jointly developing Guangdong-Hong Kong-Macao cooperation platforms

2. Eight measures to facilitate the convenient flow of people and goods in the Greater Bay Area

- When calculating the payment of personal income tax in the Mainland, if the stay in the Mainland is less than 24 hours a day, it will not be counted as the number of days of residence in the Mainland
- Provide individual income tax differential subsidies for overseas high-end talents and talents in short supply
- Support public institutions in Guangdong Province in the Greater Bay Area to openly recruit Hong Kong and Macao residents
- The Guangdong provincial government provides support measures applicable to mainland youths to Hong Kong and Macao young entrepreneurs working in the Mainland cities in the Greater Bay Area

- Support Hong Kong and Macao universities and scientific research institutions to participate in the Guangdong Provincial Science and Technology Plan
- Carry out the pilot reform of entry-exit facilitation in the Guangdong-Hong Kong-Macao Greater Bay Area
- Facilitate the use of Hong Kong-Zhuhai-Macao Bridge by non-commercial Hong Kong and Macao private cars
- Expand the implementation scope of the customs cross-border fast clearance docking project

G. The position of Hong Kong in the planning of the Greater Bay Area

- Consolidate and enhance Hong Kong's status as international financial, transportation and trade centers as well as an international aviation hub;
- Strengthen the global offshore RMB business hub status, and the functions of international asset management center and risk management center
- Promote the development of high-end and high-value-added areas such as finance, commerce, logistics, and professional services
- Cultivate emerging industries
- Vigorously develop innovation and technology
- Construct the Asia Pacific International Legal and Dispute Resolution Service Center
- Create a more competitive international metropolis

Opportunities

Enhancing Hong Kong's Comprehensive Competitiveness

Each city in the Guangdong-Hong Kong-Macao Greater Bay Area has its own advantages and has the ability to become the most diverse city cluster in the world. Therefore, Hong Kong can make full use of this opportunity and continuously enhance its own advantages to enhance the city's competitiveness. For example, Hong Kong, as an intellectual property trading center in Asia, can import intellectual property rights for overseas technologies for companies in the Greater Bay Area, and at the same time promote the innovation and technology achievements in the region in the international market. Hong Kong can take advantage of its advantages as an international financial, transportation and trade center to assist and promote the "going out" of the cities in the Greater Bay Area, thereby enhancing Hong Kong's comprehensive competitiveness.

Break through the bottleneck of Hong Kong's development

At present, Hong Kong's industrial structure is becoming more and more homogeneous, and the economy is excessively tilted towards the service industry, which has caused Hong Kong to face

a development bottleneck. The planning of the Greater Bay Area is expected to become a breakthrough point for Hong Kong's urban development in the future. For example, Hong Kong has a large number of talents in the technology industry. The development of high-tech industries in some cities in the Greater Bay Area is becoming more and more prosperous, and there is a great demand for talents, which brings a lot of development opportunities for young people in Hong Kong. At the same time, local enterprises also have a certain degree of understanding of international technological trends and technical standards, which can help the commercialization of mainland scientific and technological achievements and open up overseas markets. It can be seen that the planning of the Greater Bay Area brings opportunities for the development of emerging industries in Hong Kong.

Improve the living standard of Hong Kong people

Establishing a comprehensive transportation network is a major focus of the planning of the Greater Bay Area. Through the increasingly convenient transport network, it is convenient for Hong Kong people who intend to start a business, work, study or live in the Greater Bay Area, especially young people in Hong Kong. In addition, property prices and commodity prices in some cities in the Greater Bay Area are relatively cheap when compared to Hong Kong, which can provide Hong Kong people with relatively cheap medical and elderly care services. It can be seen that the interaction and integration of cities in the Greater Bay Area will help improve the living standards of Hong Kong people.

Challenges

Political and legal systems differ

The 11 cities in the Greater Bay Area have differences in their political and legal systems. Nine cities in the Mainland practice a socialist system, while the two special administrative regions of Hong Kong and Macao practice a capitalist system. In addition, the legal system in the Mainland and Macao follows the Continental Law, while Hong Kong follows the Common Law, and Hong Kong's "Basic Law" has stated that Hong Kong will maintain its original judicial system after the handover. Hong Kong and the Mainland have different political and legal systems. How to resolve the barriers and policy restrictions caused by different systems will be the key to the in-depth interaction and integration of Guangdong, Hong Kong and Macao.

There are more competition than cooperation among cities in the region

Although the "Planning Outline" has clearly defined the positioning of the cities and regions in the Greater Bay Area, the actual integration process may result in more competition than cooperation in the region. In the past 30 years, the integration of the Zhujiang Delta region has been proposed many times, such as the Pan-Pearl River Delta regional cooperation at the beginning of the millennium, but in the end, the provinces and cities in the region failed to

coordinate and developed independently. In addition, some industries and functions in the region overlap. For example, Hong Kong, Shenzhen, and Guangzhou compete fiercely in logistics, freight, aviation and other fields, and there is even more overlap in industrial development. This may lead to more competition than cooperation in the region, which will weaken Hong Kong and even the competitiveness of the Zhujiang Delta region.

The leading status in the region is being challenged

Other major bay area economies in the world have the characteristics of a "single core". For example, the New York Bay Area is centered on New York City, and the Tokyo Bay Area is centered on Tokyo Metropolis. However, there are three major cities in the Greater Bay Area, Hong Kong, Guangzhou and Shenzhen. In recent years, Shenzhen's economic development potential has been strong. How Hong Kong maintains its leading position and uniqueness in the region while avoiding competition will be a big challenge for the future of Hong Kong.

(Source of information: <https://ls.chiculture.org.hk/tc/idea-aspect/496>)