



# 2023

## SHANGHAI FOREIGN INVESTMENT GUIDE





# PREFACE

The year 2023 is a pivotal turning point for China, and for Shanghai in particular. As the 20<sup>th</sup> CPC National Congress laid out a magnificent blueprint for building a modern socialist country in all respects and advancing China's great rejuvenation on all fronts by clearly detailing the Chinese path to modernization, this year will usher China into a new era where high-quality development is the top priority. Meanwhile, Shanghai also stands at a new historical beginning, once again embarking on a fresh journey as a pioneer to lead reform, opening-up as well as innovation-driven development.

**Shanghai is actively forging new advantages and increasing its efforts to open-up to the wider world.**

Over the past five years, Shanghai has continuously released new reforms and blazed an uncharted path towards further opening-up. The city's Pudong New Area has developed into a pilot zone for socialist modernization, and its Lin-gang Special Area of China (Shanghai) Pilot Free Trade Zone has accelerated the cultivation of several special economic functions. By issuing the first local regulations for foreign investment in China and initiating the implementation of the administrative system of pre-establishment national treatment plus negative list on foreign investment, Shanghai has taken significant steps to establish an international economic and trade system and further strengthened the protection of foreign-invested

enterprises' legitimate rights and interests. As a result, Shanghai's paid-in foreign capital reached a new high of nearly USD 24 billion in 2022. The city's market-oriented, law-based and globally-recognized business environment has become an irresistible draw for foreign investment.

**The city is invigorating its technology innovation environment.**

In 2022, Shanghai's total R&D expenditure accounted for around 4.2% of GDP. The number of high-value invention patents per 10,000 residents approached 40, and a new wave of major sci-tech achievements was unveiled to the world, including China's first domestically-produced proton therapy system and the world's first novel drug for diabetes treatment. Meanwhile, Shanghai has initially formed a new type of industry system featuring three leading industries and six key industries. Emerging industries such as new energy vehicles (NEVs), high-tech ships, new materials, and robotics have also flourished. All these endeavors demonstrate Shanghai's progressive approach to accumulating knowledge and building capacity for technology innovation, aiming to provide the "Shanghai solution" to promote common development and prosperity, and share "Shanghai's ideas" to the world.

**Shanghai is earnestly exploring new directions for future development.**

Since high-end, intelligent, and green manufacturing is key to establishing a modern

industry system, Shanghai is focusing its efforts on four new areas of growth, namely the digital economy, the green and low-carbon economy, metaverse, and intelligent terminals, to promote comprehensive digital and green transformation of the city. Being the first Chinese city to win the World Smart City Award, Shanghai has taken the lead in building a "dual-gigabit" city with 5G and fixed broadband networks. It has made steady progress in pilot projects such as the e-CNY and capital market fintech innovation and created a myriad of digital life scenarios to form the vibrant image of an international digital city. Meanwhile, Shanghai also aims to promote a low-carbon lifestyle and become a model for achieving carbon peak and carbon neutrality in China by advancing green and clean energy projects and speeding up its endeavors to build itself into an international green financial hub.

To implement the spirit of the 20<sup>th</sup> CPC National Congress, Shanghai, as an important window to China, will benchmark against the world's best standards to develop itself into a central point for China's domestic economic circulation and a strategic link connecting domestic and international markets. Building upon the "Five Centers" initiative and "Four Functions" of the city, and strengthening its role as a sci-tech innovation hub, Shanghai is ready to create a new chapter in its development.





# CONTENTS

<b>1</b>	<b>A Global City of Excellence by 2035</b>	<b>01</b>
	Developing into a Global City of Excellence An Ideal Foreign Investment Destination A Modern Metropolis Embracing the Future	
<b>2</b>	<b>Highlighted Investment Areas</b>	<b>11</b>
	International Digital City Green and Low-carbon Transformation Three Leading Industries Six Key Industries Modern Services	
<b>3</b>	<b>Districts and Functional Zones for Investment</b>	<b>38</b>
<b>4</b>	<b>Investment Services and Protection</b>	<b>58</b>
	Business Environment Development Investment Protection Areas Investment Protection Services	
<b>5</b>	<b>Investment Promotion</b>	<b>64</b>
	Investment Policies Investment Promotion Agencies Investment Promotion System Investment Promotion Events	
	<b>Appendix</b>	<b>73</b>
	Appendix I: Contact Information of Government Agencies for Commerce and Investment Promotion in All Districts Appendix II: Utility Prices Appendix III: Previous Documents on Foreign Investment in Shanghai	



## Chapter I

# A Global City of Excellence by 2035

## Developing into a Global City of Excellence

Over the past five years, Shanghai has strengthened both its hard and soft power. Underpinned by its core values of “openness, innovation and inclusiveness”, the city has substantially established itself as an international economic, financial, trade and shipping center, and laid the framework for its transition into a globally competitive sci-tech innovation center.

### Greatly Enhanced Comprehensive Strength



**No.6** among the World's Top 10 Cities by GDP

**No.8** among the 2022 Global Top 500 Cities

**No.10** in the Global Power City Index (GPCI) 2022

- Shanghai has generated a GDP of **over RMB 4 trillion for 2 consecutive years**;
- In 2022, it had a GDP of over **RMB 4.46 trillion**, a GDP per capita of **around RMB 178,000** and a general public budget revenue of **RMB 760.82 billion**.



**Ranking Among the Top 3 for 3 Consecutive Years** in the 2022 Xinhua International Financial Centers Development Index Report

- Total financial market transactions increased from RMB 1,428.4 trillion in 2017 to **RMB 2,932.98 trillion** in 2022, and achieved a year-on-year growth of **16.8%**;
- Released various innovative financial products and services, such as **crude oil futures, Shanghai-London Stock Connect, Southbound Bond Connect, and public real estate investment trusts (REITs)**;
- Successfully implemented several financial opening-up initiatives through the establishment of **China's first** wholly foreign-owned securities, mutual funds, and insurance companies.
- Over the past five years, **nearly 300** licensed financial institutions have been established;
- Ranking high nationally** in terms of cross-border RMB settlement volume;
- The Shanghai Pricing System composed of **the Shanghai Gold Fix, the Shanghai Crude Oil Futures Index, the Shanghai Copper Futures Index, and the Shanghai Rubber Futures Index** has enjoyed an increasing clout.



**No.1** Globally by Total Port Trade Volume

Shanghai Port **Re-maining 1<sup>st</sup> World-wide** in Container Throughput **for 13 Consecutive Years**

- Total port trade volume reached RMB 10.4 trillion, **accounting for around 3.6% of the world's total**;
- Shanghai Port handled a container throughput of **over 47.30 million TEUs**.



Note: 1. Unless otherwise expressly stated, all currencies are reported in RMB in this report.

### Accelerating Growth Momentum

#### A New-type Industry System with Three Forerunner Industries as the Leading Force and Six Key Industries as the Backing Force

- Emerging industries such as NEVs, high-tech ships, new materials and robots have been developing rapidly. In 2022, **the world's first C919 aircraft** was delivered, and other key projects such as building **China's third aircraft carrier** and **the Mengtian lab module** were successfully implemented;
- Shanghai is home to **20** national new-type industrialization demonstration bases;
- The number of high-tech companies and specialized, refined, differential and innovative (SRDI) companies increased from 7,642 and 1,665 in 2017 to **22,000** and **4,942** in 2022 respectively.

#### Enhanced Role as a Sci-Tech Innovation Hub

- Boasting **3 state-level laboratories**, 17 new-type R&D institutions, and 15 functional platforms for promoting R&D and achievement transformation;
- 4 national key sci-tech infrastructure projects** are underway, and **the world's largest, most diverse and comprehensive photonic large scientific facility cluster has taken shape**;
- A series of innovations such as **the world's first monkey clones created by somatic cell nuclear transfer** and **kilometer-level high-temperature superconducting cables** have been produced;
- The World Laureates Forum (WLF) has been **held successfully for 5 consecutive years** and the WLA Prize was established as **the first international science award initiated in Shanghai**;
- Stepping up efforts to forge **an international model for IPR protection**.

#### A Dynamic International Trade Center

- Import and export volume over the past five years totaled **RMB 18.6 trillion, up by about 28.1%** compared to that of the previous five-year period;
- New patterns and models of foreign trade such as **cross-border e-commerce, offshore trade, international distribution services and bonded maintenance** have been developing, and **five RMB 100 billion-level and five RMB 10 billion-level commodity trade platforms were added respectively over the past five years**;
- The North Bund Forum was successfully hosted. A series of shipping policies such as regulations on **coastal carriage, and bonded oil and LNG bunkering for ships on international voyages** were initiated and implemented;
- Thanks to the cross-border trade facilitation campaign, **customs clearing time has reduced by over 50%**.

#### A Pioneer in Developing an International Consumption Center

- According to **a white paper on developing a city into an international consumption hub released by CBRE in 2022**, Shanghai has become a quasi-international consumption center that could rival New York, London and Tokyo;
- In 2022, **20** shopping malls (over 30,000 m<sup>2</sup> each) opened in Shanghai and the overall annual turnover of shopping malls in the city reached **around RMB 200 billion**, accounting for **nearly 12.6%** of Shanghai's total retail sales of consumer goods;
- The Shanghai Double Five Shopping Festival** has been successfully held **several times**, and the city has welcomed **4,881** first stores in the past five years;
- No.1** in China's comprehensive night economy index.



# Developing into a Global City of Excellence (Continued)

## Major Strides in Reform and Opening-up

### Continuously Expanding Opening-up

- Implemented **the Regional Comprehensive Economic Partnership (RCEP)**;
- Created **eight national bases for the export of featured services**, such as digital services and cultural trade;
- From 2021 onwards, the total amount of imports and exports has **exceeded RMB 4 trillion for 2 consecutive years**;
- Operated **the Belt and Road integrated service center**;
- Opened and operated **the China-Europe Shanghai Express**;
- Expanded the Asia-Pacific Model E-port Network (APMEN) to include **24 member ports**.

### Clustering Functional Institutions

- As a hot spot for foreign investment, Shanghai has attracted many multinational companies to deploy their **industry chains, supply chains and innovation chains** in the city;
- Over the past five years, Shanghai has introduced **China's first local regulations on foreign investment**, and implemented dedicated service mechanisms such as complaint centers for foreign-funded enterprises and special windows for foreign-related services;
- It attracted **60** new regional headquarters (RHQs) of multinational corporations (MNCs) in 2022, reaching a total of **891**;
- **25** new foreign-invested R&D centers were set up in 2022, pushing the total number to **531**.

### Pioneering Role of Pudong New Area

Shanghai fully supports building Pudong New Area into a pioneer area for socialist modernization by actively exploring comprehensive pilot projects, creating industry innovation and service platforms, dynamically improving the list of legislative needs, activating new momentum for high-quality development, enhancing new advantages in international cooperation and competition, and building a new development pattern.

- Implemented major supporting policies such as **facilitating the entry of special biomedicine items, integrating the regulatory model for the manufacture of large aircrafts, and innovating regulatory measures for the development of the integrated circuit industry**;
- Deeply promoted **a system of market access upon commitment, the market entities registration confirmation system** and other major reform initiatives;
- Established major functional platforms such as **the national commodity warehouse receipts registration center, the private equity and venture capital share transfer platform, and the "Free Offshore Trade" platform**;
- Issued **15 regulations tailored for Pudong New Area**.

### Hongqiao International Opening-up Hub Leading High-quality Development in the YRD Region

Since the introduction of the *Overall Plan for the Development of Hongqiao International Opening-up Hub* in February 2021, the Hub has accelerated the development of its key area, and the region's GDP has increased from RMB 2.3 trillion in 2020 to RMB 2.69 trillion in 2022, marking a milestone in the construction of "Greater Hongqiao".

- Accelerated the construction of **Hongqiao National Import Trade Promotion and Innovation Demonstration Zone**;
- Successfully hosted **the Pudong and Hongqiao sub-forums of the Hongqiao International Economic Forum**;
- Capitalizing on **Hongqiao Import Commodity Exhibition and Trading Center and its live-streaming sales base**, the Hub demonstrates increasing influence as a commercial center;
- With a comprehensive upgrade to the transportation-hub function, **the transportation system which connects Hongqiao International Opening-up Hub, Pudong International Airport and the Yangtze River Delta region** has been further improved.

### Breakthroughs in the "Three Missions" and "One Platform" Initiative

As a major strategic task assigned to Shanghai by Chinese President Xi Jinping and the Chinese central government, the initiative includes: promoting the development of Lin-gang Special Area of SHFTZ, launching the Shanghai Stock Exchange Science and Technology Innovation Board (the SSE STAR Market) with its pilot registration-based IPO system, promoting integrated development of the YRD region, and ensuring successful organization of the CIIE. These four strategies together will lay the ground for a reform and opening-up pattern never seen before in Shanghai.

**Lin-gang Special Area Formed a Rule-based Opening-up System Which Enables Free Investment, Trade, Capital, Transportation, and Mobility of Human Resources, and the Quick and Convenient Flow of Information** ↘

- **36 institutional innovation cases of national firsts** take place in the Area;
- Yangshan Free Trade Zone commenced operation, and the Area's total industrial output value above the designated scale and the total investment in fixed assets increased by **40.2%** and **43%** respectively on an annual basis since the Area was established.

**Amplified Effects of the SSE STAR Market and the Registration-based IPO System** ↘

- Improved policy kit for sci-tech innovation enterprises in the "Light of Pujiang" program;
- By the end of 2022, there were **78** Shanghai-based companies listed on the STAR Market, **ranking first in China** in terms of the cumulative funds raised by IPO and total market value.

**Integrated Development of the YRD Region as a National Strategy to Promote Accelerated Regional Synergy** ↘

- Efforts have been made to accelerate the development of the YRD sci-tech innovation community, improve the connectivity in transportation, energy, and other infrastructure, and facilitate cross district public services and medical treatment;
- The Demonstration Zone for Integrated Ecological and Green Development of the YRD Region has achieved **112 institutional innovations, 38 of which have been rolled out across China**.

**Expanding Spillover Effects of the CIIE** ↘

- With the introduction of a brand new **"Digital Expo" platform** in 2022, the 5<sup>th</sup> CIIE had an intended turnover of **USD 73.52 billion** for one-year purchase, representing an increase of 3.9% over the previous edition; a total of **145** countries, regions and international organizations participated in the exhibition, and **24** Hongqiao Forum events were successfully held;
- Shanghai has built **60 "6 + 365"** trading service platforms, imported **over RMB 323.07 billion** worth of commodities and introduced **270,000 kinds** of CIIE exhibits.

## Developing into a Global City of Excellence (Continued)

### Continuously Improved People's Living Standards

#### Better Quality of Life

- The per capita disposable income increased from RMB 59,000 in 2017 to **about RMB 79,000** in 2022;
- Consumer prices remained stable with **an average annual increase of 1.9%**.

#### Comprehensive Public Health System

- 6** national medical centers and **43** regional ones have been established;
- Service capacity of community health-care centers have been further enhanced, and **7 batches of national centralized drug procurement** have been organized and implemented.

#### Optimized Service Facilities for People's Livelihood

- 512** fitness trails, **419** multi-functional sports fields and 2,627 community fitness spots were newly built or repurposed from pre-existing facilities in the city;
- 101,000** public electric vehicle charging piles were newly installed and another **49** pedestrian bridges were equipped with barrier-free elevators;
- 26,500** elderly care beds and **321** community-level elderly care and service centers were added;
- A series of metro lines including Line 14 and 15 became operational. The city remains to have **the longest rail transit system in the world**, with its total route length increased from 666 km in 2017 to 831 km in 2022.

#### Accelerated Development of an International Cultural Metropolis

- Enjoying the benefits of innovative pilot policies, world-famous auction house Christie's held its **first joint auction called "20/21 Shanghai to London"** at the Bund;
- New cultural infrastructure** such as Shanghai Astronomy Museum and Shanghai Library East were **established along the Huangpu River**;
- Shanghai is accelerating its transition into a capital of art performance in Asia, boasting several phenomenal performances such as **The Eternal Wave** and **ERA**;
- Brands such as **"Stories of Architecture"**, **"New Space of Performing Arts"** and **"City Walk"** have been promoted.

### Ameliorated Ecological Environment

#### Remarkable Achievements in Building a Clean City

- The annual average PM 2.5 concentration decreased from 39  $\mu\text{g}/\text{m}^3$  in 2017 to **25  $\mu\text{g}/\text{m}^3$**  in 2022;
- Energy consumption per unit of GDP **reduced by about 20% over the past five years**;
- The city has made important progress in pollution prevention and control and has maintained its excellent rating in the national assessment for 3 consecutive years.

#### Significant Progress in Creating a Green Environment

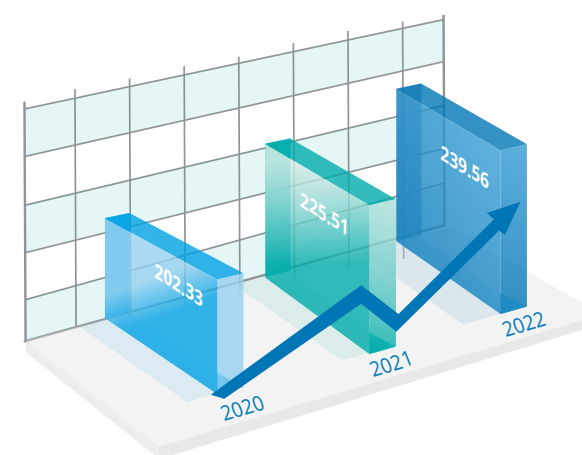
- Roughly 20,070 hectares of afforestation areas, 5,917 hectares of green space, and 1,072 km of green roads** were newly built;
- The number of parks in the city increased from 243 in 2017 to **670** in 2022;
- Chongming District has made much headway towards building itself into a world-class eco-island, where **the 10<sup>th</sup> China Flower Expo** was successfully held.

## An Ideal Foreign Investment Destination

### Foreign Investment Statistics in Shanghai in 2022

#### Paid-in Foreign Capital USD 23.9 Billion+

Over USD 20 billion for 3 consecutive years



#### Paid-in Foreign Capital in the Tertiary Industry

**~ USD 23 Billion**

96.3% of total paid-in foreign capital in Shanghai

#### Newly Established Foreign-invested Enterprises

**4,352**

Total number of foreign-invested enterprises exceeds **60,000**

#### Five-year Paid-in Foreign Capital

**~ USD 103 Billion**

An increase of about **15.8%** over the previous 5 years

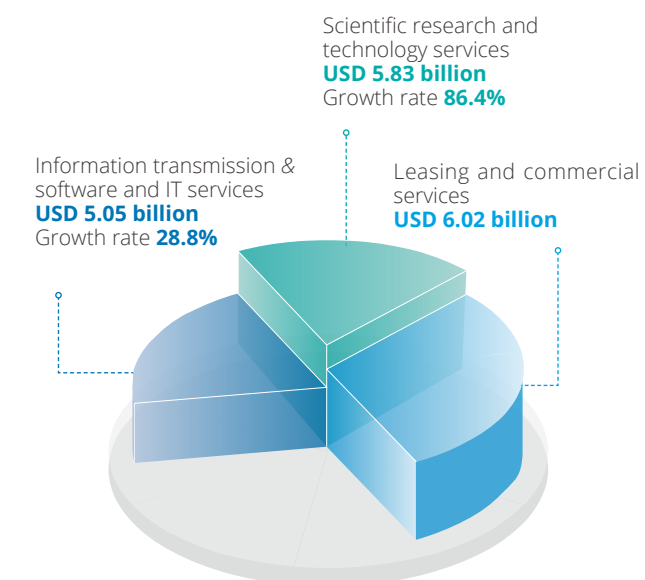
#### Main Sources of Foreign Investment:

The top three sources of paid-in foreign capital in Shanghai from outside Chinese Mainland were Hong Kong, Singapore and the Cayman Islands.



#### Major Industries Attracting Foreign Investment:

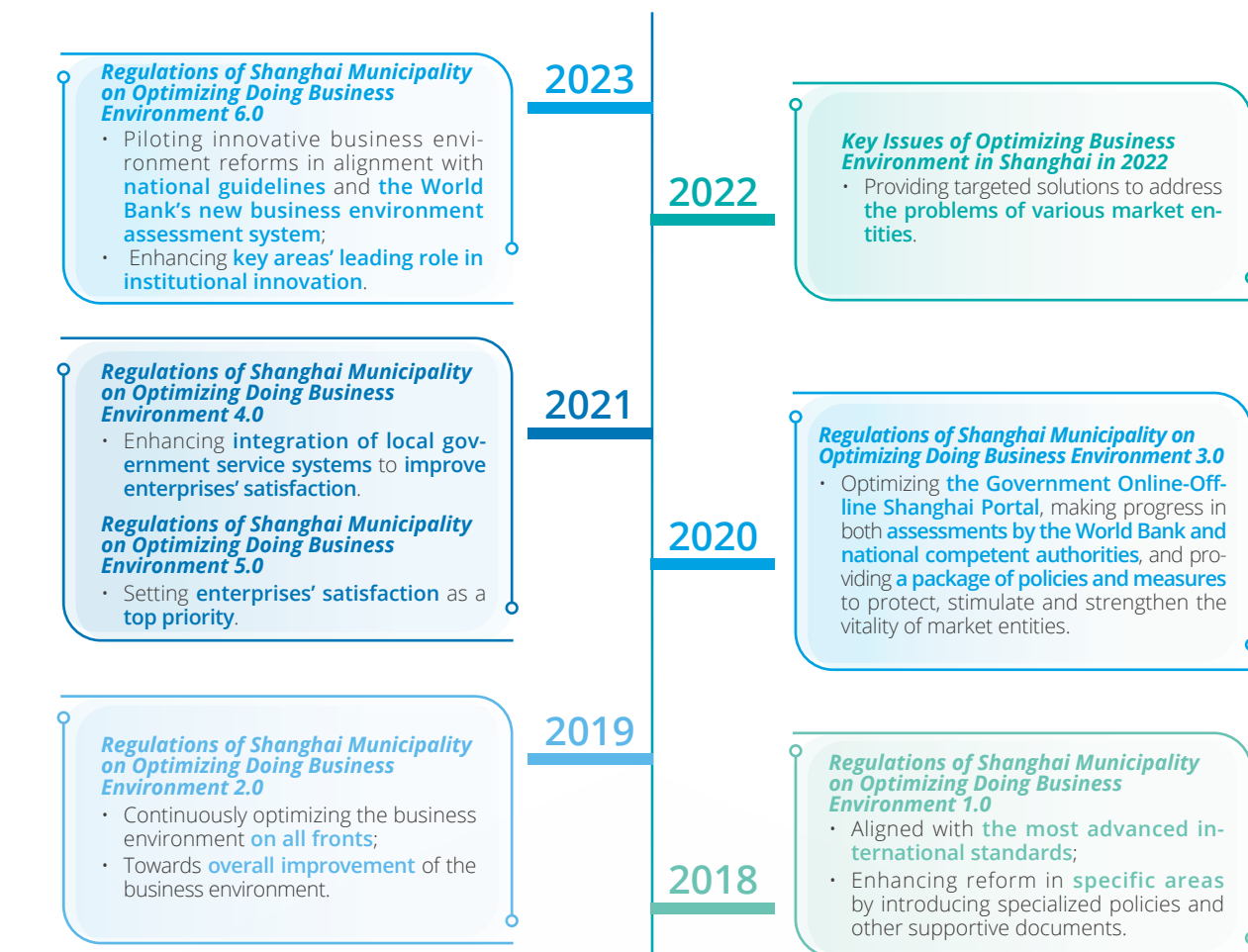
Leasing and commercial services, scientific research and technology services, and information transmission & software and IT services received **73.3%** of the total paid-in foreign capital in the tertiary industry in Shanghai.





## An Open Policy Environment

### 🌐 Optimizing Business Environment



### 🌐 Expanding Foreign Investment

#### The First Initiative to Attract Foreign Investment in China

- In 2002, Shanghai took the lead in introducing a policy which encouraged MNCs to set up RHQs in Shanghai. In 2022, it revised the Provisions of Shanghai Municipality on Encouraging Multinational Corporations to Establish Regional Headquarters, by further clarifying the types of MNC RHQs, the certification criteria and the facilitating measures for them.

#### The First Provincial-level Foreign Investment Regulation in China

- In 2020, the Shanghai Regulations on Foreign Investment officially came into effect to further promote and stabilize foreign investment and protect foreign investors' legitimate rights and interests, encouraging high-level opening-up and marking new ground in pursuing opening-up on all fronts.

#### Measures to Standardize Foreign-invested Project Approval and Filing

- In 2021, the Procedures of Shanghai Municipality on the Administration of Approval and Filing of the Projects with Foreign Investment was released, which highlighted measures including simplifying approval documents to improve efficiency and guaranteeing investment autonomy of foreign investors and foreign-invested enterprises.

## A Modern Metropolis Embracing the Future

The year 2023, which falls in the middle of the 14<sup>th</sup> Five-Year Plan period, is of critical importance. This year, Shanghai will continue to set benchmarks for the highest standards and the best practices, and enhance its core functions and develop new momentum by leveraging the advantage of national major strategic tasks concentrated in the city.

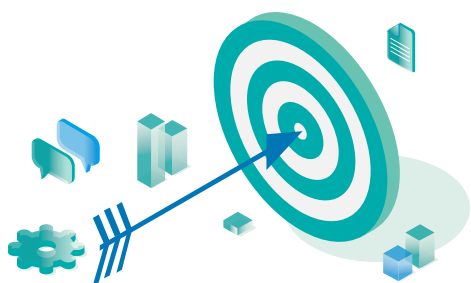
### 🌐 Development Goals for the Next Five Years (2023–2028)



## A Modern Metropolis Embracing the Future (Continued)

### Shanghai's Major Tasks in 2023

#### Expectations & Objectives



#### ✓ Strengthening Support for Education, Science and Technology, and Talent

- Creating a number of **industry-education integration bases** and **university scientific research bases**;
- Introducing and cultivating a number of **innovative headquarters that integrate diverse functions such as R&D, sales, and settlement** to accelerate the development of the science and technology service industry;
- Strengthening the talent gathering effect of **national laboratories, major sci-tech infrastructures, world-class universities, high-level R&D institutions, industry-leading enterprises** and other platforms.

#### ✓ Promoting Steady and Sound Economic Development

- With continuous efforts to build Shanghai into an international consumption center, Shanghai will organize major consumer promotion activities such as **the Shanghai Double Five Shopping Festival** and boost **the debut economy, the night-time economy** and **the livestreaming economy**;
- Shanghai will further improve **the "single window" service platform for international trade**, accelerate the cultivation of a number of pilot enterprises in **cross-border e-commerce, digital trade** and other new types of international trade, and implement the latest edition of China's *Catalogue of Encouraged Industries for Foreign Investment*.

#### ✓ Utilizing Shanghai's Role as a Pilot Ground for Reform and Opening-up

- Preparing **Pudong's list of special measures to ease market access, taking the lead to establish a system of integrated industry licensing and integrated supervision**, and adding another 25 open innovation centers for large enterprises;
- Pushing forward the program of building China (Shanghai) Pilot Free Trade Zone and the Lin-Gang Special Area to deepen **the pilot program of reforming foreign exchange administration and the high-level opening-up of cross-border trade and investment**;
- Implementing **the Overall Plan for the Development of Hongqiao International Opening-up Hub**;
- Strengthening **industrial support for the international economic center** and accelerating the development of a modern industry system.

#### ✓ Accelerating Shanghai's Digital Transformation

- Fostering a number of exemplary digital transformation projects in the manufacturing industries and promoting the development of **digital business districts** and **digital stores**;
- Accelerating the development of **a national data exchange, an international data port** and **new infrastructures such as data centers and computing platforms**;
- Establishing a targeted and inclusive digital life service system with the addition of **10** key life scenarios.

#### ✓ Facilitating Green and Low-carbon Transformation

- Developing major projects such as **the offshore deep & far sea wind power demonstration project** and **the cross province electricity transmission network**;
- Promoting the construction of EV charging and battery swapping facilities, and accelerating the building of **new electrical power systems**;
- Promoting **the ecological program centered on "areas along the Huangpu River and Suzhou Creek, and a ring park belt around the city"** by building another 120 parks, about 2,666.67 hectares of forests, 1,000 hectares of green land, 200 km of greenways and 400,000 m<sup>2</sup> of green spaces.



## Chapter II Highlighted Investment Areas



## Developing an Outstanding, Efficient and Innovative Modern Industry System

By focusing on digital industrialization and industry digitization, Shanghai will promote in-depth integration of the virtual and real economies, as part of its efforts to build a complete "2 + 3 + 6 + 4 + 5" modern industry system.

### 2 Two Types of Traditional Industry Transformation

In order to promote **digital transformation and green and low-carbon transition**, Shanghai will continue to empower traditional industries by digital technologies, and support the green technological transformation of traditional **steel, chemical and power** enterprises and other high energy consumers.

#### Digital Transformation

By 2025:

- All manufacturers above the designated size in Shanghai will receive an assessment of digitalization level, and no less than **80%** of them will complete digital transformation;
- The scale of core segments of industrial internet in Shanghai will reach **RMB 200 billion**.

#### Green and Low-carbon Transition

By 2025:

- The scale of the green and low-carbon industry will exceed **RMB 500 billion**;
- A development pattern featuring **2 RMB 100 billion-level, 5 RMB 10 billion-level and several RMB 1 billion-level** industry clusters will take shape.

Shanghai will endeavor to develop the **IC, biopharmaceutical and AI** industries.

In 2022  
Output of three leading industries  
**RMB 1.4 trillion**

#### ICs

- By 2025, Shanghai will develop into an IC innovation highland **with independent development capabilities and global influence**.

#### Biopharmaceuticals

- By 2025, Shanghai's biopharmaceutical industry scale is expected to exceed **RMB 1 trillion**, including **RMB 240 billion** contributed by the biopharmaceutical manufacturing sector.

#### AI

- By 2025, the scale of Shanghai's AI enterprises above the designated size will reach **RMB 400 billion**.

### 3 Three Leading Industries

### 6 Six Key Industries

Shanghai will also develop **electronic information, automobiles, high-end equipment, advanced materials, life science and healthcare**, and **modern consumer goods**.

By 2025, the six key industries are expected to achieve the following targets:

#### Electronic Information

An output of **over RMB 2.2 trillion**

#### Automobiles

An annual output of over **RMB 500 billion** and an annual production volume of **2 million** units of intelligent connected vehicles (ICVs)

#### High-end Equipment

An output of **over RMB 700 billion**

#### Advanced Materials

An output of **RMB 430 billion**, including **RMB 320 billion** generated by new materials manufacturing

#### Life Science and Healthcare

An output of **over RMB 260 billion**

#### Modern Consumer Goods

An output of **over RMB 520 billion** and an average annual growth rate of **5%**

Shanghai has issued action plans to seize the initiative in the **digital economy, the green and low-carbon economy, metaverse** and **intelligent terminals**.

#### The Digital Economy

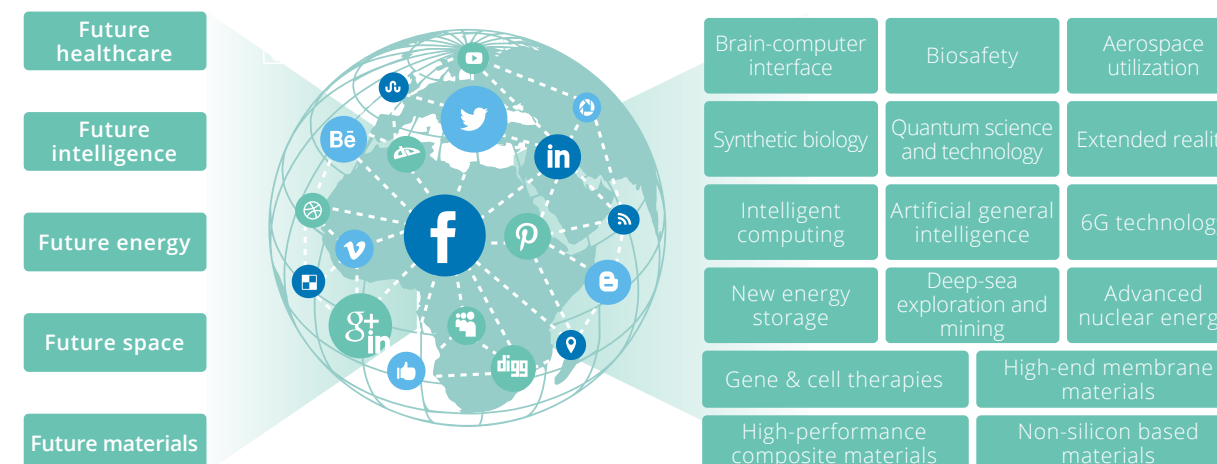
- New technologies including **big data, cloud computing, IoT and blockchain** have been applied to the development of **new digital industries, data resources, digital infrastructure and intelligent terminals**;
- By 2025, the framework of an **international digital city** will basically take shape.

#### Metaverse

- Shanghai has launched an **RMB 10 billion-level fund for the metaverse industry** targeting to boost the development of **cutting-edge technologies, interactive terminals and digital tools** in this industry;
- It aims to cultivate **10** leading companies with international competitiveness and **100** specialized and sophisticated enterprises that produce new and unique products with core technologies;
- It will also develop **more than 50** demonstration application scenarios and **over 100** benchmarking products and services;
- By 2025, the metaverse industry scale is expected to **exceed RMB 350 billion**.

### 5 Five Promising Domains of the Future

Shanghai has prospectively planned for the development of **16** industries of the future covering **healthcare, intelligence, energy, space** and **materials**.



#### Intelligent Terminals

- **Intelligent NEVs, AI robots, VR interactive terminals, intelligent wearables, and smart home appliances** are the focus of end product development;
- By 2025, the industry scale is expected to exceed **RMB 700 billion**.

### 4 Four Emerging Industries

#### The Green and Low-carbon Economy

- Shanghai has seized the market opportunities to accelerate the development of **clean energy, low-carbon raw materials, functional materials, electrical terminals and resource recycling** and **improve the efficiency of production process**;
- It has developed a list of key technologies and enterprises in **36** sub-sectors of ten major industries in the areas of **new technology, process, materials, equipment and energy**;
- By 2025, the industry scale is about to exceed **RMB 500 billion**.

## International Digital City

Shanghai has made dedicated efforts to promote digital transformation and build an international digital city with global influence. It will accelerate the application of digital technologies to continuously drive changes in the mode of production, lifestyle and urban governance.

### Leveraging resources to build an international digital economy highland

By building new growth momentum, Shanghai will promote the diversified development of innovative economic norms, including **the platform economy, digital economy, green economy, and night-time economy.**

#### The Digital Economy

- With **the largest industry scale nationwide**, Shanghai currently takes the lead in the digital economy in China. Besides, it was **the first Chinese city to win the World Smart City Award.**

### Improving the digital infrastructure for a better urban life

Shanghai has created **sound community spaces and service systems** for its residents to enjoy a quality life empowered by innovative digital technologies.

#### Digital Life

- Shanghai is **the first city in China boasting dual gigabit networks**. In 2022, it launched **869** innovative 5G applications and built **13,000** new 5G outdoor base stations;
- The city has strengthened its role as an **international information and communication hub**, with the capacity of its submarine telecommunication cable reaching 22Tbps.

### Continuing the tradition of openness to unleash the value of data resources

Putting cyber and data security first, Shanghai will integrate mechanisms and facilities with a balance between proactive defense and passive protection measures to **build a safe and trustworthy environment for digital development.**

#### Digital Resources

- The *Implementation Measures for the Opening of Public Data in Shanghai* was released in 2022;
- The city has accelerated to build itself into a global data port;
- Shanghai ranked **4<sup>th</sup>** in the list of 2022 Open Data Index of Global Important Cities.

### Applying digital technologies to create new engines for digital innovation

Shanghai will accelerate the transformation and upgrading of various industries and achieve major breakthroughs in new digital industries through technological innovation, in order to drive changes in the **mode of production, lifestyle services and urban governance.**

#### Digital Foundation

- 8** municipal-level digital transformation demonstration areas have been established;
- 40** smart factories will be built;
- The **Digital Partner Program** has been fully implemented, in which **25** digital life pilot scenarios will be built;
- Shanghai Data Exchange has launched the digital assets trading section.

### Encouraging public engagement to establish a global role model for smart city governance

Shanghai will develop itself into a twin-mirror boundless city with accurate digital mapping of all elements for integrated virtual and real existences to interact. It will also **fully deploy IoT devices to get the whole picture of the city.**

#### Digital Governance

- The Government Online-Offline Shanghai Portal provides services of **3,588 items**, enabling **84%** of cases to be handled on-line;
- Shanghai has been upgrading its digital urban management indicator system on the Single Platform for Urban Management, along with a number of special application scenarios being improved and put into practice.

## Green and Low-carbon Transformation

To implement national strategies about carbon peak and carbon neutrality, Shanghai has introduced a series of policies including the *Implementation Plan for Carbon Peak in Shanghai* and the *Action Plan for Promoting the Development of the Green and Low-carbon Industries in Shanghai*, integrating green and low-carbon practices into the whole process of urban development.

### Promoting Carbon Peak and Carbon Neutrality

- Shanghai has issued and put into practice the *Implementation Opinions for Carbon Peak and Carbon Neutrality in Shanghai*, *Implementation Plan for Carbon Peak in Shanghai* and supporting policies in key areas such as energy, construction, technology, hydrogen energy, and green finance. Meanwhile, **one of the first national pilot projects for climate investment and financing was launched in Pudong New Area**;
- Shanghai has been rapidly promoting the offshore wind power project and "Photovoltaic +" specialized project;
- The Global Observance of World Cities Day 2022 and the Second Sustainable Development Goals Cities Global Conference were held in Shanghai**;
- China's national emissions trading scheme (ETS) started operating in Shanghai. By the end of 2022, **the quotas of carbon emission trading had amounted to 230 million metric tons, and the cumulative trading volume was RMB 10.48 billion.**

### Facilitating Low-carbon Transformation by Sci-tech Innovation

#### Improving carbon peak and carbon neutrality technology innovation systems

- Shanghai has **issued the Implementation Plan for Supporting Carbon Peak and Carbon Neutrality by Science and Technology in Shanghai**, proposing ten scientific and technological supporting actions such as promoting green energy and low-carbon transformation. Meanwhile, it has developed technological innovation platforms, including the newly established Shanghai Technology Innovation Alliance for Carbon Neutrality and Shanghai Changxing Carbon Neutrality Innovation Industrial Park;
- The demonstration projects of green and low-carbon technology application have been launched, in particular the first 200kW solid oxide water electrolysis hydrogen production verification device in China.

#### Pushing forward the development of green technology banks

- Shanghai has further innovated the "technology + finance" model by establishing a green technology equity investment fund to promote the coordinated development of technology and finance;
- A collaborative network has been being built, in which the city works with **research institutions, international organizations and leading companies** through partnership programs and gather green technologies. Shanghai has also fostered a full-chain service support capability, with more than 1,600 experts and **119 service agencies and international organizations** in the green industry.

#### Accelerating the development of green and smart energy systems

- China's first** integrated energy management platform covering water, electricity, oil, gas and hydrogen was launched in the Lin-gang Special Area;
- The world's first** super capacitor-powered ferry "New Ecological Ferry" was put into service between Changxing Island and Hengsha Island, achieving low-noise and zero-emission operation;
- Shanghai has been planning a near-zero-carbon travel technology system to improve the energy efficiency of urban rail transit.

### Fostering Green and Low-carbon Industries

#### Focusing on the uppermost of industry chains Leading in advantageous industries

- Cutting-edge technologies
- High-end equipment
- High energy efficiency

#### Advancing the development of industry clusters Expanding industry segments

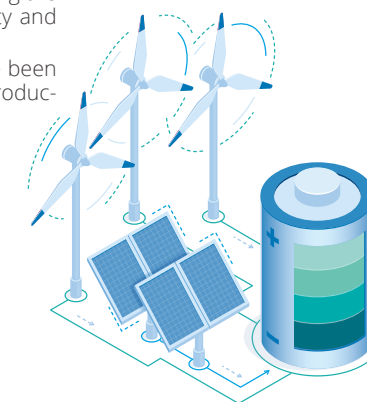
- New energy vehicles (NEVs)
- Hydrogen energy

#### Exploring application scenarios Grabbing opportunities in new sectors

- Green materials
- Carbon trading and carbon finance

#### Strengthening integrated innovation Achieving development through new innovations

- Carbon capture and application
- Smart grid





## Three Leading Industries



### ICs

As an IC highland in China, Shanghai has built a complete IC industry chain that brings together enterprises engaged in design, manufacturing, packaging and testing, equipment, and materials. It is now stepping up efforts to enhance the diversification and differentiation of IC products by fostering three pillar sectors – IC design, manufacturing, and equipment and materials. The city's IC industry is expecting an average annual growth rate of about 20% in the 14<sup>th</sup> Five-Year Plan period.

### Industry Advantages

#### Clustering Industry Resources

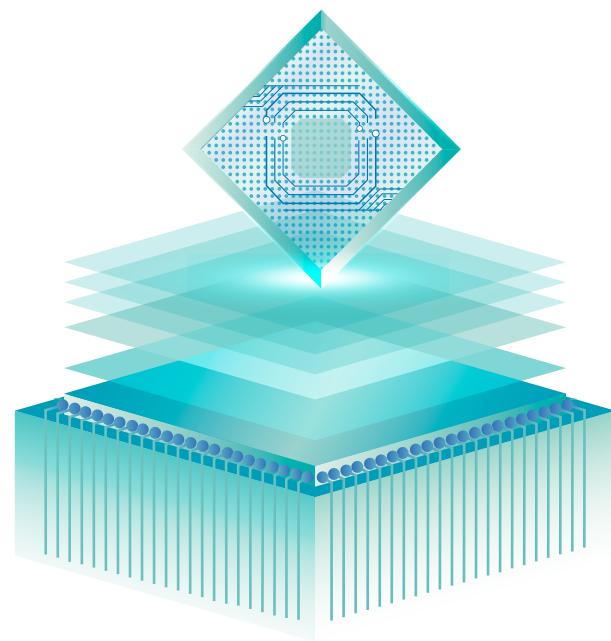
- As a leading city for IC industry in China, Shanghai is home to **over 2,200 IC corporations** including **27 companies listed on the SSE STAR Market**, **40% of China's IC professionals** and **50% of domestic entrepreneurship resources in IC**.

#### A Complete Industry Chain

- Capitalizing on its advantages in microchip manufacturing, **Shanghai has built China's most complete IC industry chain in Pudong's Zhangjiang and Jiading District**, covering nearly all segments from equipment and materials, to chip design, manufacturing, packaging and testing, and electronic design automation.

#### Various Platforms

- Through **Shanghai IC Technology & Industry Promotion Center**, the city has developed **the IP database of IC design and R&D platforms for test production and manufacturing** to facilitate microchip design and tape-out. Besides, **several key IC laboratories** have been established in Shanghai to enhance the cooperation of industry, education and research.



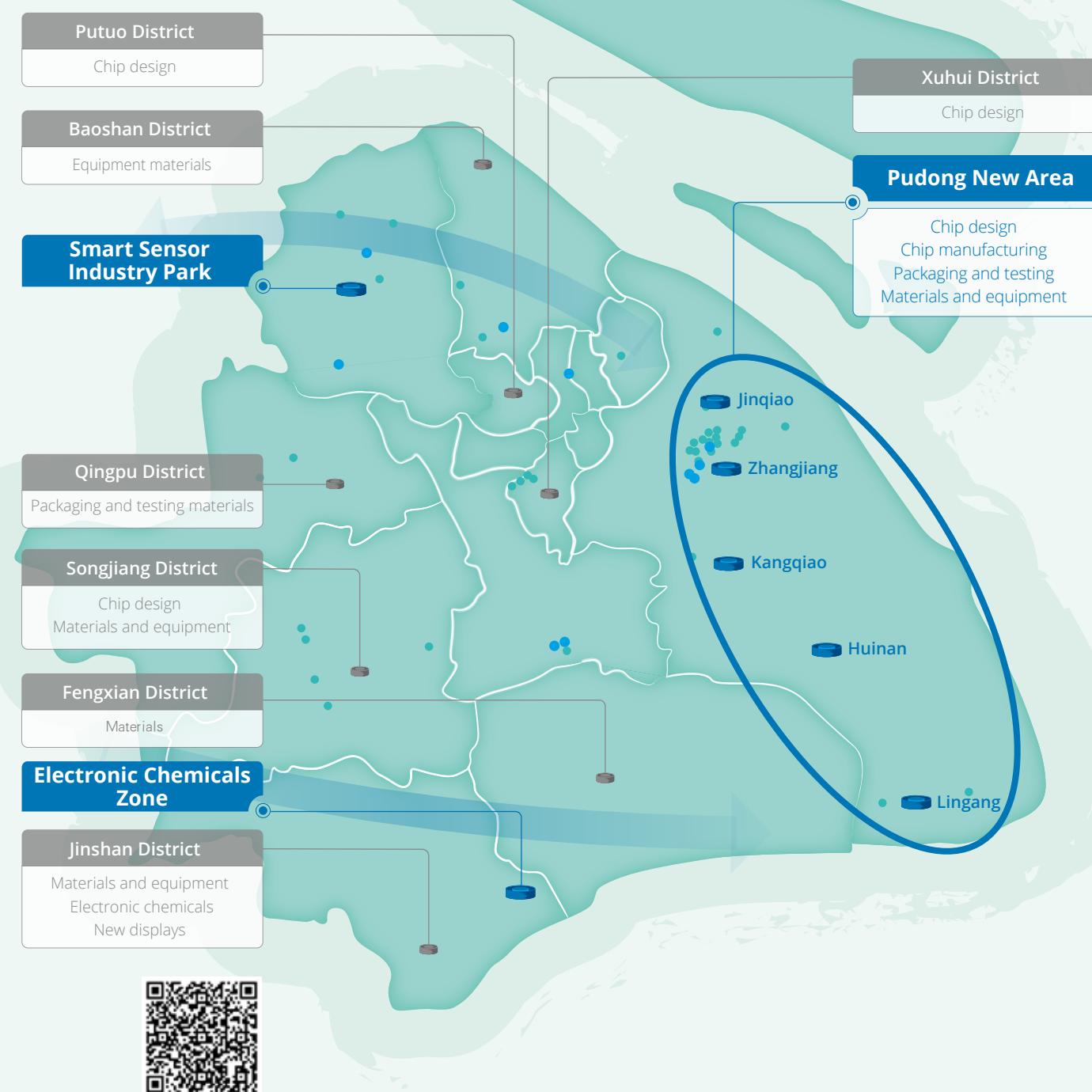
### Exemplary Case

#### KE Semiconductor Equipment

Kokusai Electric Corporation, established in Japan in 1949, is one of the top ten semiconductor equipment suppliers in the world. It specializes in the R&D of high-performance thin film disposition for semiconductor products, and the design, manufacturing, installation and maintenance of related equipment. In 2002, Kokusai Electric established in Shanghai its wholly foreign-owned enterprise – KE Semiconductor Equipment (Shanghai) Co., Ltd.

As consumer electronic devices gain prevalence and emerging industries flourish, the application of semiconductor microchips has expanded extensively. In 2022, KE's revenue increased by about 3 times compared to 2018, and the number of its employees increased by about 2.5 times compared to 5 years ago. In the end of 2022, it was recognized as an RHQ by the Shanghai authorities. The company's representative said, "The rapid development of KE has a lot to do with the favorable development environment of the IC industry in Shanghai. Capitalizing on the YRD region's first-mover advantage for the IC industry, Shanghai has attracted a large number of high-caliber IC professionals for its world-class urban services and convenient living conditions. As China remains one of the most important markets in the world, KE will further expand its business in Shanghai and contribute to the development of China's semiconductor industry in the medium to long term."

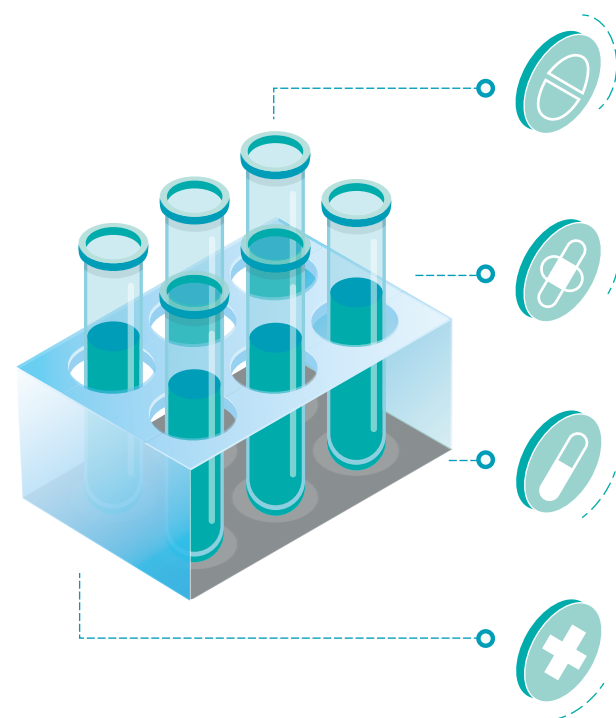
# INTEGRATED CIRCUITS (ICS)



## Biopharmaceuticals

Since the reform and opening-up began, a group of world-known pharmaceutical enterprises have stepped into Shanghai and developed in an integrated manner with local players. By 2025, Shanghai is expected to witness an output of RMB 1.2 trillion and preliminarily establish a technology innovation hub with global influence in the biopharmaceutical industry.

### Industry Advantages



#### ✓ Enlarged Industry Scale

- In 2022, Shanghai's biopharmaceutical industry scale exceeded **RMB 800 billion for the first time**; and the manufacturing output value reached **nearly RMB 184.98 billion**, a year-on-year increase of 5.7%.

#### ✓ Collected Innovation Resources

- 26 biopharmaceutical enterprises are listed on the SSE STAR Market, 1/4 of the total number of listed enterprises on the STAR Market in this sector and ranking **No.1 in China**;
- 18** of the world's 20 largest pharmaceutical enterprises and **17** of the world's 20 largest medical equipment enterprises have set up **RHQs, R&D centers or production bases** in Shanghai.

#### ✓ Enhanced Intellectual Property Rights (IPR) Protection

- Shanghai Innovation Bay Customs has established **China's first IPR customs protection center for sci-tech enterprises** to provide guidance for biopharmaceutical enterprises to handle IPR customs protection registration and crack down on infringement.

#### ✓ A Strong Talent Pool

- Shanghai has embraced **around 241,000** industry professionals, including **over 1,000** national-level experts. High-level talent including academicians in the fields of life science and medicine account for **1/4 of the total in China**, ranking **among the top nationwide**.

### Exemplary Case

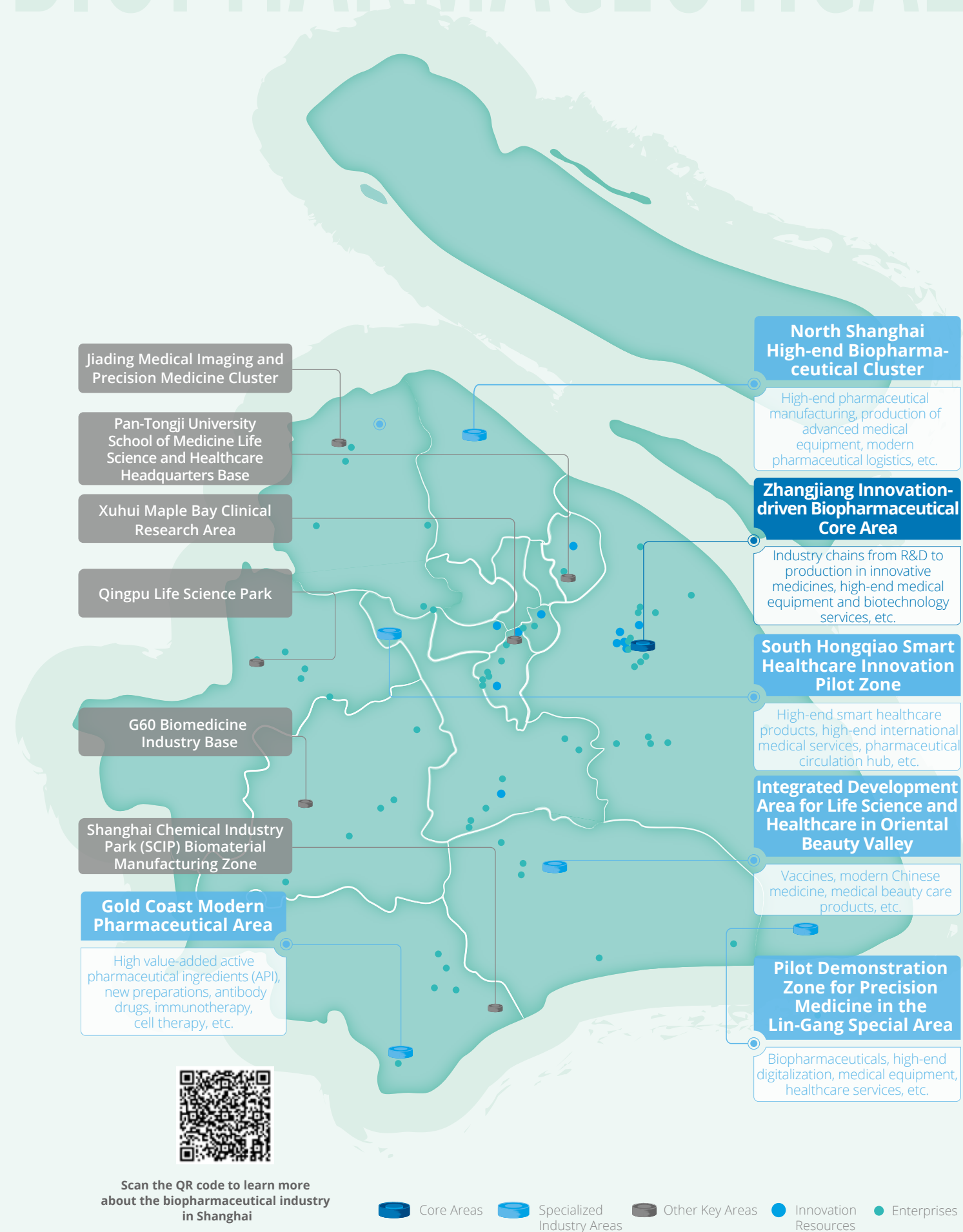
#### Boehringer Ingelheim

Boehringer Ingelheim, a world leading biopharmaceutical contract R&D and manufacturing service provider, has been active in China since 1994. The company has grown extensively in the Chinese market with headquarters in Shanghai and played a key role in the development of the biopharmaceutical industry. Since the start of the "China Key" initiative, it has been speeding up efforts to launch global innovative drugs in China. In June 2021, spesolimab developed by Boehringer Ingelheim was included into the "breakthrough treatment list" in China. As the world's first and currently the only humanized anti-interleukin-36 receptor monoclonal IgG1 antibody, it fills the gap in the treatment of Chinese patients with generalized pustular psoriasis (GPP).

In recent years, Boehringer Ingelheim has been focusing more on the higher end of the industry than on local operation, especially the R&D and innovation of local medicine. In 2013, it launched China's first foreign-owned biopharmaceutical manufacturing plant in Zhangjiang, Pudong. In 2020, it set up a digital innovation laboratory BIX and China External Innovation Hub in Shanghai. In 2022, the first phase of the "intelligent plant" project in the Zhangjiang Plant was completed, which leverages Germany's pharmaceutical technologies and development opportunities offered by Shanghai's new digital intelligent manufacturing to facilitate innovative drugs developed and made in Shanghai to go global.

In addition, as an IPR protection highland, Shanghai has won high recognition from foreign-invested enterprises for its world-class and legalized business environment, as well as professional and efficient IPR protection administration services. In 2022, Boehringer Ingelheim won China's first administrative adjudication case of major patent infringement disputes. The president and CEO of Boehringer Ingelheim China said, "We are glad to see China has improved its IPR protection laws and regulations and aligns with international standards actively to protect innovative achievements and stimulate innovation practices."

# BIOPHARMACEUTICALS







## Artificial Intelligence

As of now, Shanghai has established a leading position in brain-like research, computer vision technology, core chips, algorithm platforms and intelligent robots. It is expected that by 2025, Shanghai's AI industry above the designated scale will reach RMB 400 billion or an average annual growth rate of over 12%.

### Industry Advantages

#### ✓ Distinct Industry Clustering

- Shanghai's AI industry scale reached **RMB 305.7 billion** in 2021, and many innovation-oriented enterprises in **intelligent computing, general AI, extended reality (XR), quantum technology and next-generation communications** have settled in Shanghai;
- As **China's first AI Innovation and Application Demonstration Zone**, Pudong New Area has promoted the construction of featured parks such as Zhangjiang Alsiland, AI Robot Valley, online economy park, Pudong Software Park and Yuqiao Science Park;
- Zhangjiang Alsiland (Phase I), **a specialized park with one of the largest concentrations of AI enterprises in China**, has attracted **over 100** domestic and international AI enterprises including IBM, Microsoft, Infineon Technologies and CloudWalk.

#### ✓ Innovative Supporting Policies

- Issuing **China's first provincial-level regulation for AI industry development**;
- Compiling **China's first local Five-Year Plan for AI**;
- Establishing **China's first local standard system for AI**;
- Implementing **China's first algorithm innovation action plan**;
- Continuously updating **supportive policies for ICVs**.



#### ✓ Multiple Application Scenarios

Over the past five years, Shanghai has issued:

- 30 major AI application scenarios** which focus on economy, life and governance, giving birth to a batch of replicable and scalable solutions;
- 11 digital life pilot scenarios** in healthcare, elderly care and other sectors, as well as a handbook and AI industry map for 100 application scenarios.

#### ✓ Coordinated Industry Chain

- Data:** Shanghai established the **Shanghai Data Exchange** to ensure trading data compliance;
- Computing capacity:** **One of Asia's largest AI data centers, SenseTime AI Data Center (AIDC)**, allows base model training with hundreds of billions of parameters;
- Algorithm:** **The Baidu PaddlePaddle AI Industry Empowerment Center** settled in Zhangjiang, Shanghai, enabling downstream enterprises to develop industry-specific algorithms rapidly.

# ARTIFICIAL INTELLIGENCE

#### Maqiao in Minhang District

AI delivery  
AI robots  
AI perception  
AI new hardware

#### Xuhui West Bund

AI medical care  
AI finance  
AI entertainment  
AI recognition

#### Zhangjiang in Pudong New Area

AI chips  
AI speech recognition  
Intelligent manufacturing  
AI robots

#### Lin-Gang Special Area

AI chips  
Intelligent hardware  
Unmanned driving

Smart Sensor  
Industry Park

Nanda Future Smart City

Beiyang AI Town

Qingpu Intelligent  
Innovation Base

Dongjing AI Industry Base

Zizhu Innovation and  
Entrepreneurship Corridor

Lingang Oriental Beauty  
Valley Science and  
Technology City

Fengjing Intelligent  
Innovation Base



Scan the QR code to learn more  
about the AI industry in Shanghai

Core Areas

Other Key Areas

Innovation  
Resources

Enterprises

Development  
Belt

## Six Key Industries



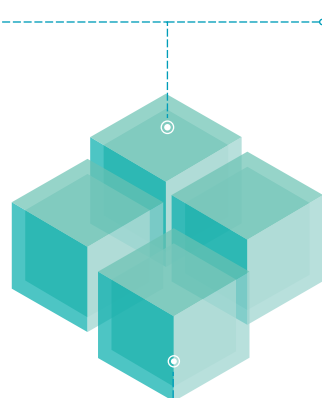
### Electronic Information

In recent years, Shanghai has gradually developed an electronic information industry which comprises a relatively complete industrial chain, advanced technology, and multiple public service platforms, thus developing into a favorable city in the information technology age.

#### Industry Advantages

##### Increasing Innovation Capabilities

- **Tiantong No. 1 satellite terminal** R&D has been completed and can now be shipped in batches;
- NarrowBand-Internet of Things (NB-IoT) has almost full Shanghai coverage, and NB-IoT modules have been produced on a large scale with **nationally leading shipping numbers**;
- China-developed 77GHz CMOS (Complementary Metal-Oxide-Semiconductor) millimeter-wave radar chips have been **put into mass production**;
- Vehicle domain control and automatic driving systems are being tested, which are **expected to help end the international monopoly** of these technologies.



##### Well-developed Industry Platforms

- **The National Integrated Circuit Innovation Center** and **National Intelligent Sensor Innovation Center** have been established to improve the international technologies of integrated circuit cutting-edge devices and key processing, design integration, advanced manufacturing and packaging, and testing sensor technology;
- **Shanghai Manufacturing Innovation Center** has witnessed a breakthrough in key common technologies used in the laser industry chain, boosting intelligent manufacturing and green manufacturing.

##### Steady Growth

- From January to November 2022, Shanghai's software business revenue reached over RMB 818.11 billion, a year-on-year increase of 9.7%, ranking **5<sup>th</sup> in the country**, of which information technology service revenue increased by 12.6%, **1.8 percentage points higher than the national average growth rate**;
- In 2022, 17 of Shanghai's Internet companies including Pinduoduo, Ctrip, Bilibili, and miHoyo were **selected as the top 100 Internet companies in China**.

##### Momentum Gathered for Metaverse

- VR Shanghai, a supply and demand matchmaking event for the industry, has been launched, **and the construction of the first 20 major application scenarios in the Metaverse**, including the memorial of the first National Congress of the Communist Party of China, the Oriental Pearl Tower, Baowu, and COMAC, has been advanced.

##### Continuously Improved Industrial Internet Innovation Ecology

- The 2022 Shanghai Industrial Internet Service Providers Catalogue, and local policies, such as the **Assessment on Application Level and Performance of Industrial Internet Enterprises**, are constantly updated.

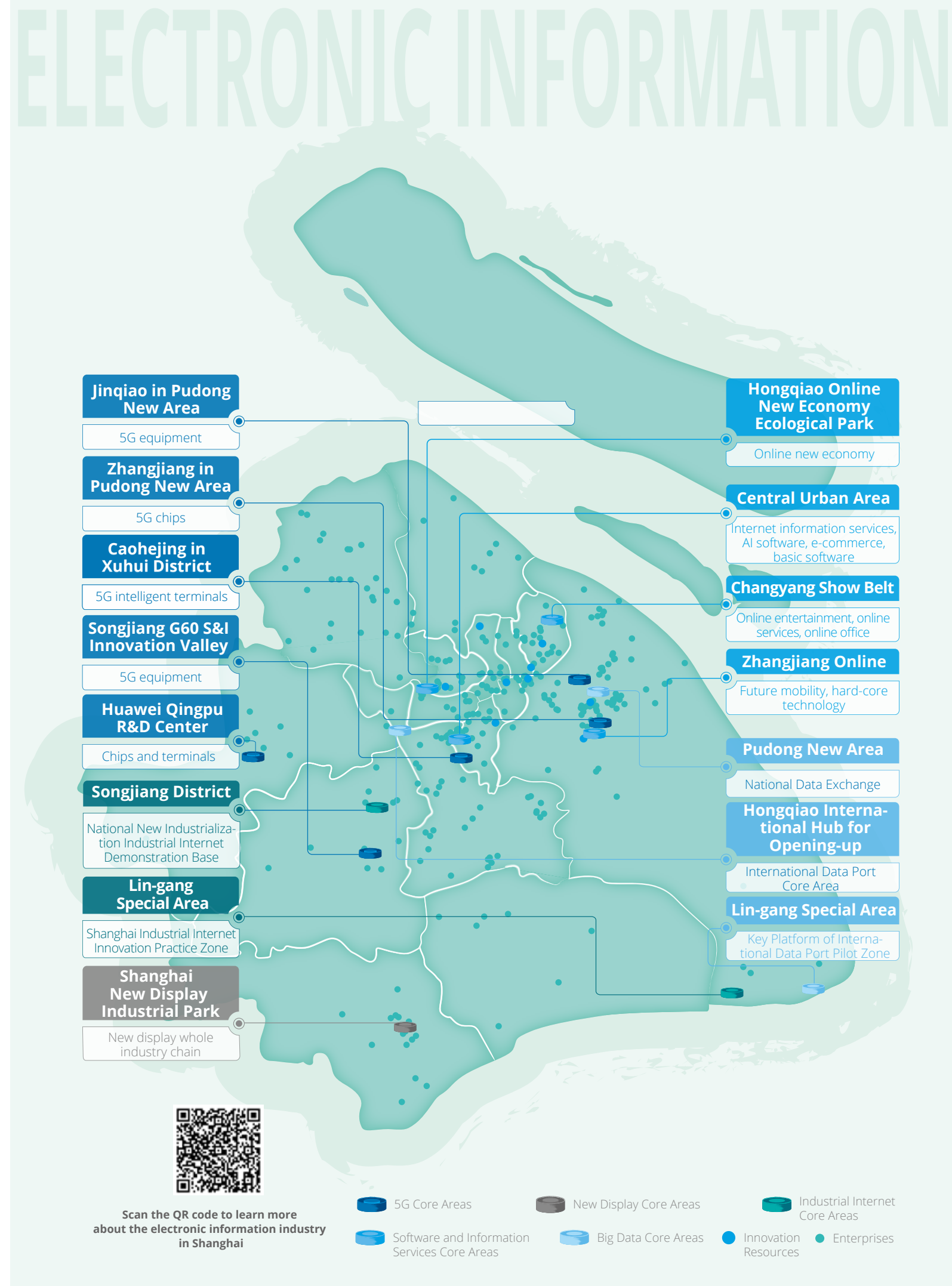
#### Exemplary Case

##### ViewSonic

ViewSonic is a world-renowned visual display brand which specializes in the sub-fields of monitors and projectors. The 35-year-old company has maintained rapid growth in its global business and has become a global leader in providing visual display solutions. In recent years, ViewSonic has actively integrated its software and hardware services to provide excellent visual display solutions and has successfully transformed itself from a hardware-based company to a solution-based company.

In June 2000, ViewSonic officially entered the Chinese market and established its Chinese headquarters in Shanghai – ViewSonic China. Over the years, ViewSonic has been committed to bringing the world's most advanced visual display technologies into China, actively integrating internal resources, gathering investment from industry partners, and bringing disruptive change to the industry. In September 2022, ViewSonic China was certified as an MNC RHQ by the Shanghai government.

In the future, ViewSonic will capitalize on Shanghai's core location advantages, extend its influence to other cities in China and the Asia-Pacific region, and continue to deepen the strategic significance of having the Shanghai headquarters in the company's global business layout by leveraging its new role as an RHQ. The general manager of ViewSonic China told Deloitte that despite the various challenges in a rapidly changing market, ViewSonic is very confident in the Chinese market and looks forward to continuously developing with Shanghai, taking advantage of the RHQ, and advancing the visual display industry.





## Automobiles

Shanghai is focused on the development goal of building the largest automobile industry cluster which features a world-class ecosystem and strong overall competitiveness, and continues to foster integrated collaboration between companies along the industry chain and advanced technology R&D, thus promoting high-quality development of the automobile industry in China.

### Industry Advantages

#### Stable Industry and Supply Chain

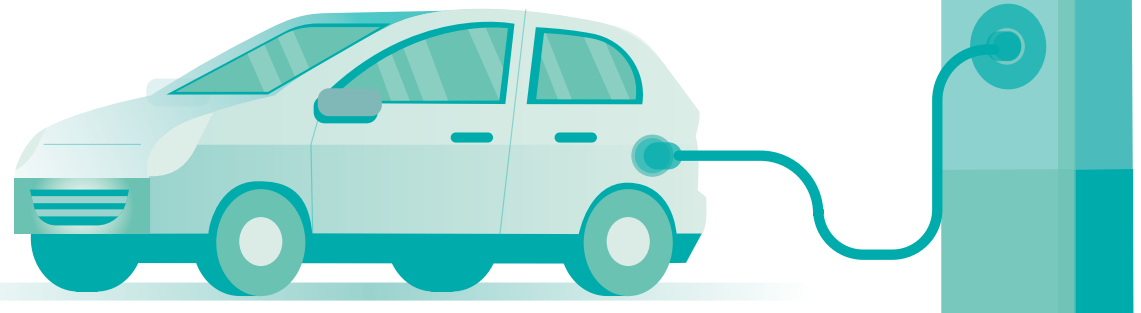
- Shanghai is now home to **8 OEM enterprises** and **more than 600 domestic and foreign major auto parts enterprises**;
- In 2022, Shanghai produced **3.02 million** automobiles. Among them **990,000 NEVs** were worth about **RMB 288.8 billion**, increasing by 56.9% from the previous year, with both volume and value **reaching new highs**.
- Shanghai has nurtured **new intelligent vehicle brands such as IM Motors and Rising Auto**, improved the underperforming areas of the industry chain such as automobile key chips and on-board operating systems, and accelerated the establishment of a high-end, emerging, intelligent, modernized and open automobile industry system.

#### Improved Industry Ecology

- Clustered over **150,000** high-end inter-disciplinary automotive industry talent, **accounting for 22% of the total number in China**;
- Built 620,000 charging piles (a car-to-pile ratio of 1.4:1), **retaining its leading position in China**;
- Established **15** national-level and over 100 municipal-level public service platforms and technology centers to improve the service capacity of the NEVs big data platform, power batteries traceability platform and charging facilities management platform.
- Collaboratively built the "1 + 6" Shanghai city cluster to demonstrate the application of fuel cell vehicles and established **a NEVs industry association for the YRD region**.

#### Continuous Industry Transformation and Upgrading

- A total of 900,000 NEVs have been produced in Shanghai, **ranking first among cities worldwide**;
- Shanghai has opened a total of 926 testing roads for intelligent and connected vehicles with a length of 1,800 km, and has issued 458 intelligent and connected vehicle road testing and demonstration application licenses to 27 enterprises, **ranking first** in road mileage and the numbers of testing enterprises and licenses issued.



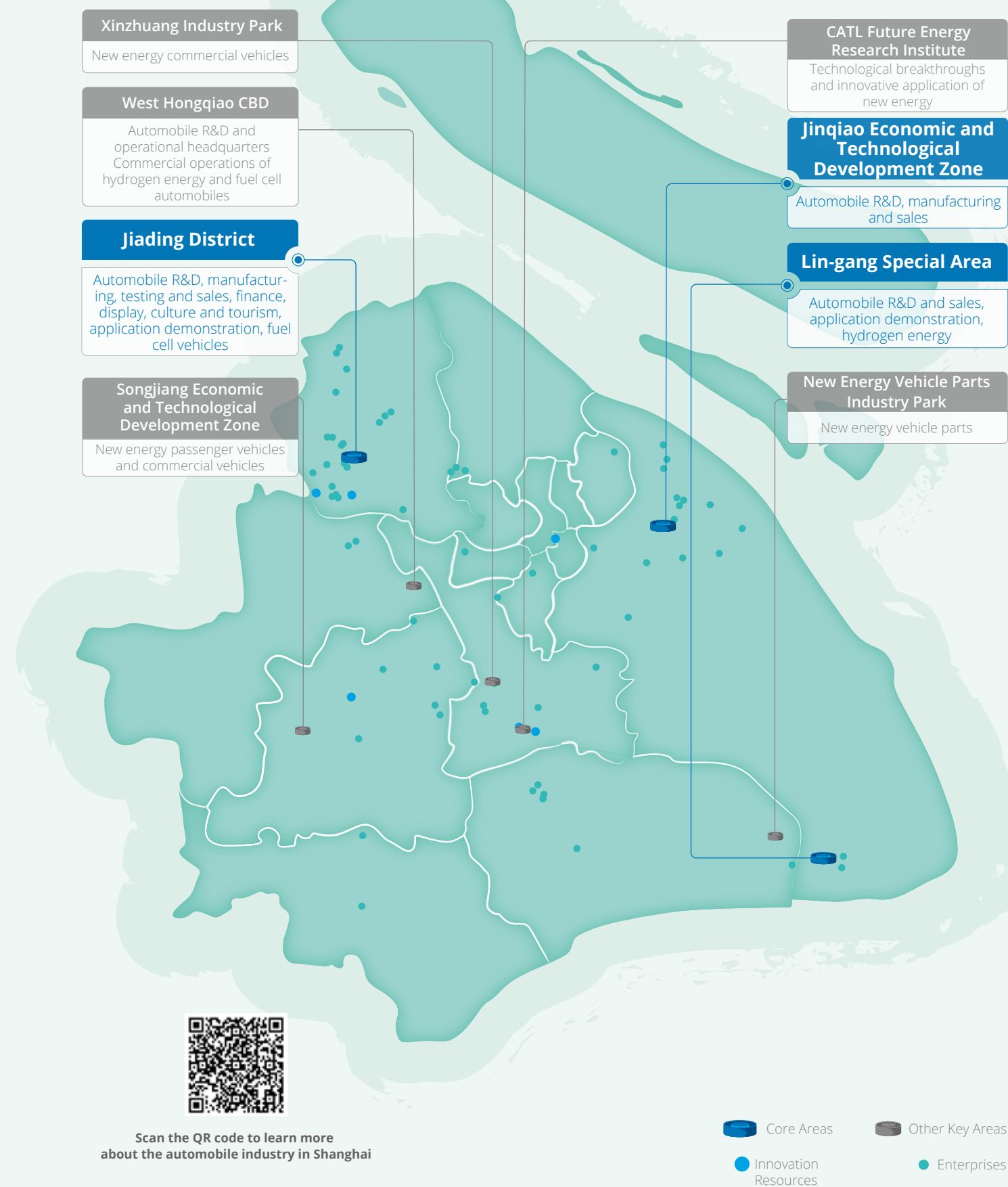
### Exemplary Case

#### BOSCH China

Since it entered China in 1909, BOSCH has deeply integrated itself with China's economic development to become a leading enterprise in the Chinese automobile and intelligent transportation market. Benefiting from national strategies such as the integrated development of the YRD region and the Hongqiao International Hub for Opening-up, as well as the key development task of building Shanghai into a highland for a headquarters economy cluster, BOSCH primarily operates in the YRD region, and officially established and opened its China headquarters in Shanghai Hongqiao Linkong Business Park in 2011. With an investment of RMB 980 million, the headquarters in Shanghai is its largest one in the Asia-Pacific region.

In November 2022, the BOSCH Cross-Domain Computing Solutions (Shanghai) R&D Center in Jinqiao of Pudong New Area was officially inaugurated. In the future, the center will be the base for over 540 researchers engaged in the intelligent cockpit and high-level intelligent driving, further enhancing BOSCH's local R&D strength in the future transportation industry. The President of the Cross-Domain Computing Solutions Division in China said, "Jinqiao Economic and Technological Development Zone in Shanghai's Pudong New Area has a complete automobile industry chain and is striving to establish a modern automobile industry featuring 'NEVs + Intelligent Driving'. We hope to actively cooperate with Jinqiao Development Zone and enterprises across the whole automobile industry chain to jointly promote the innovative development of the Chinese intelligent vehicles market."

# AUTOMOBILES



## High-end Equipment

Shanghai is the birthplace of China's high-end equipment industry. During the 14<sup>th</sup> Five-Year Plan period, Shanghai incorporated the high-end equipment industry into its six key advanced manufacturing industry clusters. By 2025, Shanghai is expected to have built a globally influential high-end equipment stronghold powered by innovation and key technologies.

### Industry Advantages

#### Intelligent Manufacturing Empowering Industry Development

- In 2022, the scale of Shanghai's intelligent manufacturing equipment industry surpassed **RMB 100 billion**, making Shanghai **one of the largest exporters of intelligent manufacturing system integration solutions in China**. Furthermore, the total industrial output value of the intelligent manufacturing system integration solution reached **RMB 60 billion, the highest in the country**.
- Since the implementation of the intelligent factory construction action in 2020, Shanghai has had **3 enterprises rated as national benchmark intelligent factories, 8 enterprises as national intelligent manufacturing demonstration factories, and 49 scenarios as national-level excellent scenarios, leading the country's development in this area**.

#### Cluster of Leading Enterprises

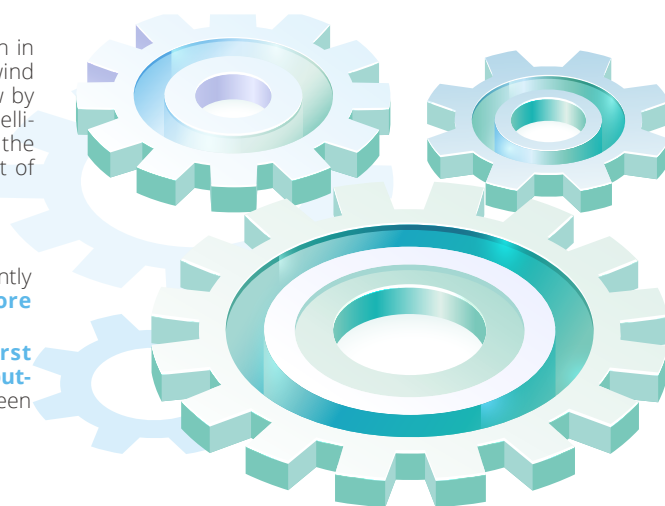
- Over the past five years, Shanghai has attracted **central state-owned enterprises such as China State Shipbuilding Corporation, the headquarters of China Electrical Equipment Group, foreign-funded enterprises such as SIEMENS Healthineers, FANUC, KUKA, and research institutes such as the Chinese Academy of Sciences, which have formed leading advantages** in the city.

#### New Energy Equipment as a New Growth Driver

- Throughout 2021, Shanghai witnessed strong growth in new energy equipment. The output value of both wind power equipment and photovoltaic equipment grew by **over 40%** year on year, and the output value of intelligent grid equipment increased by **over 20%** from the previous year, further accelerating the achievement of "carbon peak and neutrality".

#### Breakthroughs at Home and Abroad

- Shanghai Electric Wind Power Group has independently developed **the world's first "100-meter" offshore carbon fiber wind turbine blade**;
- Shanghai Top Numerical Control Technology's **first large-scale locally built horizontal five-axis computer numerical control milling machine tool** has been successfully applied.



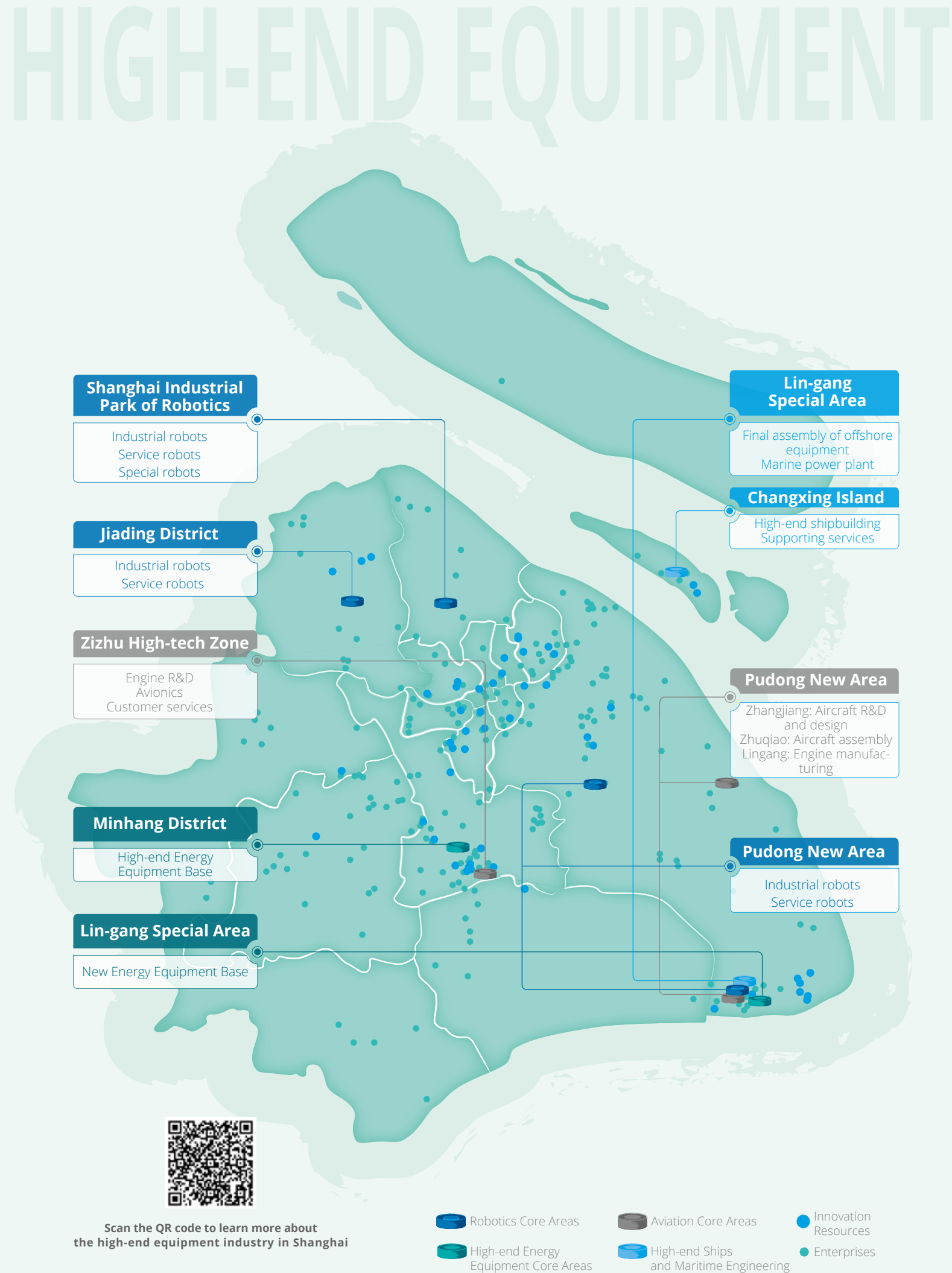
### Exemplary Case

#### Linde Gas

Linde is one of the world's leading industrial gas and engineering companies. Its two core departments, gas and engineering, are dedicated to providing various compressed and liquefied gases and chemicals, olefins, natural gas and air separation units as well as hydrogen & syngas plants.

To better meet the needs of customers in China and the Asia-Pacific region, Linde has set up its Asia-Pacific R&D Center in Shanghai. As one of Linde's four R&D centers in the world, the Center focuses on advanced manufacturing, energy conservation and emission reduction, consumption upgrading, and the research and development of new application technologies and solutions for industrial gases. In addition, Linde is vigorously developing new energy technology and forming a sustainable development model. In 2019, Yilan Jinshan Hydrogen Refueling Station in Shanghai Chemical Industry Park, developed and supported by Linde Gas, was officially put into operation. The station is one of China's first pipeline-transported hydrogen refueling stations to secure a stable and reliable hydrogen supply, promoting the commercialization of hydrogen refueling stations in Shanghai.

At the 5<sup>th</sup> CIIE in 2022, Linde signed a strategic cooperation agreement with Iraeta Energy Equipment. In the future, they will develop and promote holistic solutions for carbon reduction and efficiency enhancement applicable to the forging industry, so as to achieve a 30% to 50% CO<sub>2</sub> emissions reduction and promote the transition to green and low-carbon development, whilst accelerating local collaborative innovation. Meanwhile, Linde Engineering also signed a new cooperation agreement with Shanghai Huayi (Group) Company on air separation units, further deepening the cooperation between Linde and the leading chemical enterprise in China.



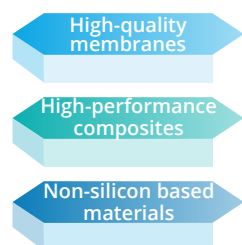


## Advanced Materials

The advanced materials industry focuses on application areas such as ICs, biopharmaceuticals, high-end equipment, aerospace, and new energy. By 2023, its industry scale is projected to reach RMB 300 billion, and the industry will comprise 3 to 5 RMB 5 billion-level leading enterprises, 20 RMB 1 billion-worth enterprises, and 50 innovative high-growth enterprises.

### Industry Advantages

#### ✓ Upper-level Government Consolidating Industry Development Momentum



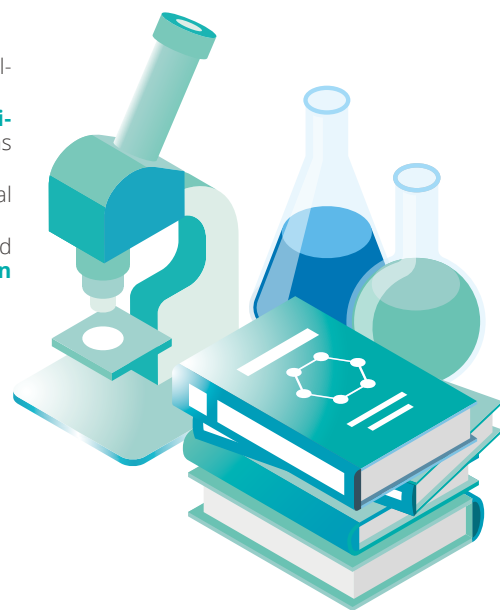
- In November 2022, the new materials industry was proposed as one of the future industry clusters in **the Action Plan of Shanghai Municipality for Developing an Innovation Highland of Future Industries and Developing Stronger Future Industry Clusters** issued by Shanghai Municipal People's Government;
- Improving the capacity for industry transformation in **Pudong, Baoshan, Jinshan** and other districts to build **future material industry clusters**;
- Targeting functional breakthroughs in material applications and aiming to form a cutting-edge industry layout and cultivate enterprise needs, so as to facilitate R&D advances and commercialization of **high-end membranes, high-performance composites** and other technologies.

#### ✓ Shanghai Chemical Industry Park: Leading Industry Upgrading Through Innovation

- China's **No.1** chemical industry park in terms of comprehensive development;
- **Shanghai International Chemical Industry New Materials Sci-Tech Innovation Union** jointly initiated by the Park and 10 institutions and enterprises.
- In 2022, Shanghai Chemical Industry Park witnessed a total industrial output of about **RMB 134.8 billion**;
- In 2022, total investment in projects implemented in the Park reached **RMB 13.08 billion**, a year-on-year increase of **94%**, **the highest in nearly ten years**.

#### ✓ Digitalization-driven Industry Development

- **Shanghai New Materials Industry Digital Union (Material Sharing and Production)** was inaugurated on September 28, 2022. The conference aimed to actively lead and promote the application of digital technology in the new materials industry and the digital transformation of enterprises in Shanghai by establishing a digital union and the **Shanghai New Materials Industry Digital Technology Online Service Public Platform**.



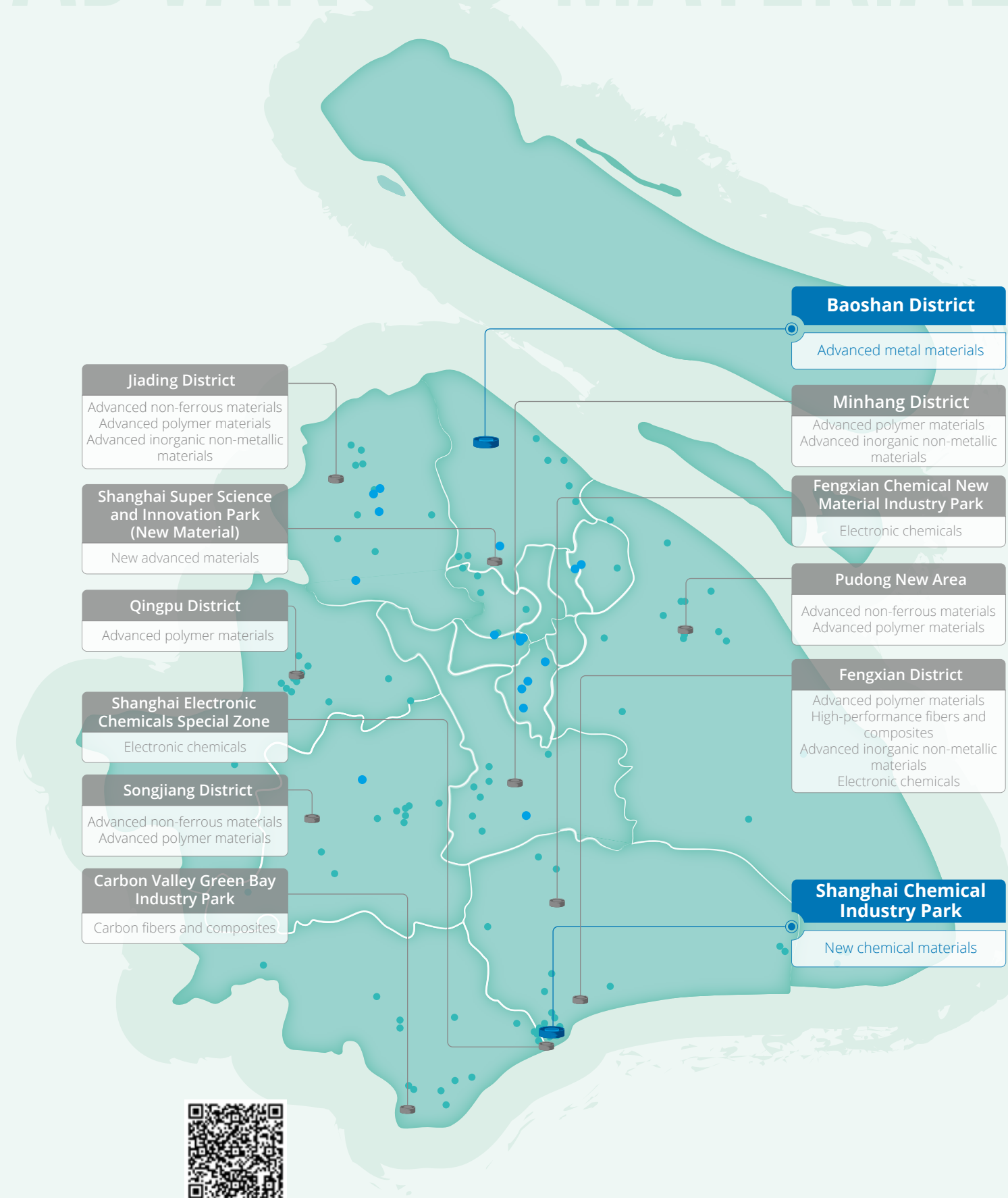
### Exemplary Case

#### BASF China

BASF is one of the world's largest chemical industry enterprises, with branches in 90 nations, and is a clear industry leader. In 1994, it settled in Shanghai; in 2004, it registered its Greater China headquarters in Shanghai Pudong Innovation Park, which is also its largest R&D site in the Asia-Pacific region and global headquarters for its Advanced Materials & Systems Research Technology Platform. Furthermore, BASF has set up one of its three largest Chinese production sites in Caojing, Shanghai.

After settling in Shanghai, BASF Group has been increasing its investment to promote the development of the advanced materials industry in the city. In 2022, BASF initiated a technical transformation project for high-end skincare and makeup products in Carbon Bay, investing about RMB 280 million to build a headquarters integrating the production and sale of raw high-end cosmetic materials and care chemicals. With the completion of Innovation Campus Shanghai Phase III in 2023, BASF's overall investment in Innovation Campus Shanghai will have amounted to almost EUR 280 million. Markus Kamieth, Chairman of the Board of Executive Directors, said, "After over 30 years of development, Shanghai has become one of BASF's most important international hubs. As BASF is dedicated to low-carbon green transformation and sustainable development and highly appreciates the practical steps China has taken to support its development, we hope to strengthen the cooperation with Shanghai in the future."

# ADVANCED MATERIALS



Scan the QR code to learn more about  
the advanced materials industry in Shanghai



■ Core Areas

■ Other Key Areas

● Innovation Resources

● Enterprises

## Life Science and Healthcare

The life science and healthcare industry will focus mainly on the development of biopharmaceutical, advanced medical device and intelligent healthcare product manufacturing, and extend further into related service sectors such as healthcare and pharmaceutical circulation. Shanghai is committed to building a full-fledged life science and healthcare industry chain with global competitiveness by promoting integrated development of the industry with information technology.

### Industry Advantages



#### Accelerated Development of Medical Devices

- The China Bio Innovation Conference 2022 witnessed the signing for the establishment of the **Shanghai Yangtze River Delta Innovation Research and Testing Center for High-end Medical Devices**, which will go into service in 2023;
- In 2022, about 50 innovative medical devices were approved for market launch in China, and **7** of them came from Shanghai, **making up about 14% of the national total**;
- In 2022, medical device registration in Shanghai took about **100 calendar days** on average, **nearly one third shorter** than that at the beginning of 2021.

#### Remarkable Achievements of "Healthcare + Internet" Integration

- Shanghai currently has more than **100 municipal-level, district-level and private internet hospitals**. Among them, **89 public internet hospitals** can provide cross-hospital re-examination and dispensing services.

#### High-quality Development of Healthcare

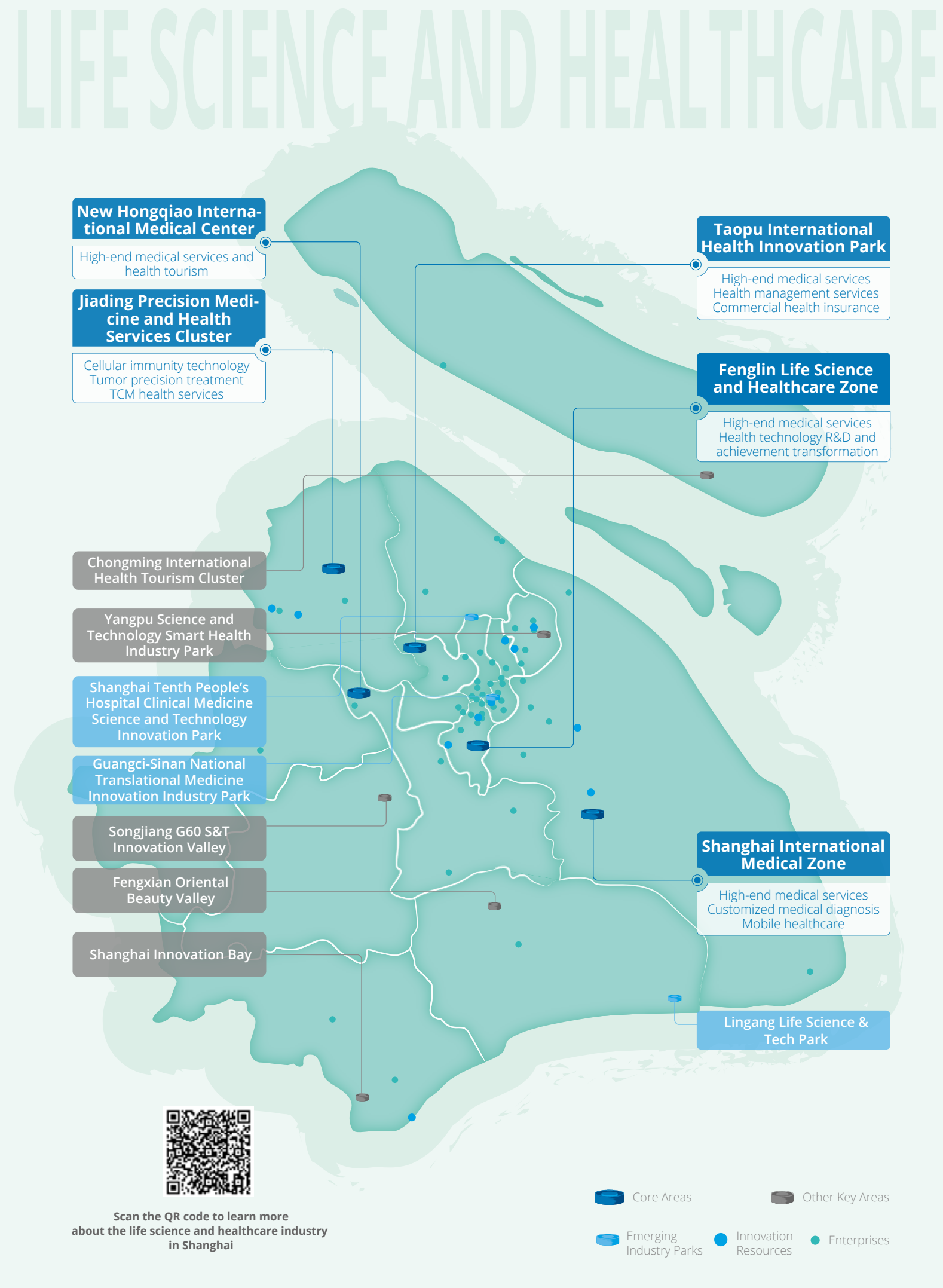
- Shanghai has issued **the Implementation Opinions on Promoting High-quality Development of Contracted Family Doctor Services in Shanghai**;
- By 2025, the city will expand the family doctor services to cover **over 45%** of its permanent residents and **at least 80%** of priority groups, including incapacitated and disabled seniors, and ensure **at least 60%** of the signed priority patients will receive community-level health services.

### Exemplary Case

#### Merck China

Merck is a sci-tech company specialized in healthcare, life science and electronics, with more than 60,000 employees worldwide. It has been developing in China for 90 years since the establishment of its first Chinese branch in Shanghai in 1933. Merck was among the first companies that received the certificate for MNC RHQs issued by the Shanghai municipal government in 2023.

China is now Merck's second largest market in the world, and Shanghai lies at the heart of its market strategy. Benefiting from the city's excellent environment for business, investment and innovation, Merck has increased its investment in Shanghai over the years. In 2022, Merck's first biosafety testing facility in China was inaugurated in Zhangjiang, Shanghai, with an investment of EUR 29 million. In the same year, Merck's first comprehensive facility in the world that focuses on innovation in semiconductor and OLED materials – the Electronics Technology Center China, and its first OLED material production base in China, were put into operation. Underpinned by the population aging trend and the young people's increasingly diverse expectations for healthcare, the total demand for health products and healthcare services is increasing year by year. Against this background, Merck will put additional investment in its Biologics Testing Center and Electronics Technology Center in 2023 to facilitate Shanghai's goal of developing its life science and healthcare industry clusters.



Scan the QR code to learn more  
about the life science and healthcare industry  
in Shanghai

Core Areas  
Emerging Industry Parks  
Innovation Resources  
Enterprises



## Modern Consumer Goods

The development of modern consumer goods industry focuses on digital consumption and fashion consumer goods, including the online new economy and digital industry. By 2025, Shanghai will become a hub for fashion products, fashion trends, innovation and consumption, with the scale of its modern consumer goods industry exceeding RMB 520 billion.

### Industry Advantages

#### ✓ Growing Potential in Consumption

In 2022:

- Shanghai's total retail sales of consumer goods reached **RMB 1.64 trillion**, remaining **No.1** among all national central cities in China;
- Shanghai's retail sales of online stores amounted to **RMB 346.14 billion**, accounting for **21.1%** of its total retail sales of consumer goods, up by **2.5** percentage points over the previous year;
- Shanghai contributed **nearly 1/6** of China's total sales of cutting-edge brands, and ranked **first** among all Chinese cities in terms of the number of online new consumer goods brands.

#### ✓ Optimized Supply Structure

In 2022, Shanghai:

- Held **the third "Double Five Shopping Festival"** and **the first "International Consumption Center City Forum"** in conjunction with the "International Shopping Season" initiated by the Ministry of Commerce of China;
- Hosted "Cloud Fashion Week", **the pioneer of fully-digital fashion show in the world**, reinterpreting the concept of "See Now, Buy Now";
- Welcomed a total of **1,073** new first stores (including flagship or concept ones), remaining **No.1 among all Chinese cities** in the number and capacity of first stores;
- Released favorable policy measures, including **supporting the innovative development of the consumer market and providing subsidies for the purchase of green and smart appliances**.

#### ✓ Upgraded Commercial Space

In 2022, Shanghai:

- Upgraded **the capacity of 7 demonstration zones for global new product debut**, built **15 iconic nightlife zones**, released a new commercial space plan, and announced **the first batch of 12 livestreaming e-commerce bases**;
- Released **the Shanghai Commercial Space Plan (2022-2035)**.



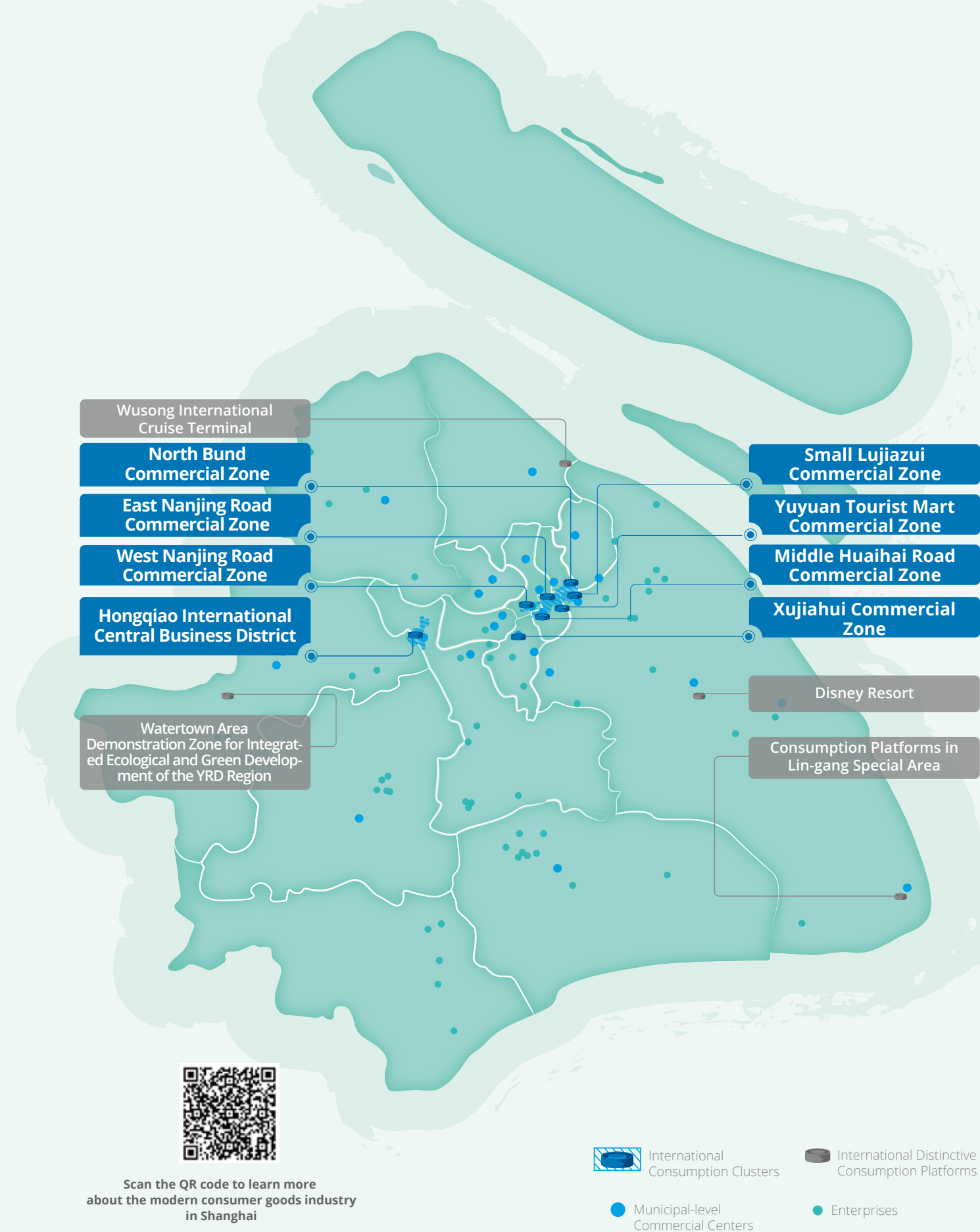
### Exemplary Case

#### Estée Lauder (Shanghai) Commercial Co., Ltd.

Founded in New York city in 1946, the Estée Lauder Companies Inc. is one of the world's leading companies offering quality skin care, makeup, and fragrance products. The company's products are sold through over 13,000 points of sale in approximately 130 countries and territories. Estée Lauder has been increasing investment and expanding its business in China since 1993. In 2005, Estée Lauder moved its Asia-Pacific RHQ from Singapore to Shanghai, where it established its first R&D center in China. Currently, China has become the largest market for the company, and its net sales in China nearly doubled over the last three fiscal years.

Attracted by Shanghai's favorable environment for technology innovation and its open and inclusive talent policies, Estée Lauder opened its China Innovation Center in 2022. With a strong R&D team, inspiration from local consumer trends and insights into target consumers, the center has been focusing on innovative products and services tailored for consumers in China and the rest of Asia. Meanwhile, the company is to set up a research center for men's skincare to carry out clinical testing targeted for Chinese male consumers. "Our investment in the innovation center is a testament to our long-term commitment to China, and our dedication to delivering superior products and services to Chinese and global consumers", said Fabrizio Freda, president and CEO of the Estée Lauder Companies.

# MODERN CONSUMER GOODS



## Modern Services

### Cultural and Creative Industries

The cultural and creative industries mainly include 12 sectors such as media and arts, design, fashion & creativity, recreation and entertainment, internet-related services, advertising, and exhibition services. By 2025, the creative and design industries in Shanghai are expected to produce a total output exceeding RMB 2 trillion, which will further contribute to Shanghai's mission of establishing itself as a socialist cultural metropolis of international influence.

#### Industry Advantages

##### High-quality and Green Development

- According to the *China Cultural Industry High-quality Development Index (2022) and Analysis on Index Changes Between 2019 and 2022* published by the Cultural Economy Research Institute of the Central University of Finance and Economics, Shanghai ranked **No. 1** in the Index **for the first time** in 2022, showing outstanding performance regarding the output quality and its sub-indicators such as **innovation results, social effect and spillover effect**;
- Shanghai ranked **top** in China in terms of both the **input level** and **output quality** of its cultural industries, demonstrating a development pattern of high input and high output;
- With the advancement of the carbon dioxide peaking and carbon neutrality initiatives and the further application of the green development concept, Shanghai has attached great importance to the utilization and protection of the environment and natural resources, and ranked **first** in the country regarding the **environment and resources for its cultural industries**.

##### Thriving New Market Segments

- According to the *Global Top E-sports Cities Industry Development Index 2022*, Shanghai ranked **third** in the overall ranking, and ranked **third, first** and **eighth** respectively in terms of the industry development, supporting facility and services, and talent pooling of its e-sports industry;
- Shanghai is leading the country in the growth of its e-sports industry, whose game market revenue takes up **more than 50% of China's total**. With 47 e-sports venues, Shanghai's e-sports clubs account for **43.6%** of the national total.

##### A Stable Industry Chain

- Shanghai has **149** municipal-level cultural and creative parks which occupy a total floor area of about **8.36 million m<sup>2</sup>** and house more than **20,000** cultural and creatives enterprises, contributing over **RMB 30 billion** of tax revenue.



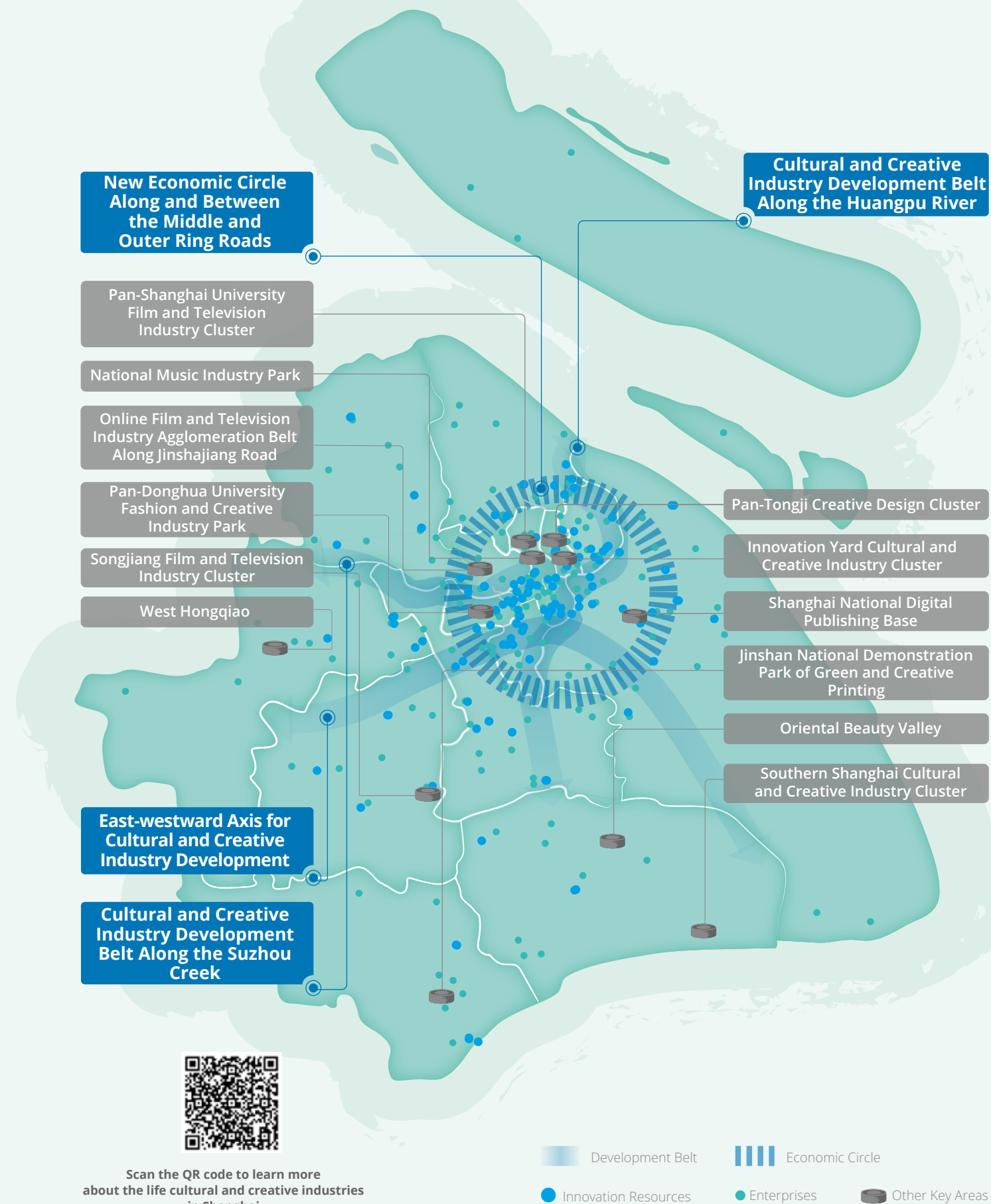
#### Exemplary Case

##### Sotheby's

Founded in 1744, Sotheby's is the oldest and largest art auction house in the world with an international reputation. It has 80 offices worldwide and its total annual turnover has exceeded USD 4 billion. Sotheby's set up an office in Shanghai in 1994. At the end of 2022, it announced the plan to settle its Chinese Mainland headquarters in Shanghai, along with the opening of the Shanghai Sotheby's Space on the banks of the Suzhou Creek. In recent years, Shanghai has introduced many measures to support the cultural and creative industries. For instance, Shanghai rolled out a "6-month \* N" system that allows unlimited times of application for a 6-month deferral for the exit of cultural relics temporarily entered China, so as to facilitate bonded exhibition and trading. In addition, the Shanghai International Cultural Relics and Artwork Trade Service Center was set up in Pudong New Area, providing venues, facilities and services such as authentication for the auction and trading of cultural relics and artworks. These efforts have boosted the confidence of enterprises and stimulated investor enthusiasm.

The managing director of Sotheby's China division said, "In nearly 30 years of business in Shanghai, Sotheby's has witnessed the rapid development of the city and benefited from its vibrant collecting culture. We believe, with Shanghai as its front, the cultural collection industry in China will release its great potential and embrace a bright future. We will keep expanding our business, including auctions and other forms of collecting, and try to develop more collection categories and experiences, bringing more art collections from around the world to Chinese art lovers."

# CULTURAL AND CREATIVE INDUSTRIES







## Financial Services

The financial services industry in Shanghai aims to enhance its capacity to allocate financial service resources. It will focus its efforts on four aspects: further opening up of the industry, improving support to the real economy, strengthening innovation in financial products and tools, and creating a fair, stable and efficient environment.

### Industry Advantages

#### Steadily Improved Capacity of Financial Markets

Over the past decade:

- Shanghai's capacity to allocate RMB financial assets has been continuously enhanced, with its cross-border RMB settlement accounting for **about 50%** of China's total;
- The total turnover of Shanghai's financial markets has increased **nearly fivefold** from RMB 528 trillion to **RMB 2,511 trillion**;
- Shanghai Stock Exchange (SSE) has witnessed a **nearly threefold** increase in its market cap, leaping from No. 7 to **No. 3** among the world's bourses;
- Shanghai has emerged as **the world's largest** bond market with a total financing amount of **nearly RMB 34 trillion**;
- The total market value and IPO size of Shanghai-based companies listed on the SSE STAR Market **ranked top nationally**.



#### Fruitful Achievements in Fintech Innovation

- In 2022, Shanghai implemented a series of fintech pilot projects and became **a major hub for fintech companies in China**;
- Shanghai launched **19** pioneering applications in four batches under the fintech innovation regulatory sandbox program, **taking the lead** in China in terms of the quantity and quality of **pilot scenarios** and **innovative applications**;
- The pilot programs of digital RMB in the city have expanded to cover **more than 1.1 million** application scenarios;
- Shanghai officially launched the first **26 fintech innovation pilot programs** for capital markets.

#### Promising Prospects for New Financial Segments

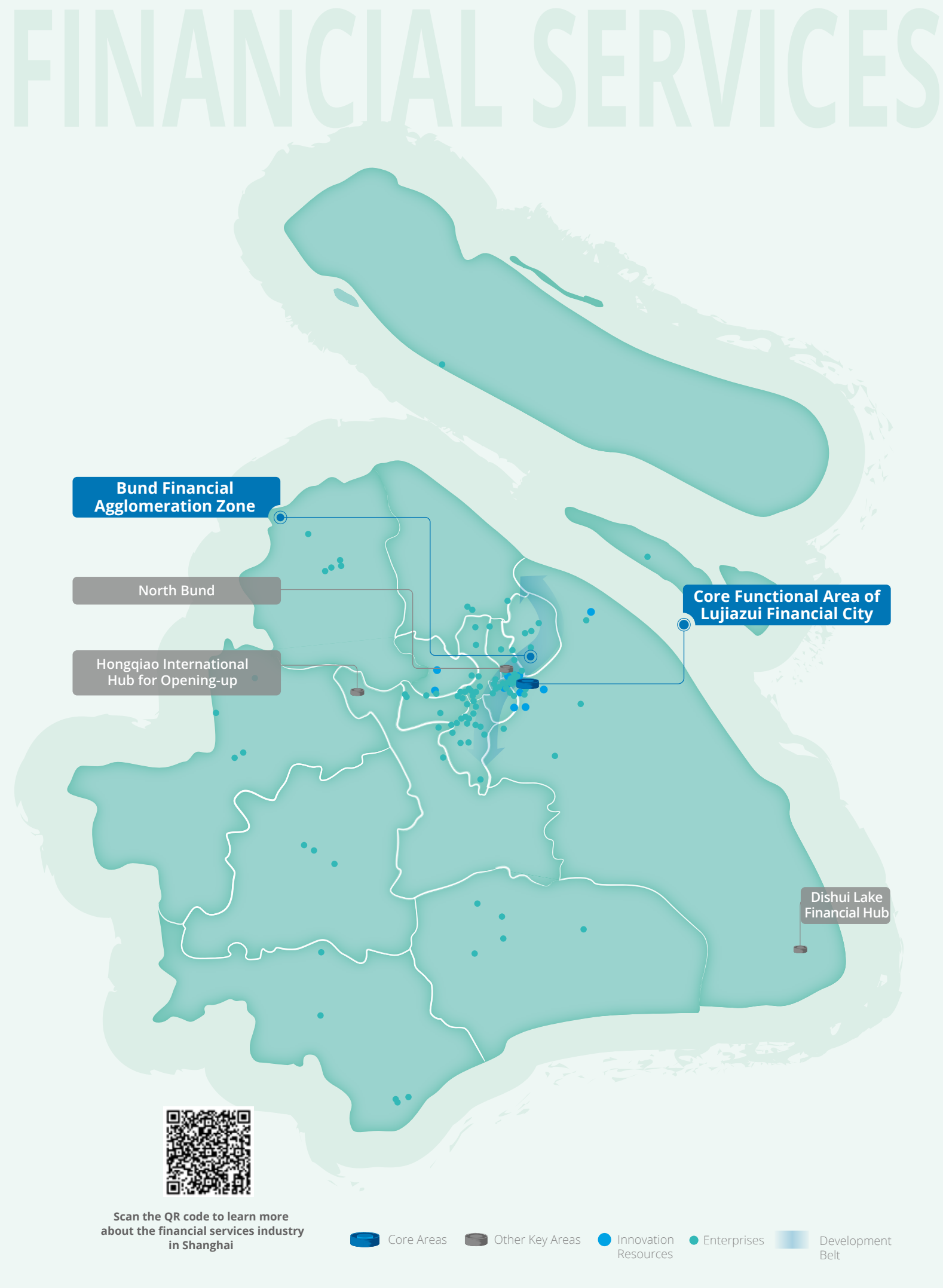
- In 2022, **the Shanghai Green Finance Index**, jointly compiled by the Shanghai Head Office of the People's Bank of China and Shanghai Advanced Institute of Finance of Shanghai Jiao Tong University, was officially launched. The overall score of the Shanghai Green Finance Index in 2021 was **11.67%** indicating stronger development momentum of green finance than previous years;
- Shanghai has rolled out **an inclusive financial advisory system** to provide targeted support to market entities including MSMEs in the 3 leading industries and 6 key industry clusters.

### Exemplary Case

#### Fidelity International

Fidelity International, established in 1969, provides asset management services to institutions and individual investors around the world except for the US and Canada. It is one of the most trusted leading asset managers in the world. The company has more than 7,000 employees and operates globally with offices in 25 countries and regions.

Since 2004 when Fidelity International set up its first Chinese office in Shanghai, its business in the city has been expanding year after year. In 2015, Fidelity International established a wholly foreign-owned enterprise in Shanghai – the FIL Investment Management (Shanghai), which became the first foreign-invested private fund management company in China in 2017. In December 2022, Fidelity International obtained regulatory approval to start its mutual fund business in China. Its team size in Shanghai has tripled in the past two years. All these achievements cannot be accomplished without Shanghai's remarkable progress in building itself into an international financial hub, where well-functioning financial factor systems, complete financial infrastructure and abundant fintech application scenarios have been in place, providing sustained impetus to the development of financial institutions. As noted by the company's representative, Fidelity International is planning to establish its mutual funds management headquarters in Shanghai as well, and committed to pursuing long-term development in the city and serving Chinese investors while contributing to building Shanghai into a global asset management center.



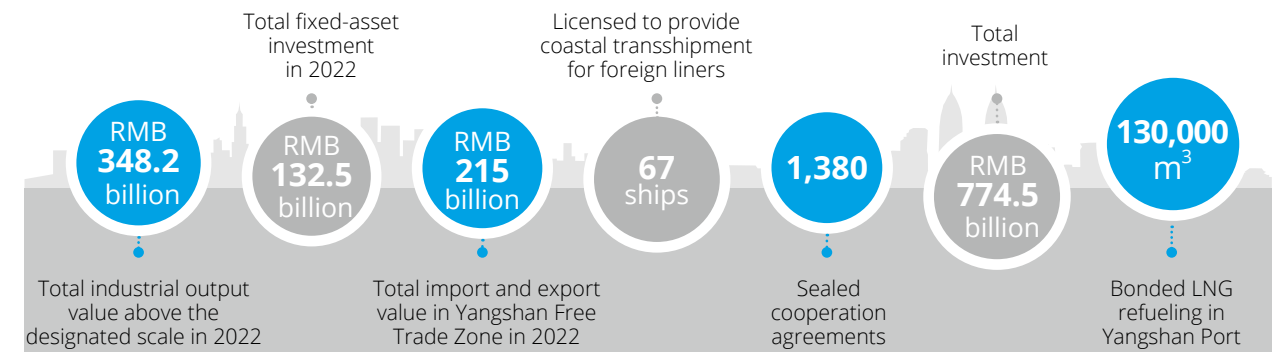
## Chapter III

# Districts and Functional Zones for Investment

## Lin-gang Special Area of China (Shanghai) Pilot Free Trade Zone

Since its founding, the Lin-gang Special Area of SHFTZ has issued a total of 283 policies, 36 of which were recognized as national pioneering cases, and its main economic indicators have maintained a double-digit growth.

### Highlights



### Strategic Goals



### Resource Advantages

#### ✓ Institutional Innovations for Opening-up

- Implementing the **first negative list for cross-border services trade in China** and promising to pilot expanding investment opening-up in finance, value-added telecommunications, healthcare and culture;
- Creating **"Six Special" customs regulatory models** in Yangshan Free Trade Zone;
- Being the first in China to **pilot concealing the special RMB capital account for foreign direct investment**;
- Implementing the **system for international ships to register in Yangshan Port**;
- Piloting more facilitated procedures of **long-term and permanent residence application for overseas professionals**;
- Completing the **first cross-border data flow safety assessment for a resident enterprise**.

#### ✓ Increasingly Clustered Industry Factors

- More than 300 cutting-edge industry projects** signed up in past three years with a **total investment of over RMB 420 billion**;
- 14 top sci-tech innovation institutions introduced**, such as Peking University International Innovation Center and Sci-Tech Innovation Platform for Smart Manufacturing of Shanghai Jiao Tong University;
- Numerous cutting-edge industry projects with core technologies clustered in 7 specialized industry parks including **Oriental Microchip Port and Life Science & Tech Park**.

#### ✓ Gradually Improved Financial System

- A concentration of **more than 450** finance-related market entities;
- An industry investment fund system of **RMB 283 billion**.

### Development Priority

advanced industries

# 6+2

AI

ICs

Biopharmaceuticals

Civil aviation

New-energy and intelligent connected vehicles

High-end equipment manufacturing

New materials

Hydrogen energy

### Policy Support



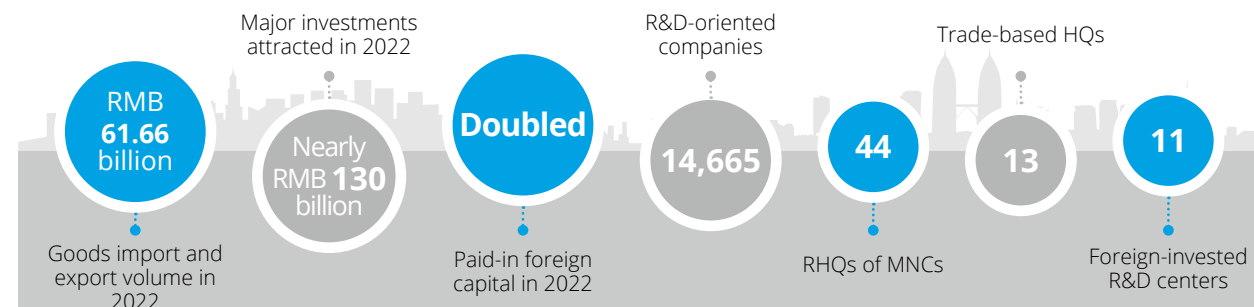
Scan the QR code to learn more about supporting policies in Lin-gang Special Area of SHFTZ



## Hongqiao International Central Business District

On November 1, 2022, the *Regulations of Shanghai Municipality on Promoting the Development of Hongqiao International Central Business District* officially came into effect. Focusing on opening-up, Hongqiao CBD is committed to developing itself into a high-level international central business district by making greater efforts in innovating institutions to ensure further opening-up and deepened reforms.

### Highlights



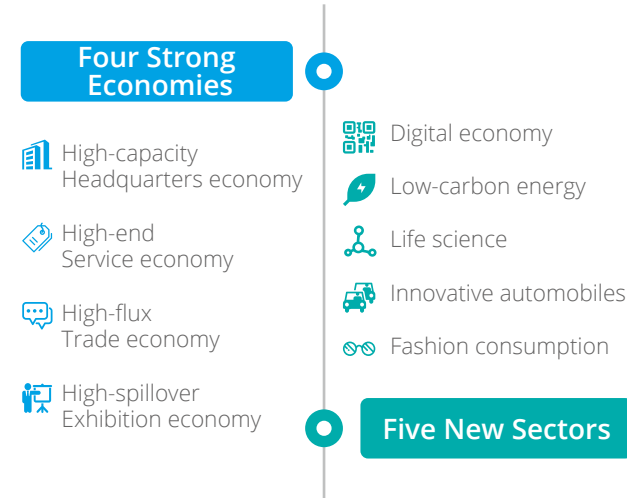
### Strategic Goals



### Resource Advantages

- Big Commerce**
  - Over 500 enterprises equipped with headquarters functions have settled down in the CBD, including Fortune Global 500 companies and foreign-invested RHQs, such as **Roche, Shell, Unilever, Midea** and **Anta**.
- Vigorous Sci-Tech Innovation**
  - The percentage of companies specialized in scientific research and technical services in the CBD is **17.5%, 3.4 times** as much as that of the city;
  - The CBD has nurtured 9 major platforms including **Shanghai Hongqiao Airport Economic Demonstration Zone, Beidou Digital Base** and **North Hongqiao National Cultural and Digital Publishing Base**, as well as **more than 2,200** digital enterprises above the designated size.
- Improved Transportation Infrastructure**
  - Clear planning has been made to build **a rail transit system connecting to Shanghai Pudong International Airport and the rest of the YRD region**, along with an expanded road network linked to the rail system and neighboring areas.
- High-capacity Exhibitions**
  - The CBD has facilitated the successful convening of the 5<sup>th</sup> China International Import Expo (CIIE), and focused on introducing and nurturing high-end exhibitions, to build **a complete industry chain covering venues, organizers and supporting service providers**.

### Development Priority



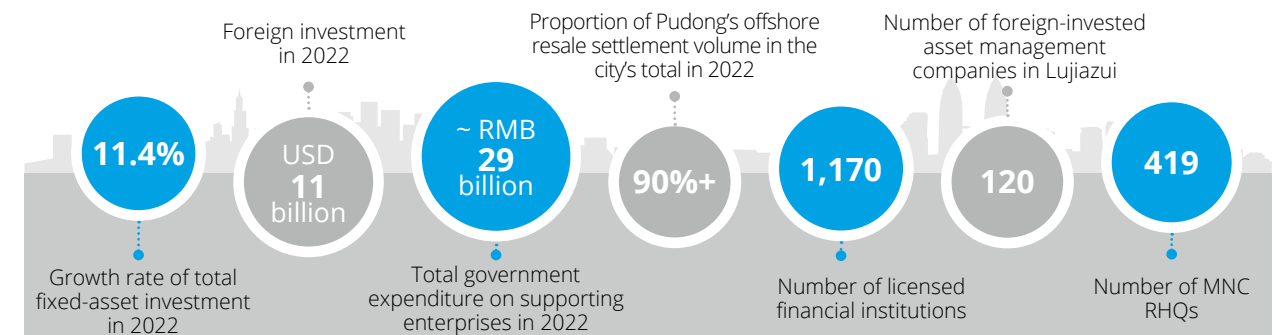
### Policy Support



Scan the QR code to learn more about supporting policies in Hongqiao International Central Business District

## Pudong New Area

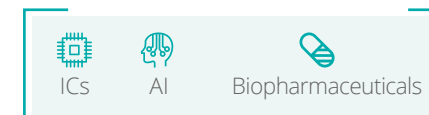
### Highlights



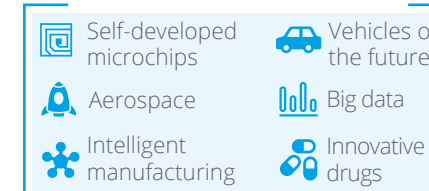
### Development Priority

### Regional Layout

## 3 Leading Industries



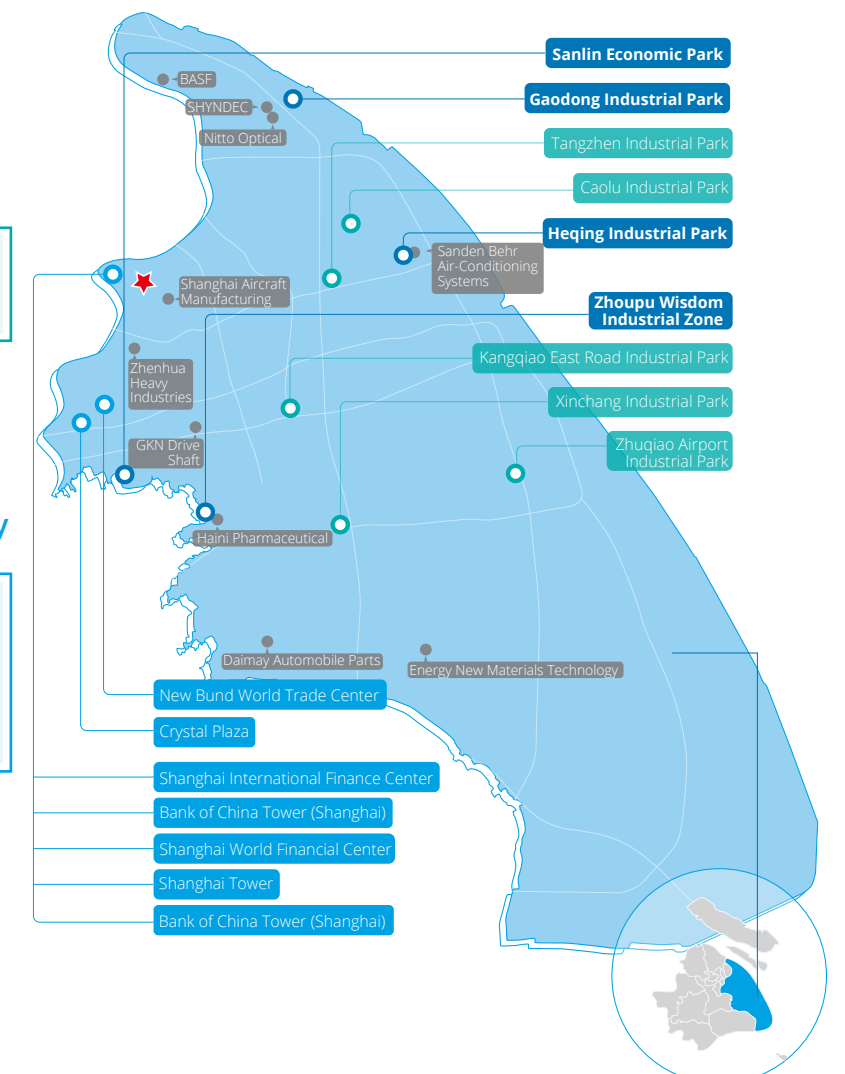
## 6 RMB Hundred-billion-level Industry Clusters



### Policy Support



Scan the QR code to learn more about supporting policies in Pudong New Area



## Building Pudong New Area into a Pioneer Area for Socialist Modernization

Leveraging SHFTZ, and the pilot area for comprehensive reform and other innovative platforms, Pudong New Area has stepped up its efforts in implementing the *Guidelines on Supporting Pudong New Area in High-level Reform and Opening-up to Build It into a Pioneer Area for Socialist Modernization* (hereinafter referred to as the "Guidelines"). Progress has been made in all **450** tasks specified in the implementation plan in response to the *Guidelines*, among which **409** tasks have been basically completed.

### New Development Goals

#### Making a Good Use of Autonomy in Legal Systems

Complement or adapt current rules and regulations appropriately in accordance with practical needs in local reform and innovation, ensuring Pudong's pioneering role

#### Focusing on Piloting Reform

Prioritize systematic integration of reform practices and institutional opening-up, and enhance resilience of SHFTZ and the Lin-gang Special Area

#### Speeding up Development

Accelerate the expansion of Zhangjiang Science City, make it a magnet of scientific personnel and leading tech companies, and optimize its overall environment



#### Playing a Greater Role in Allocating International Resources

Enhance capacity of the head-quarters economy and increase global impact in allocating resources including capital, information, technology and talent

#### Increasing Brand Presence

Build "Small Lujiazui" into a world-class commercial zone by attracting renowned commercial and consumer brands and supporting new commercial activities and consumption behaviors

#### Building a Model District

Improve urban governance through digital technologies and deepen digital transformation of the area, in order to create an environment suitable for living and favorable for industry development.

### Leading New Progress

#### A Pioneer in Greater Opening-Up

- **15** new regulations of Pudong New Area have been issued after the release of the *Guidelines*;
- Due to the deepened One Integrated License Reform, **over 3,200 comprehensive licenses** have been issued so far; the system of market access upon commitment is under development; and pioneering reform measures such as **one integrated permit for the culture, sports and tourism industries** have been implemented;
- **The National Bulk Commodity Warrant Registration Center** was initiated;
- Yangshan Special Comprehensive Bonded Zone (Phase II) has been put into operation, and the **pioneering integrated supervision model of "one division, two locations" for large aircraft manufacturing** has been implemented.

#### A Highland of Global Resource Allocation

- A better financial system has been in place, featuring pilot platforms for **private equity** and **venture capital share transfer**, and wholly foreign-owned public funds like BlackRock. Pudong is **the first in the country to integrate four markets for copper products, which are domestic futures, international futures, domestic spot, and international spot**;
- More international organizations and institutions are gathering in Pudong, and **many MNCs have signed contracts to participate in the Global Operator Program (GOP)**, which helps them expand to the Asia-Pacific region and the rest of the world.

#### A Benchmark of Independent Innovation

- **With 25 business leaders joining the Group Open Innovation (GOI) plan** in 2022, the total number of GOI members amounted to 65, empowering **more than 2,300** companies;
- COMAC Innovation Valley has become a hub of scientific research and innovation, and attracted **148 projects** and **more than 1,500 high-caliber professionals**.

#### A Forerunner in Increasing Domestic Needs

- Nearly 100 consumer goods RHQs have settled in Pudong, such as **P&G** and **Danone**;
- New consumption growth points are emerging, including **Hema Cross-border Go** and **Farfetch Global Warehouse**;
- Themed events like **Double Five Shopping Festival** and **Auto Consumer Festival** have showcased Pudong-based consumer brands.

#### A Demonstration Area of Modern Urban Governance

- Pudong is on its way to become a **demonstration zone of urban digital transformation**;
- Initiatives such as the **first "Public Culture Space Innovative Design Contest"** and **"Procurement Conference of Public Culture and Tourism Products"** have comprehensively improved the quality of cultural services to the public.

## Huangpu District

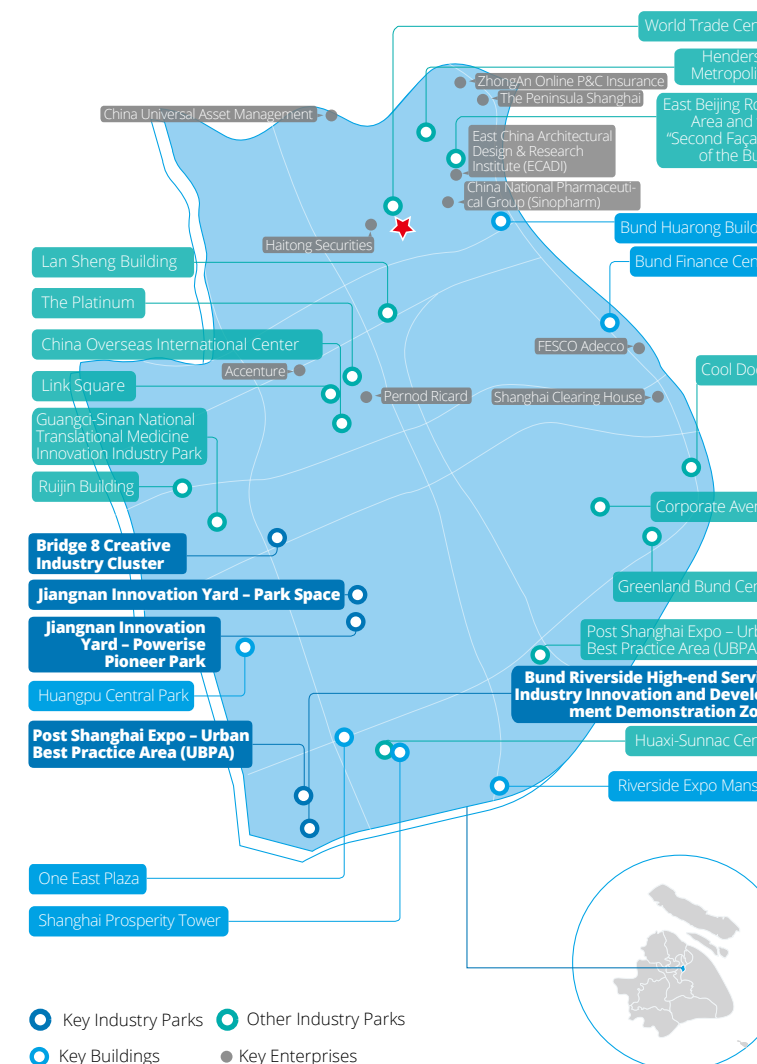
### Highlights



### Development Priority

- Cultural tourism services
- Healthcare services
- Sci-tech innovation services
- Trillion-level financial services
- Quasi-trillion-level commerce and trade services
- Hundred-billion-level professional services
- Three industries worth over RMB 100 Billion
- Three Ten-billion-level industries
- Promising industries
- Stimulating the development of emerging and potential sectors, including healthcare services, digital economy and online economy
- Accelerating the implementation of new infrastructure projects, such as 5G infrastructure and smart platforms

### Regional Layout



### Policy Support

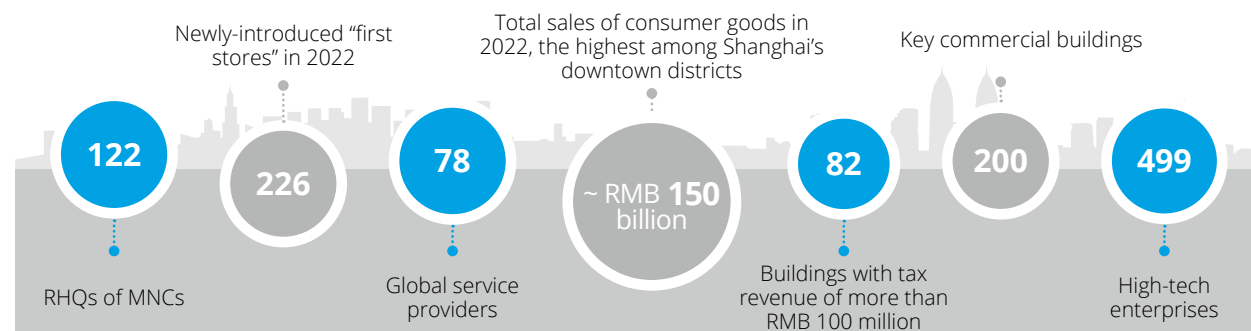


Scan the QR code to learn more about supporting policies in Huangpu District



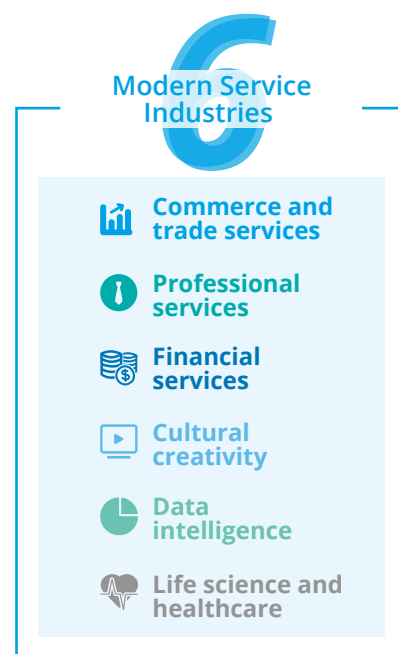
## Jing'an District

### Highlights



### Development Priority

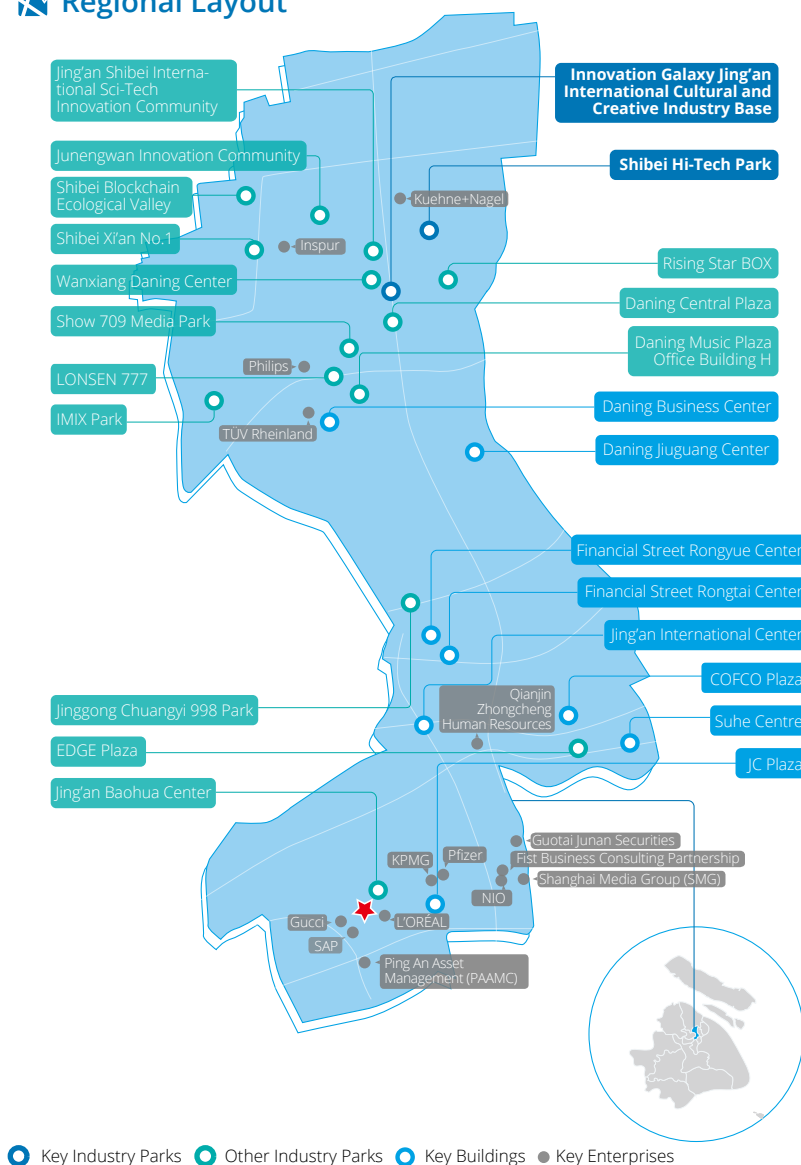
### Regional Layout



### Policy Support



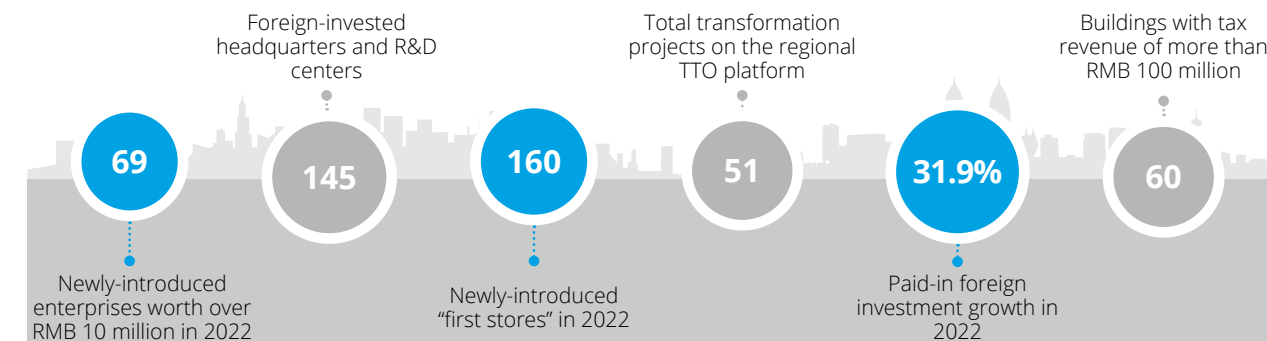
Scan the QR code to learn more about supporting policies in Jing'an District



● Key Industry Parks ● Other Industry Parks ● Key Buildings ● Key Enterprises

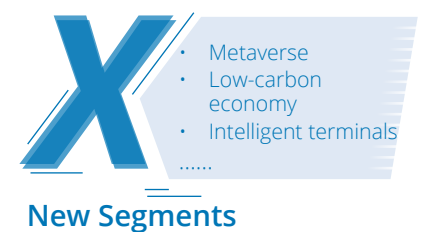
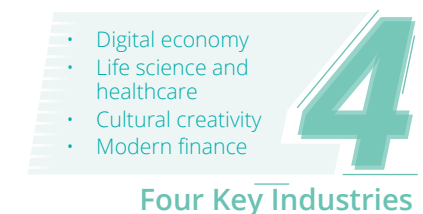
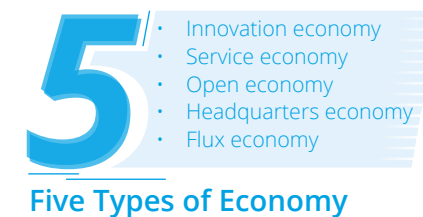
## Xuhui District

### Highlights



### Development Priority

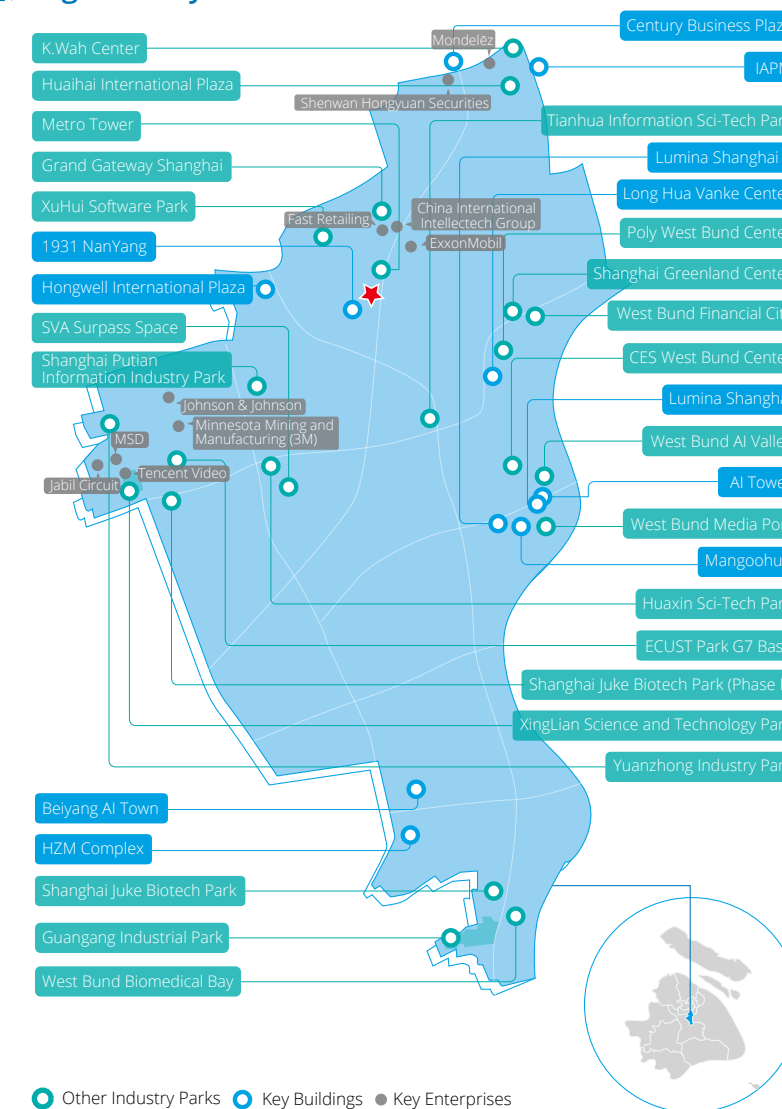
### Regional Layout



### Policy Support



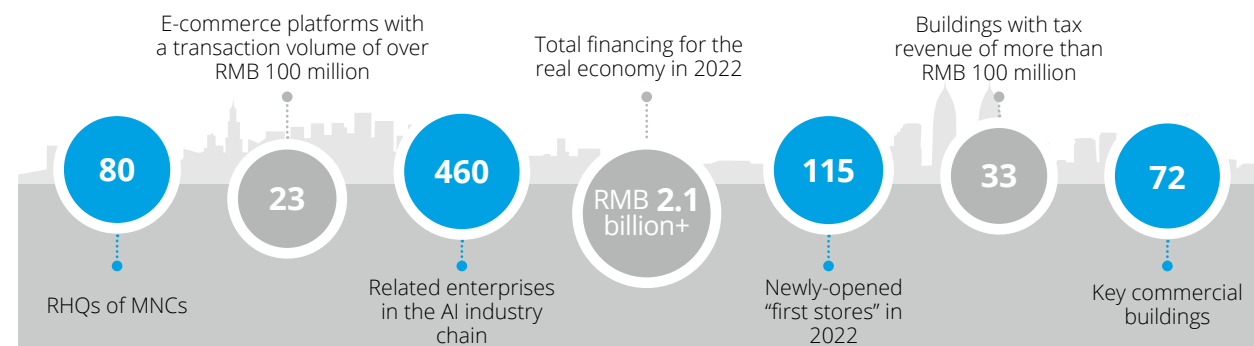
Scan the QR code to learn more about supporting policies in Xuhui District



● Other Industry Parks ● Key Buildings ● Key Enterprises

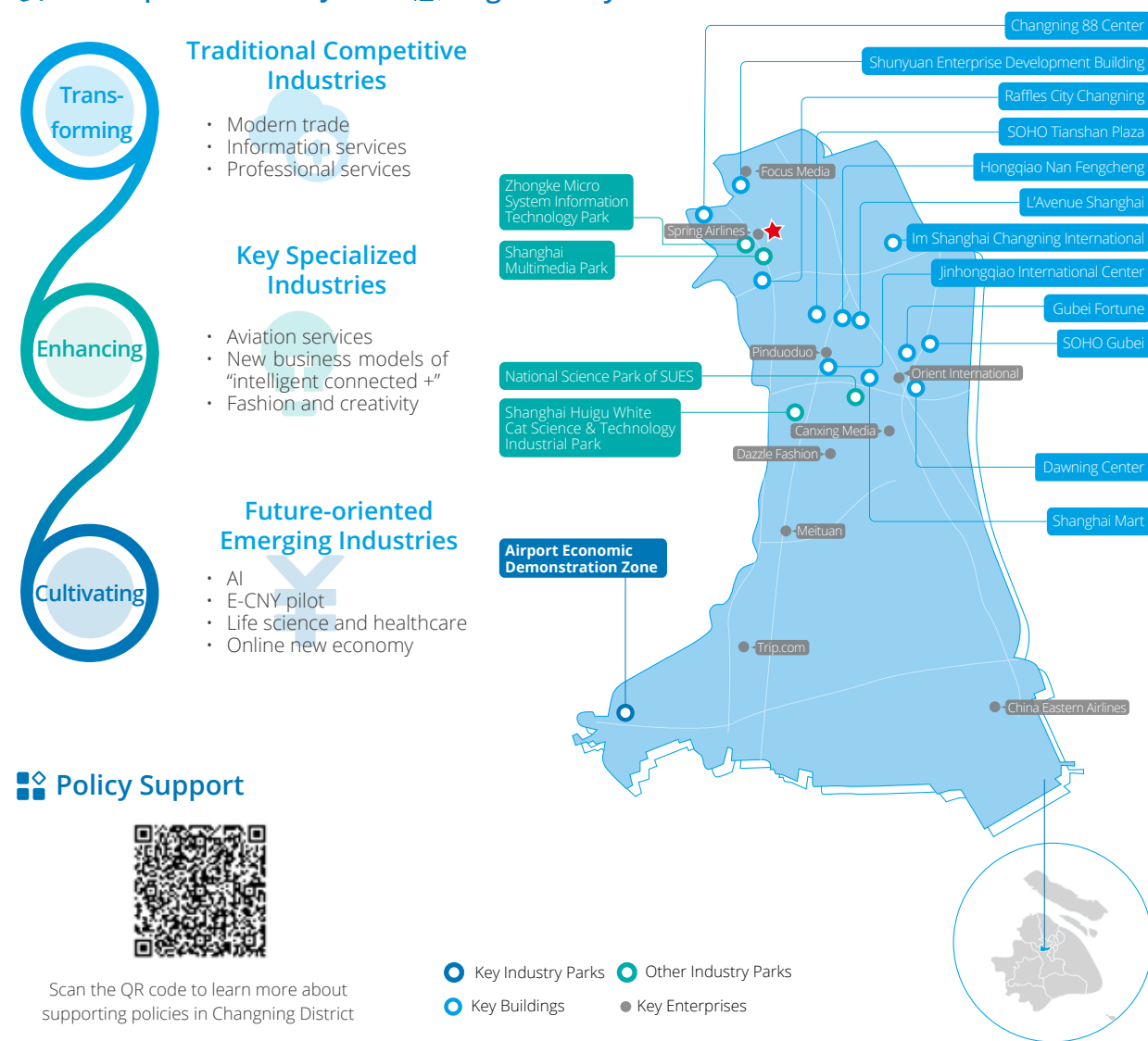
## Changning District

### Highlights



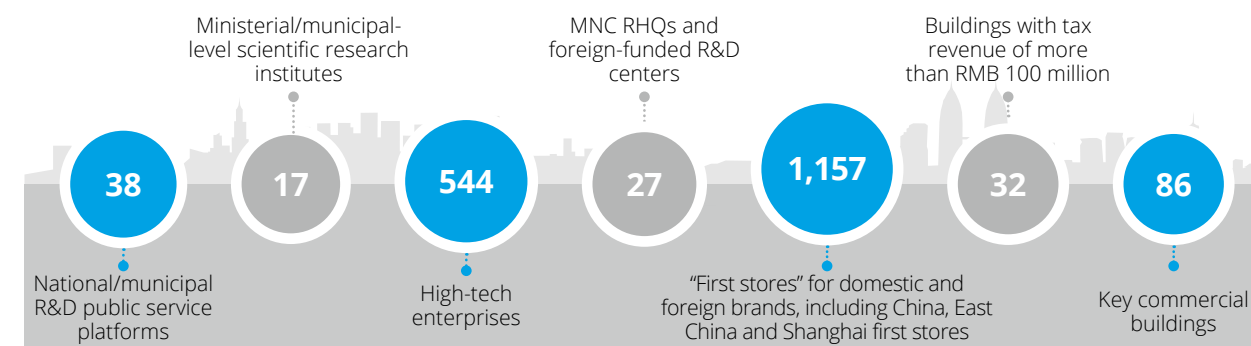
### Development Priority

### Regional Layout



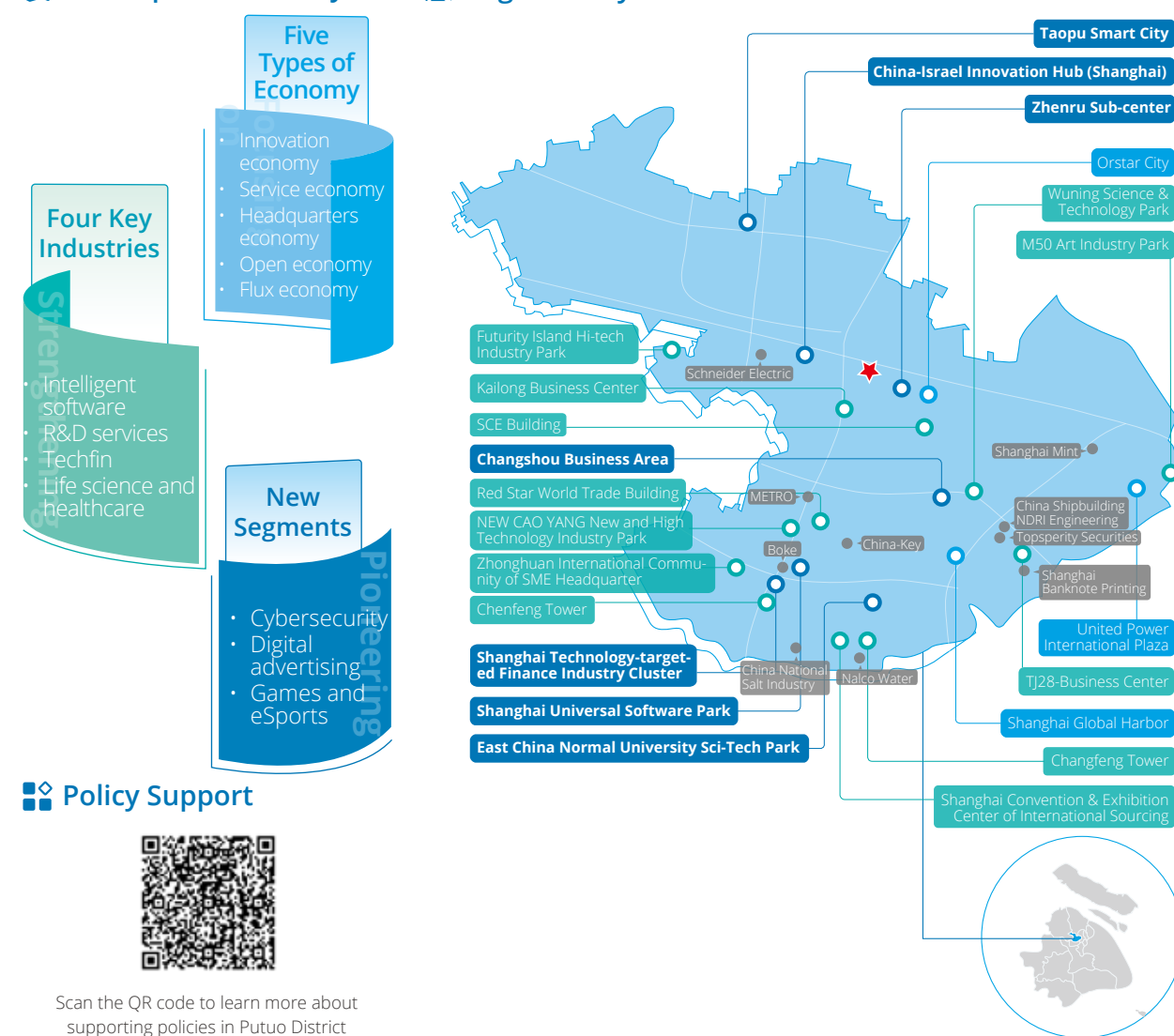
## Putuo District

### Highlights



### Development Priority

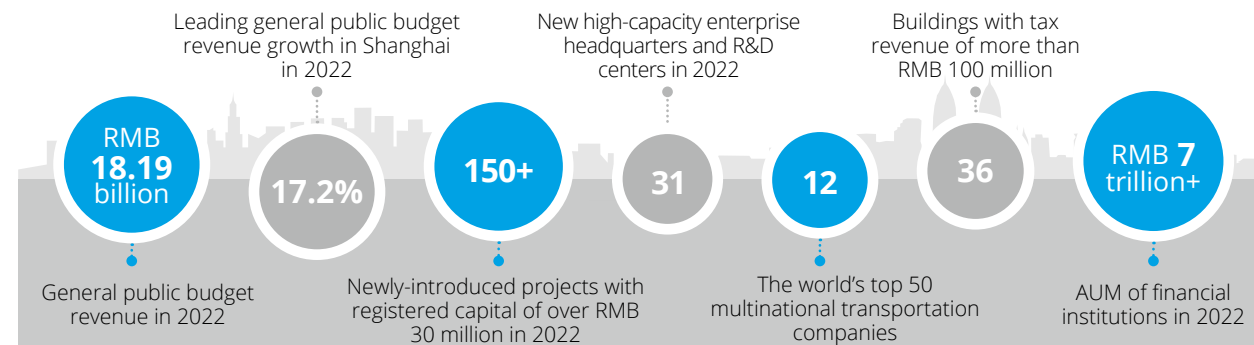
### Regional Layout



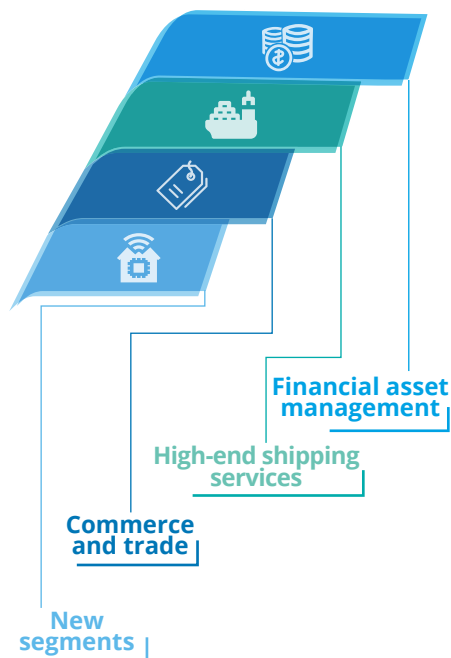


## Hongkou District

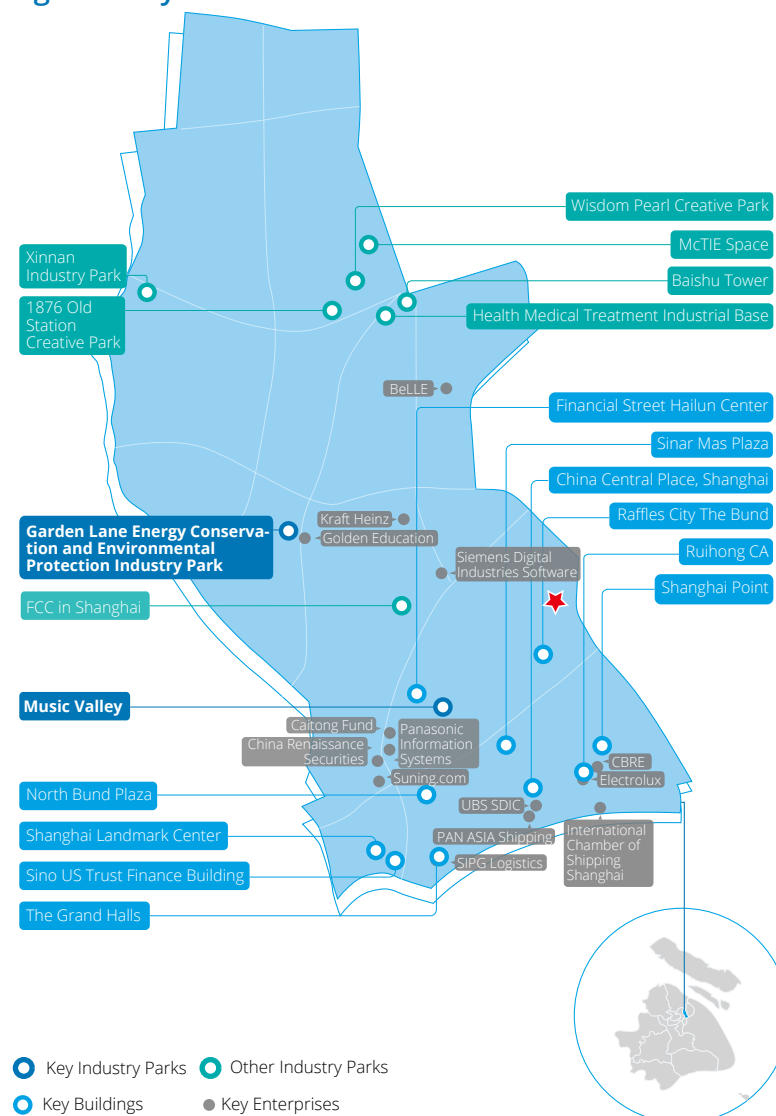
### Highlights



### Development Priority



### Regional Layout



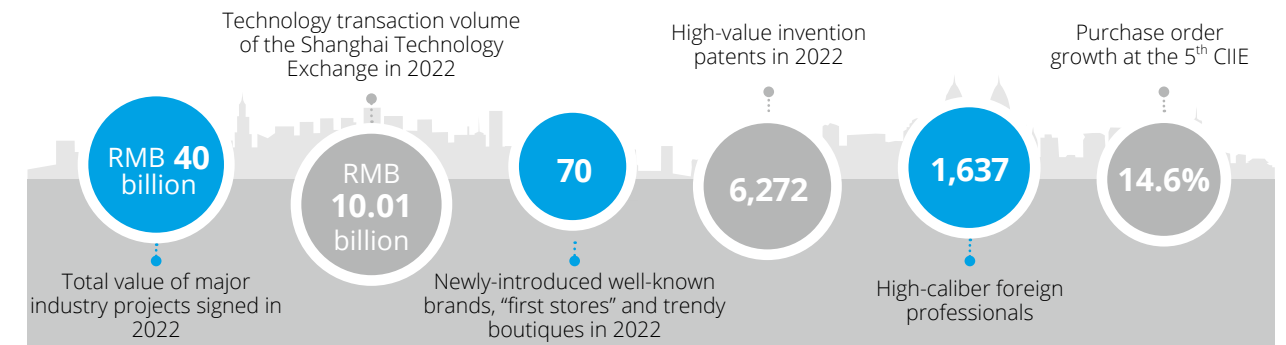
### Policy Support



Scan the QR code to learn more about supporting policies in Hongkou District

## Yangpu District

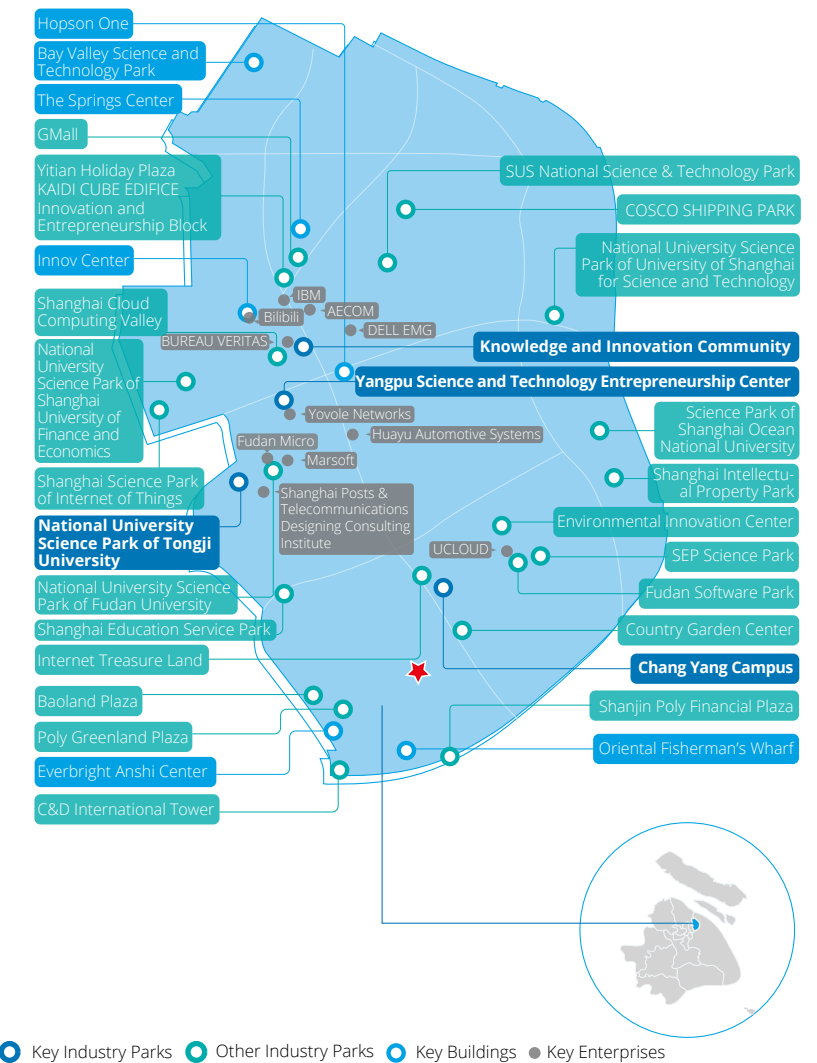
### Highlights



### Development Priority



### Regional Layout



### Policy Support

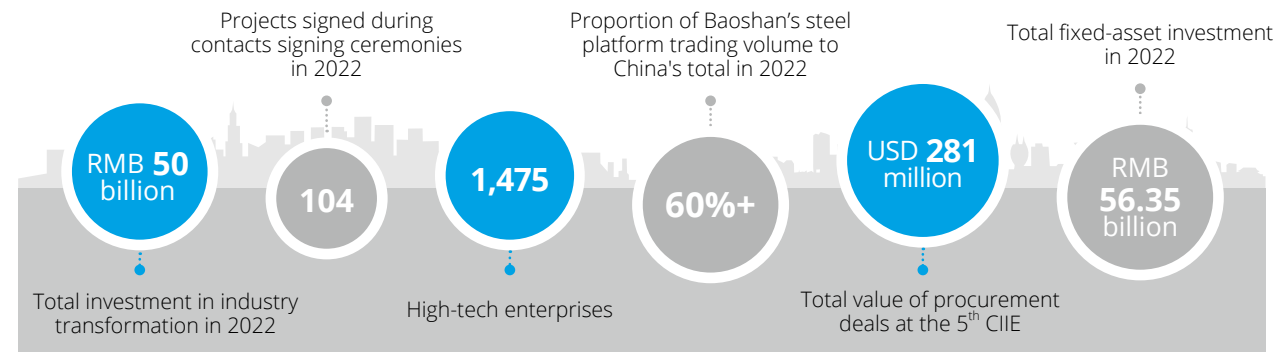


Scan the QR code to learn more about supporting policies in Yangpu District

Key Industry Parks Other Industry Parks Key Buildings Key Enterprises

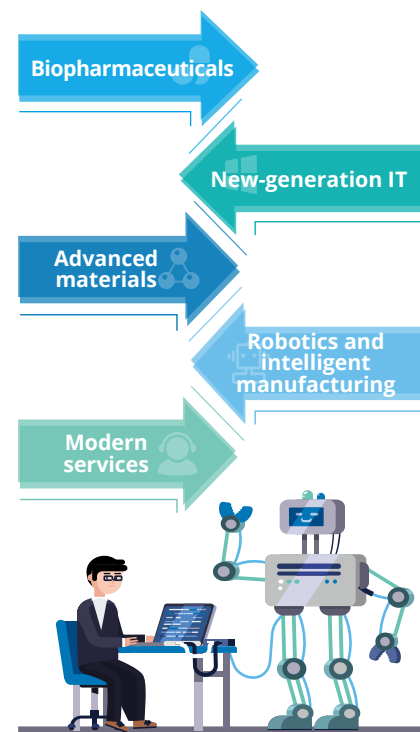
## Baoshan District

### Highlights



### Development Priority

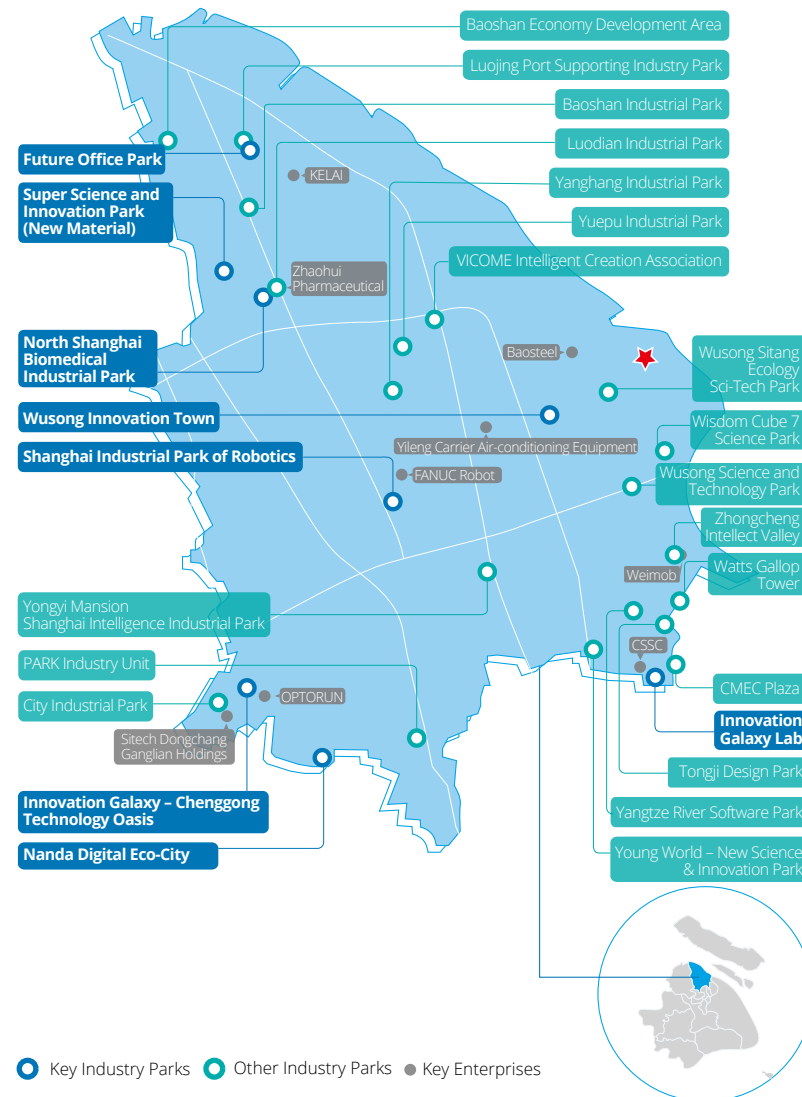
### Regional Layout



### Policy Support



Scan the QR code to learn more about supporting policies in Baoshan District



## Minhang District

### Highlights



### Development Priority

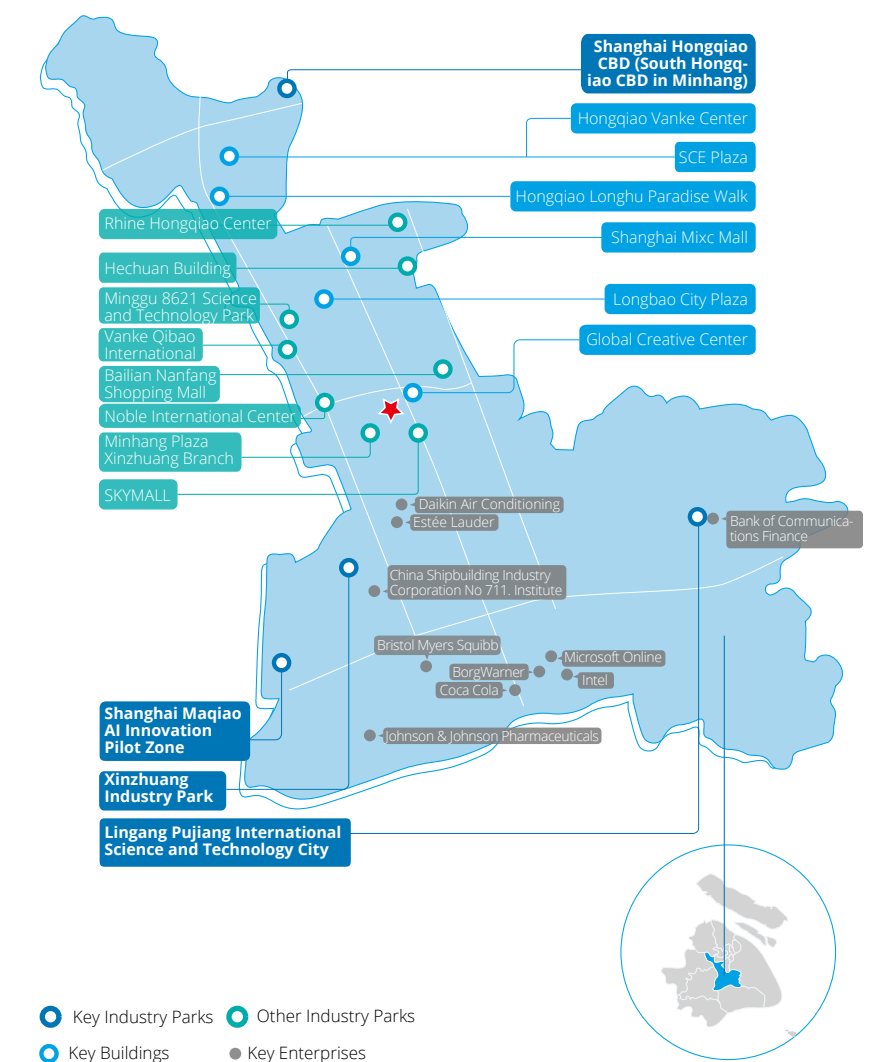
### Regional Layout



### Policy Support



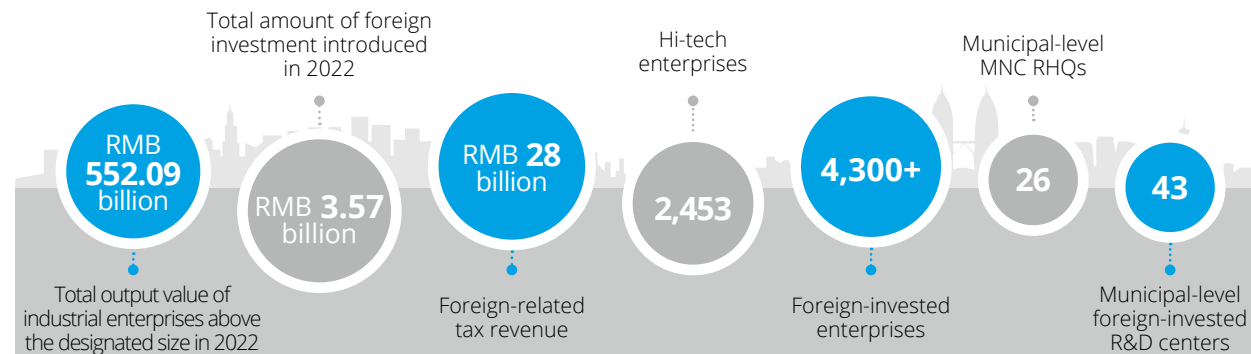
Scan the QR code to learn more about supporting policies in Minhang District





## Jiading District

### Highlights



### Development Priority



**Electric, smart, intelligent-connected and shared automotive industry**

**Intelligent sensors and IoT**

**High-performance healthcare equipment and precision medicine**

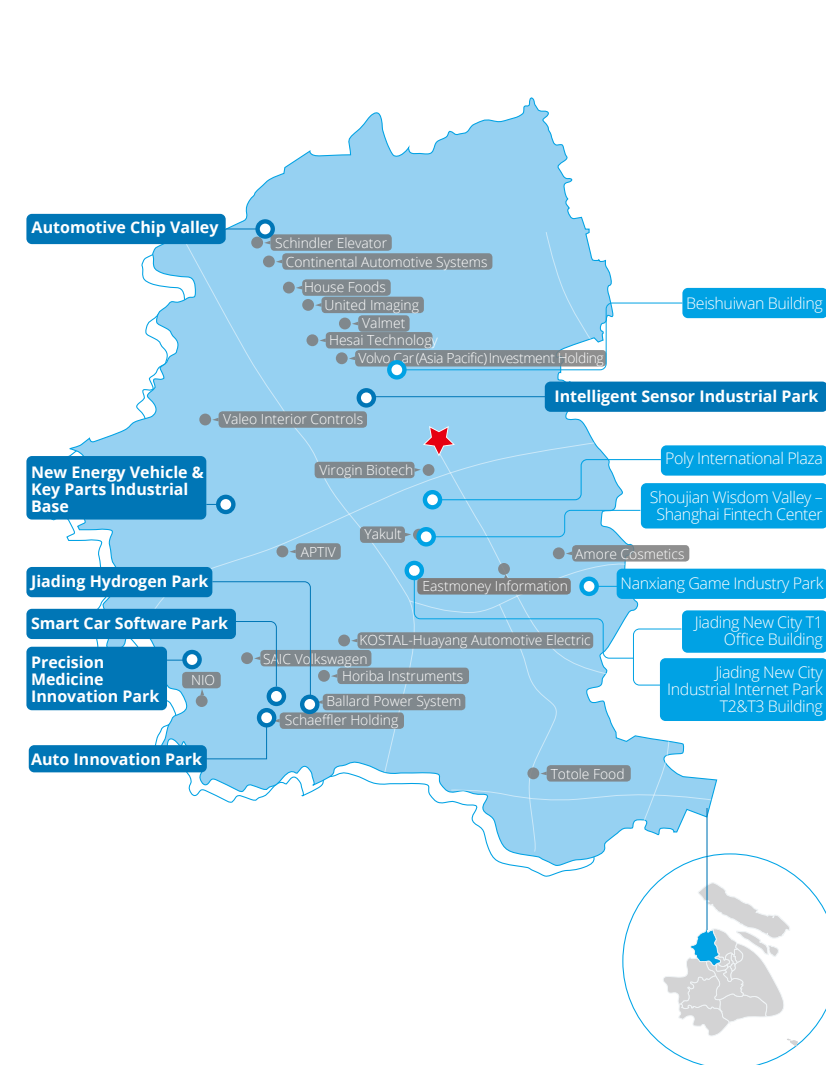
**Online new economy**

### Policy Support



Scan the QR code to learn more about supporting policies in Jiading District

### Regional Layout



● Key Industry Parks ● Key Buildings ● Key Enterprises

## Jinshan District

### Highlights



### Development Priority

**Over RMB 100 billion-level**

- High-end and eco-friendly chemical industry

**RMB 50 billion-level**

- New materials
- Intelligent equipment
- Life science and healthcare
- IT

**Advanced Industries**

- Biopharmaceuticals
- UAVs
- Carbon fiber composites
- New displays

**Producer Services**

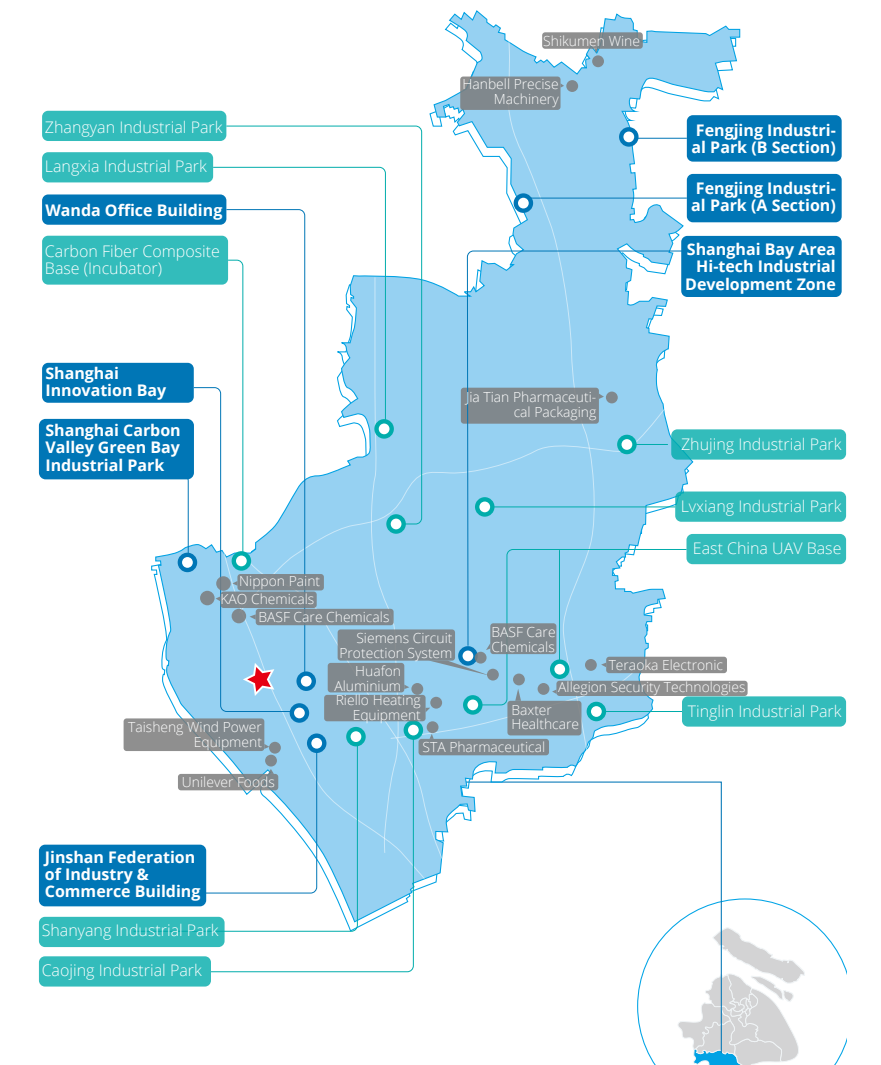
- Digital services
- Integrated services
- Innovative services
- Headquarters economy

### Policy Support



Scan the QR code to learn more about supporting policies in Jinshan District

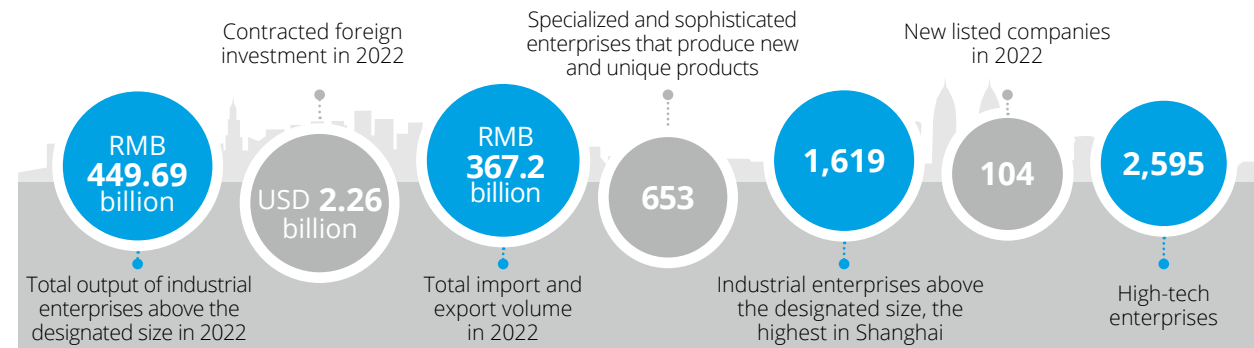
### Regional Layout



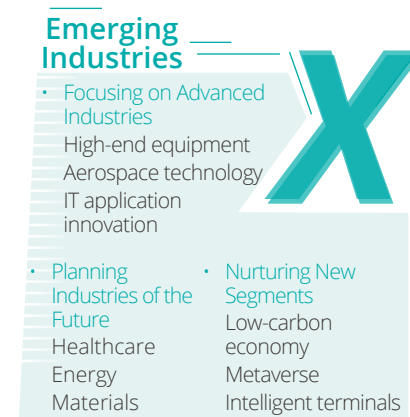
● Key Industry Parks ● Other Industry Parks ● Key Buildings ● Key Enterprises

## Songjiang District

### Highlights



### Development Priority

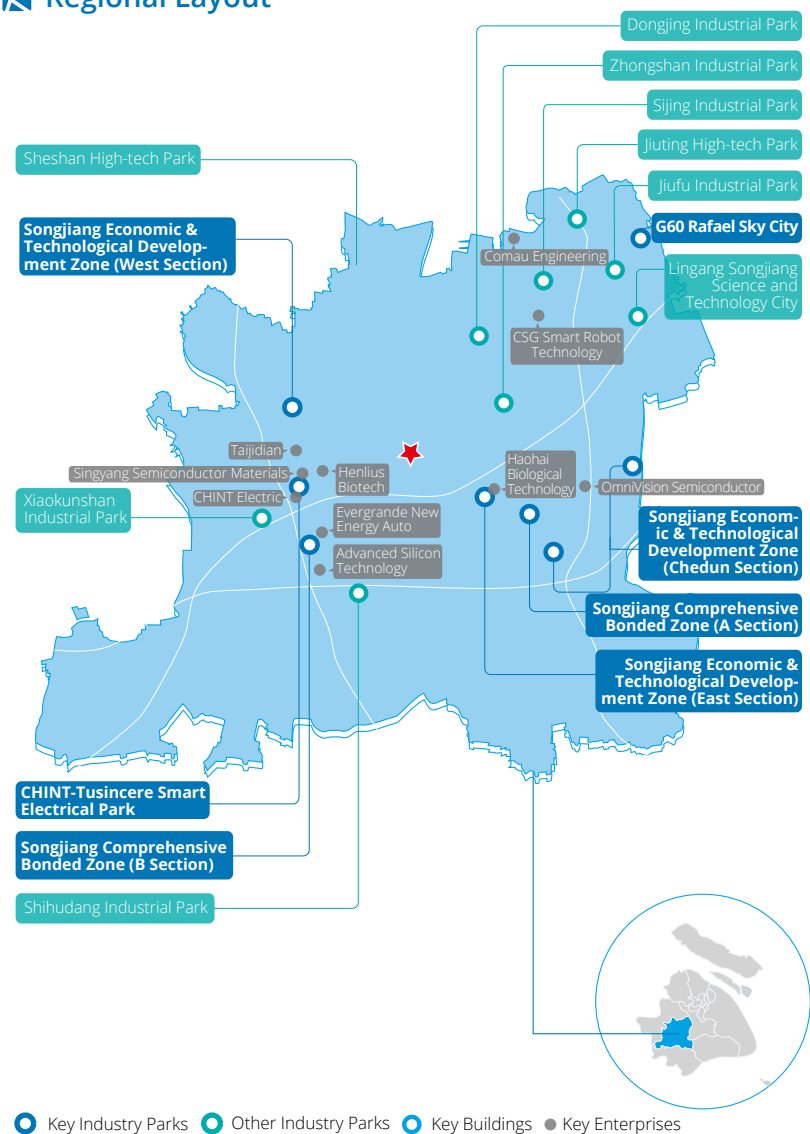


### Policy Support



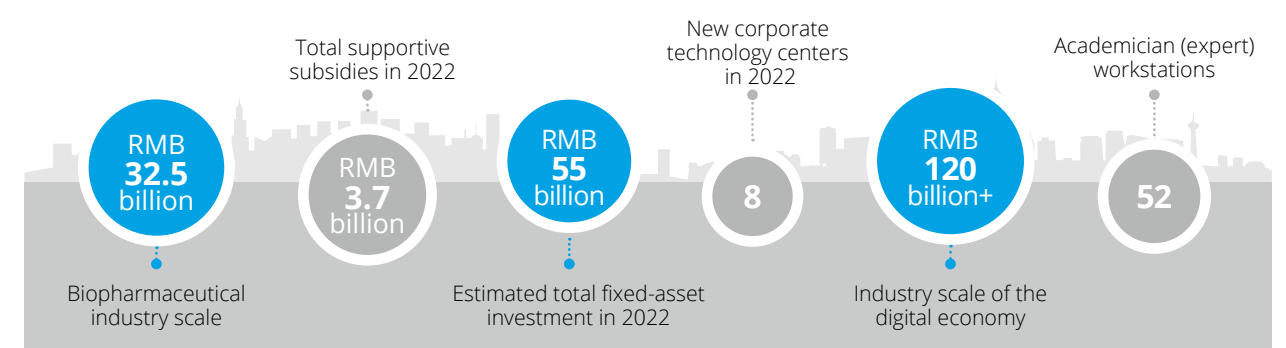
Scan the QR code to learn more about supporting policies in Songjiang District

### Regional Layout

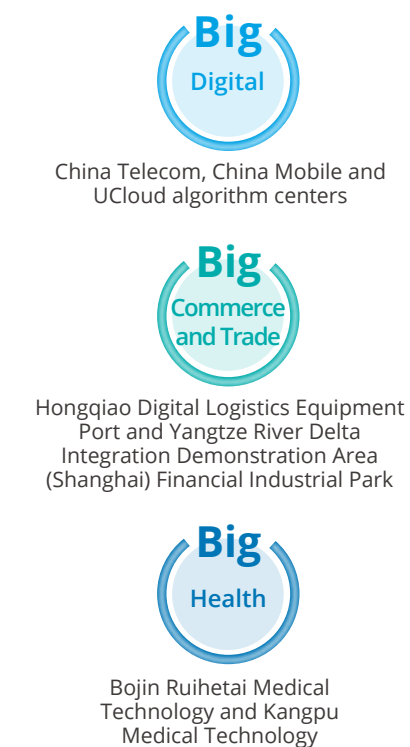


## Qingpu District

### Highlights



### Development Priority

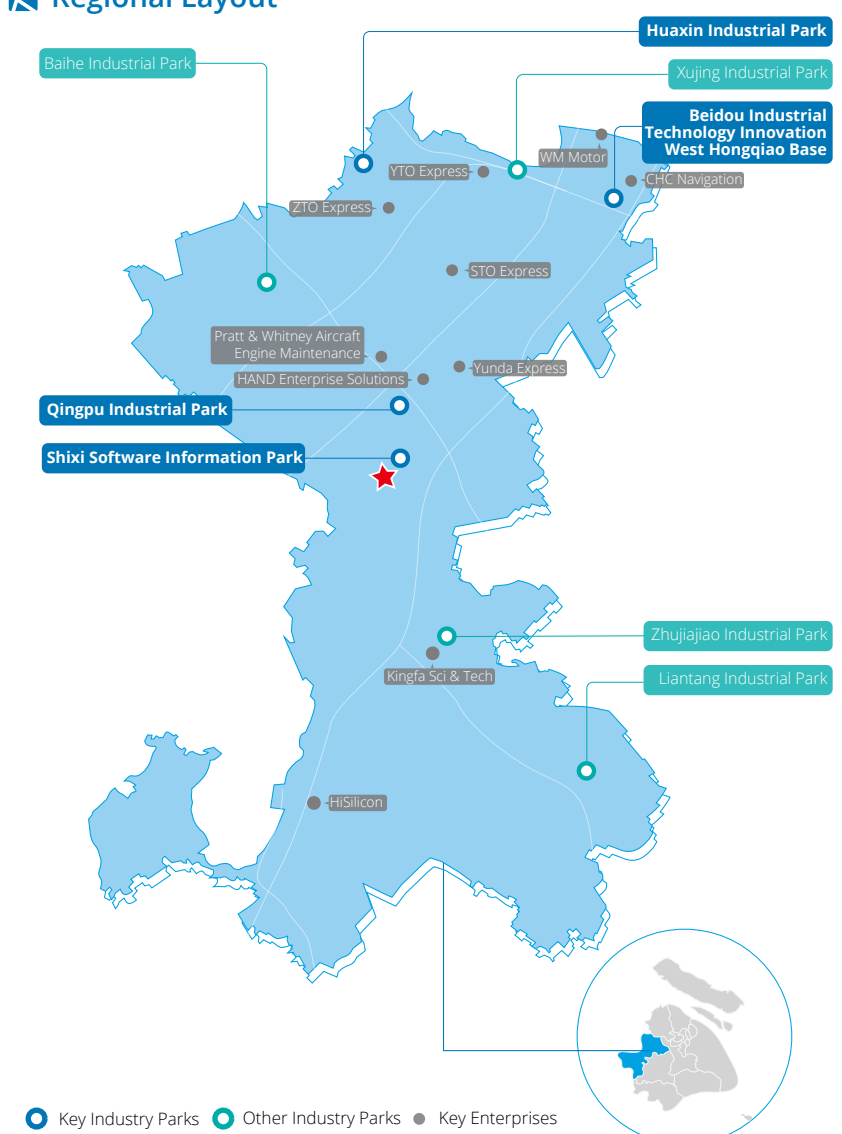


### Policy Support



Scan the QR code to learn more about supporting policies in Qingpu District

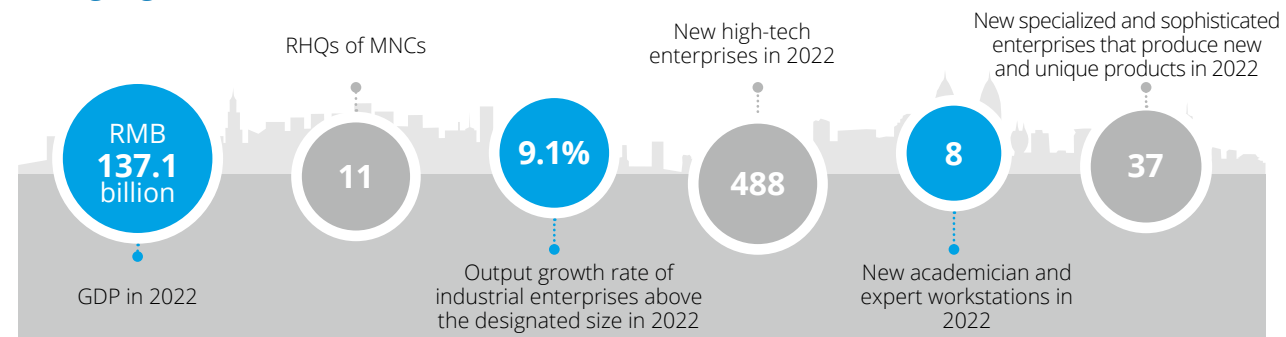
### Regional Layout





## Fengxian District

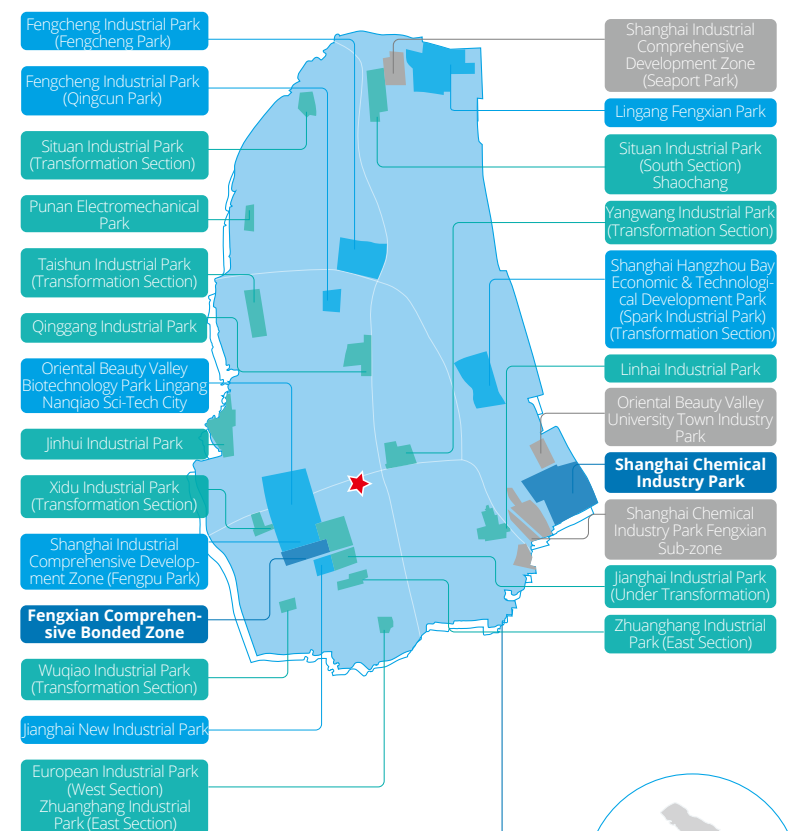
### Highlights



### Development Priority

### Regional Layout

- Oriental Beauty Valley**
  - Biopharmaceuticals
  - Cosmetics
  - High-end food
  - Pet economy
- Future Space**
  - Intelligent connected NEVs
  - Automotive parts
  - Intelligent manufacturing
- Digital Jianghai**
  - Digital enterprises
  - Digital industries
  - Digital talent



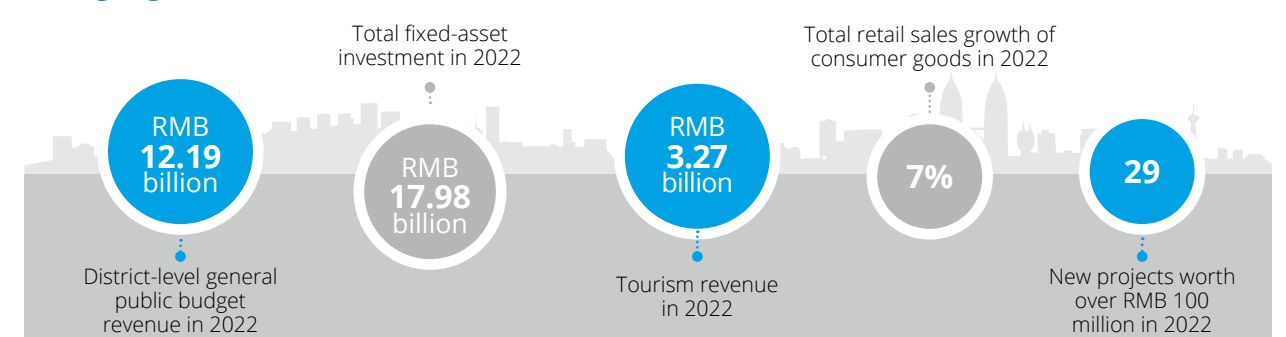
■ National Industry Parks ■ Municipal Industry Parks  
■ District Industry Parks ■ Township Industry Parks



Scan the QR code to learn more about supporting policies in Fengxian District

## Chongming District

### Highlights



### Development Priority

### Regional Layout

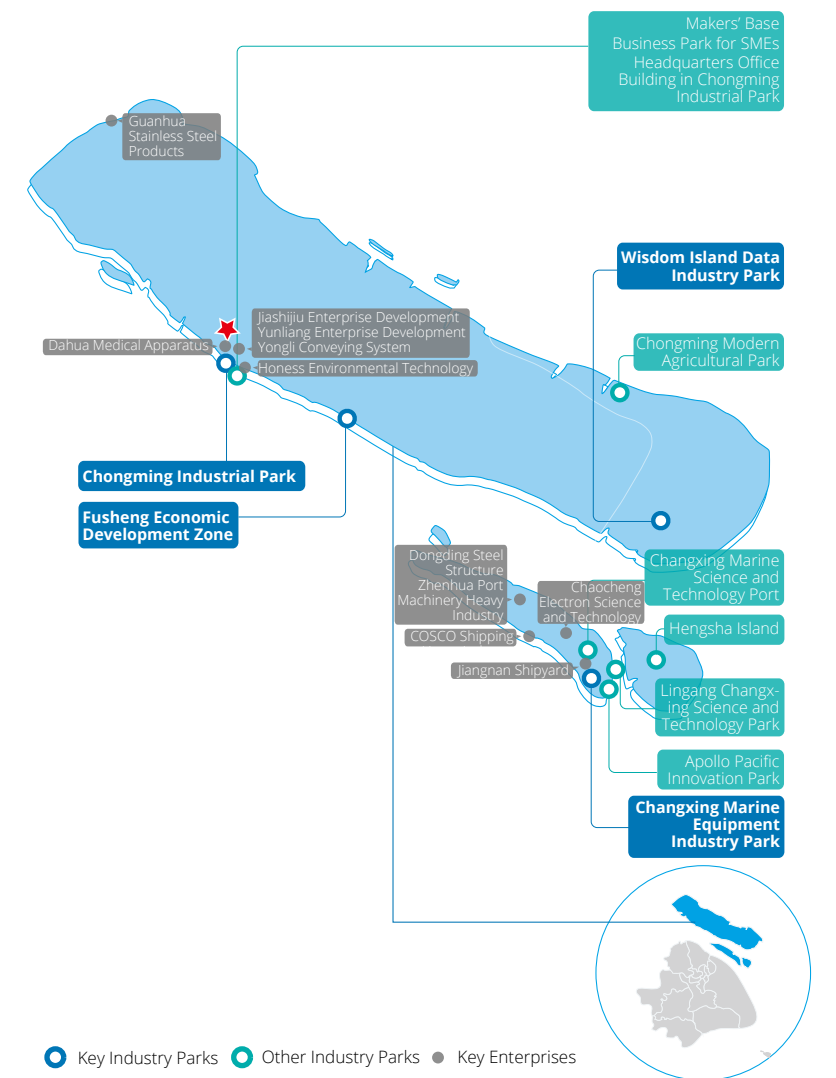
- Intelligent marine equipment manufacturing
- Green technology
- Modern green agriculture
- Ecological and cultural tourism
- Healthcare and wellness



### Policy Support



Scan the QR code to learn more about supporting policies in Chongming District



● Key Industry Parks ● Other Industry Parks ● Key Enterprises

## Business Environment Development

Shanghai constantly steps up its efforts to build a law-based world-class business environment featuring the most convenient trade and investment as well as the most efficient and standardized government services to enhance its international influence.

### Targeted Reforms to Address Key Issues

- Fully implementing the self-declaration system for **enterprise name registration**;
- Rolling out an **identity code system for market entities**;
- Improving the **standardized database for enterprise domicile registration**;
- Pushing forward the **“one-stop service”** for frequent issues regarding corporate license and permit information change.
- Promoting the **expansion of seamless loan renewal**;
- Advancing the use of Xinyidai and other **big data-based inclusive finance platforms**;
- Encouraging innovation in sustainable financial services and private investment in **green industries**.



#### Business Registration

#### Financial Services

#### Business Premises

#### Cross-border Trade

- Fully implementing **the policy of allowing pile foundation construction to start prior to the issuance of a construction permit**;
- Offering more **high-quality and streamlined** government services for **land planning and use approval**;
- Piloting **the development of business premises resource platforms** with a focus on specialized industry parks;
- Extending phased completion acceptance to **major industry and public facility projects**.

- Encouraging **paperless practices** among shipping companies and port enterprises;
- Expanding **the model of third-party inspection of imported commodities**;
- Improving **the online verification of import tariff quotas and correspondingly piloting paperless customs clearance**;
- Spreading **the single-window services for international trade**.

### Key Areas as Pioneers in Institutional Innovation

01

#### Pudong New Area: A Comprehensive Demonstration Zone with Premium Business Environment

- Innovating in policies and mechanisms for **visa, exit-entry and residence permit administration**;
- Launching a pilot **program for protecting enterprise's legitimate rights and interests by providing compensation** to market entities whose rights and interests may be violated by administrative actions;
- Issuing **special measures to relax market access in the Pudong New Area**;
- Optimizing **the “bounty system”** for sci-tech innovation to fully support the development of new-type R&D institution clusters;
- Launching **an innovative pilot program in trade secret protection**.

02

#### Lin-gang Special Area: A Highland for Institutional Innovation in Business Environment

- Exploring **the system of immediate approval for operation upon commitment** for foreign-invested companies;
- Deepening **the reform of “One Integrated License”** and joint issuance of licenses and permits;
- Piloting **the program of providing consulting services for the entire process of engineering and construction projects**;
- Improving **the mechanism of window affairs officers**, and adding a new batch of innovative application scenarios for the Government Online-Offline Shanghai Portal;
- Implementing **the cross-border RMB and foreign exchange settlement facilitation measures**, which allow qualified companies to process the settlement in cross-border trade and investment and financing through receipt and payment instructions.

03

#### Hongqiao International Central Business District: A Unique Business Environment for International Trade

- Accelerating **the development of a demonstration zone for import promotion and innovation**, and platforms like **the Hongqiao Import Commodity Exhibition and Trade Center**;
- Encouraging eligible companies in the Hongqiao CBD to engage in **offshore economic and trade business with free trade accounts**;
- Speeding up **the construction of the Hongqiao International Central Business District Enterprise Service Center and the Hongqiao International Business Talent Port**;
- Advancing **the establishment of the Hongqiao International Central Legal Services District** to build a law-based business environment.

## Chapter IV

# Investment Services and Protection



## Business Environment Development (Continued)

### Government Online-Offline Shanghai Portal Constantly Empowering the City

October 17, 2022 marked the fourth anniversary of the official launch of the Government Online-Offline Shanghai Portal. Over the past four years, the Portal has largely promoted cross-departmental collaboration as well as big data sharing and application. Through synergetic efforts from the online and offline sides, a new pattern of digital governance has been developed, giving an ongoing boost to the city's soft power.

#### ✔ Initiating and Continuously Optimizing the Government Online-Offline Shanghai Portal



- As of the end of 2022, the Government Online-Offline Shanghai Portal has:
  - Provided access to around **3,600 service items**;
  - Handled a total of **about 300 million cases**;
  - 84%** of cases were handled online.
- Shanghai ranked **among the frontrunners in China** in the *Survey and Assessment Report on Provincial Governments Integrated Service Capacity 2022*.
- Two local regulations** have been rolled out to provide institutional support for the reform of the Government Online-Offline Shanghai Portal;
- A comprehensive service system** has been established within the Portal, and its covering areas have extended from government services to public services;
- The monthly active users on the E-shimin (Suishenban) platform peaked at **23.90 million**, with an average daily caseload of **over 230,000** in 2022;
- Integrated **one-stop services are offered to ensure satisfactory user experience**;
- Shanghai aims to create **a 15-minute government service circle** through the Portal;
- The Portal will be expanded across the YRD region** to benefit companies and people in Jiangsu, Zhejiang, Anhui and Shanghai with more shared and convenient services.

#### ✔ The International Version of the Government Online-Offline Shanghai Portal

On November 6, 2020, the international version of the Government Online-Offline Shanghai Portal (english.shanghai.gov.cn) officially came into use, providing foreign-invested companies and foreign professionals in Shanghai with one-stop services which cover all scenarios, including talent entry, residence, work and life. The Portal offers **65 types of foreign-related services** across **30 departments**, with a total of **253 service items and bilingual policy guidelines** in Chinese and English.



Scan the QR code to learn more about the international version of the Government Online-Offline Shanghai Portal

#### ✔ Shanghai Foreign Service Collection

In 2022, based on the dedicated foreign-related services window on the Government Online-Offline Shanghai Portal and by summarizing procedures for the most frequently accessed foreign-related services as well as life service guides, the Shanghai municipal government issued a Chinese-English e-brochure, *Shanghai Foreign Service Collection*, to improve the convenience and satisfaction of working and living in Shanghai for foreign nationals.

##### Exit-Entry and Stay-Residence

Guidance on the application for port visas, stay and residence permits and other service items are available in this section.

##### Healthcare

In this section, foreign users can check the list of foreign-invested hospitals in Shanghai and learn how to make an appointment online.

##### Transportation

This section provides information about how to use the Shanghai QR code in the E-shimin app to take public transportation in the city, such as buses.

##### Career Development

This section provides information about the qualifications and application procedures for talent programs and sci-tech awards oriented to international professionals working in Shanghai.

##### Education

This section focuses on education-related services for children of foreigners, including a list of international schools in Shanghai.

##### Amenities

This section provides guidance on foreign-related marriage registration, the participation in the social insurance scheme for foreigners in flexible employment and personal housing provident fund-related services.



Scan the QR code to read the *Shanghai Foreign Service Collection*

## Investment Protection Areas

### Expropriation Protection

Exempting foreign investors' investment from being expropriated. Where expropriation is necessary under special circumstances, it shall be carried out in a non-discriminatory manner and timely compensation shall be made according to the market value of the expropriated investment. Returning in time the requisitioned assets after use in response to natural disasters, public health events and other emergencies, and making compensation in case of damage or loss.



### Intellectual Property Rights

Protecting the IPRs of foreign investors and foreign-funded enterprises, through cross-regional and cross-departmental coordinated and effective IPR protection mechanisms, constantly improved judicial and administrative IPR law enforcement, and strict legal punishment of IPR infringement.

### Free Flow of Funds

Ensuring free flow of foreign investors' investment, profits, capital gains, income from disposal of assets, intellectual property licensing, compensation and liquidation, as well as the income of foreign workers and those from Hong Kong, Macao and Taiwan, and other lawful income in China.

### Business Secrets Protection

Protecting the business secrets of foreign investors and foreign-funded enterprises that are made known in the course of business operations, even if it is necessary to share the information according to the law. Strengthening the judicial protection of trade secrets by people's courts at all levels by applying the rule of evidence to reduce right holders' burden of rights protection.

### Technological Cooperation

Encouraging technological cooperation, underpinned by sound legal protection, that allows foreign investors and foreign-funded enterprises to partner with various market entities and scientific research entities in Shanghai based on voluntary principles and business rules.

### Equal Treatment

Giving equal treatment to foreign-funded enterprises regarding policies and measures in support of enterprise development, such as government funds arrangement, land supply, tax reduction and exemption, qualification licensing, standard formulation, project application, professional title evaluation, and human resources.

Granting foreign-invested enterprises equal opportunities to participate in government procurement, tendering and bidding, land transfer, property rights transactions and other activities via the municipal public resources trading platform.

### Government Procurement

Ensuring fair participation of foreign-funded enterprises in government procurement. There will be no restriction on suppliers' form of ownership, organizational form, equity structure, investors' country of origin, and product or service brands, and no discrimination or discriminatory treatment between the products and services produced and provided by foreign-funded enterprises in China and those of domestic enterprises.



### Standards Setting

Facilitating equal participation of foreign-funded enterprises in the drafting, formulation and revision of local standards, and providing convenience and guidance for translation of standards and international cooperation on standards setting.

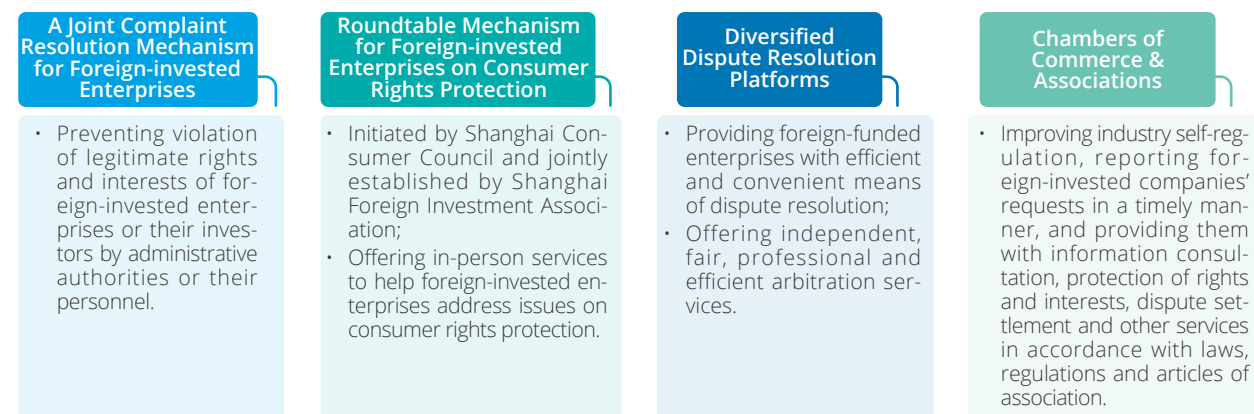
### Urban Franchising Operations

Allowing foreign-funded enterprises to engage in franchising activities related to municipal water and gas supply, and sewage and garbage treatment, as well as construction and operation projects of urban roads, highways, rail transits and other public transportation.

## Investment Protection Services

In 2020, Shanghai issued the *Shanghai Regulations on Foreign Investment* to fully implement the national treatment administrative system and improve the protection mechanisms for foreign investment, thus creating a more stable, transparent, predictable and fair market environment, in a bid to expand the opening-up of the city.

### Ways to Protect Legitimate Rights and Interests of Foreign Investors



### IPR Protection

As an important part of investment protection in Shanghai, IPR protection plays a crucial role in helping companies maintain innovation vitality, develop new markets and increase core competitiveness. In 2022, Shanghai ranked **No.6** of the Top 100 Science and Technology Clusters in the *Global Innovation Index 2022* released by the World Intellectual Property Organization (WIPO). Its international patent applications under the Patent Cooperation Treaty (PCT) reached **5,591**, up by 15.76% from the previous year.



### Data Security Protection

The *Shanghai Municipal Data Regulation*, which officially came into effect on January 1, 2022, is committed to promoting data utilization and industry development with a focus on data rights protection, data circulation and utilization, and data security management, aiming to foster a data-driven digital economy and empower social development.

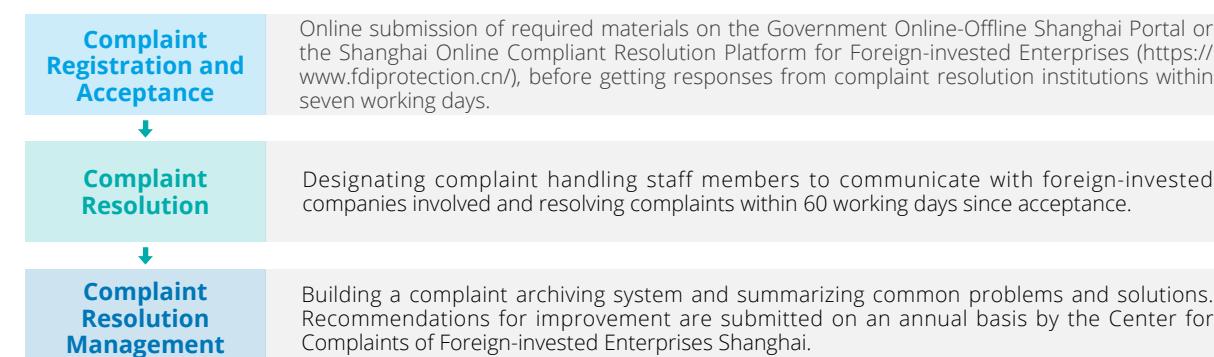


### A Joint Complaint Resolution Mechanism for Foreign-invested Enterprises

In 2021, Shanghai issued **the Shanghai Measures for Foreign-invested Enterprise Complaint Resolution** to build the municipal joint complaint resolution mechanism and **the "1 + 16 + 2" complaint resolution centers for foreign-invested enterprises**, of which the municipal-level complaint resolution center is housed in Shanghai Foreign Investment Association.

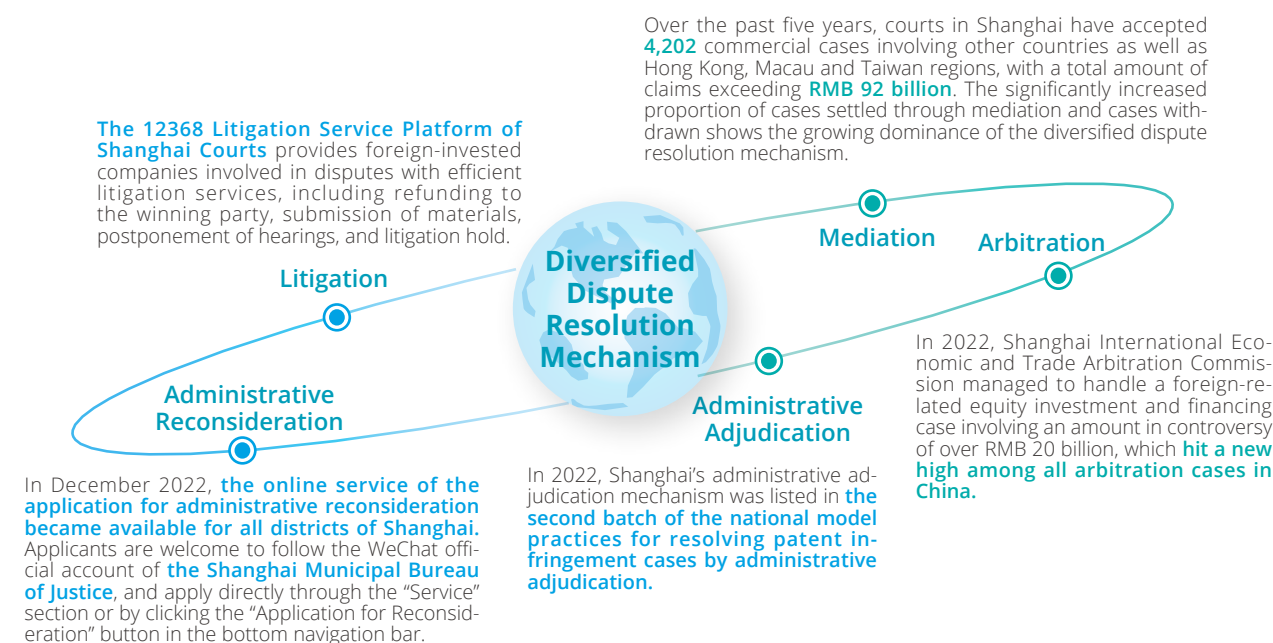


### Procedures for Addressing Foreign-invested Enterprises' Complaints



### Diversified Dispute Resolution Mechanism

Shanghai has rolled out **the Regulations of Shanghai Municipality on Promoting Diversified Mechanisms for Dispute Resolution** and established a diversified dispute resolution mechanism that integrates and coordinates mediation, business arbitration, administrative adjudication and reconsideration, and litigation.





## Investment Policies



### Further Opening-up

- *Catalogue of Industries for Encouraging Foreign Investment (2022 Edition)*
- *Negative List for Market Access (2022 Edition)*
- *Special Administrative Measures (Negative List) for Foreign Investment Access (2021 Edition)*
- *Special Administrative Measures (Negative List) for Foreign Investment Access in Pilot Free Trade Zones (2021 Edition)*
- *Regulations of Shanghai Municipality on Foreign Investment*
- *Procedures of Shanghai Municipality for the Administration of Approval and Filing of the Projects with Foreign Investment*



Scan the QR code to learn more about the opening-up policies in Shanghai.

### Policy Overview

#### *Catalogue of Industries for Encouraging Foreign Investment (2022 Edition)*

On January 1, 2023, the *Catalogue of Industries for Encouraging Foreign Investment (2022 Edition)* was implemented to further improve institutional opening-up, increase market accessibility for foreign investment, and attract more foreign capital to advanced manufacturing, modern services, high tech, and energy conservation and environmental protection.

#### Policy Highlights

- **Encouraging foreign investors to involve in advanced manufacturing:** Efforts will be made to improve industry chain and supply chain and accelerate technology upgrading, thus keeping the manufacturing industry as the key target of foreign investment. Added or edited catalogue entries include the development, production and application of new technologies and products in the forestry biomass energy sector, the development and production of supplies in the pharmaceutical sector, and the development and production of high-tech nonferrous metal materials and products, high-performance photoresists, and glow discharge mass spectrometers.
- **Channeling foreign investment into modern services:** The revised catalogue emphasizes improving development quality of the service industry and promoting the integration of the service and manufacturing industry. Added or edited entries include low-carbon, environmental-friendly and resource-conserving advanced system integration technologies and services, professional design services, vocational schools, human resource services, and the certification and evaluation of clean manufacturing.

#### *Negative List for Market Access (2022 Edition)*

On March 2, 2022, the *Negative List for Market Access (2022 Edition)* was officially implemented to further relax the restrictions on market access and promote equal treatment for domestic and foreign companies, contributing to an efficient, rule-based and independent market that enables fair competition.

#### Policy Highlights

- **Reducing list items and streamlining administrative approval procedures:** Compared with the 2020 edition, the *Negative List for Market Access (2022 Edition)* removed 6 items and streamlined a few administrative approval procedures for the service sector which includes finance, scientific research, and information consulting. In the financial industry, for example, the item that prohibited foreign-invested companies from issuing shares and participating in mergers and acquisitions of certain listed companies in China has been deleted, enabling these companies to operate in a larger market where more business opportunities are available.
- **Implementing a national unified negative list to facilitate market-oriented reforms:** The comprehensive negative list allows market entities in all industries, excluding industries where market access is denied or limited, to make decisions according to their own needs, thus creating a stable, fair, transparent, and open market environment for foreign-invested companies.

## Chapter V

# Investment Promotion

## Investment Policies (Continued)



### Investment Promotion and Services

- **Policies and Measures for Increasing, Stabilizing, and Improving Foreign Investment with a Focus on the Manufacturing Industry**
- **Work Plan for Further Optimizing Online Assistance Services for Enterprises**
- Measures for Facilitating the Development of the High-end Manufacturing Industry in Shanghai
- Catalogue of Specialized Industry Park in Shanghai (2022 Edition)
- Priorities for Optimizing Shanghai's Business Environment in 2022
- Measures for Further Reducing Institutional Transaction Costs to Vitalize Market Entities
- Action Plan for Strengthening Integrated Innovation to Optimize Business Environment in Shanghai – Business Environment Reform Version 6.0
- Regulations of Shanghai Municipality on Optimizing Doing Business Environment
- Implementation Plan on Deepening the All-round Development of a World-leading Environment for Business in Shanghai
- Three-Year Action Plan for Developing a World-class Business Environment in the Yangtze River Delta Region



Scan the QR code to learn  
more about investment promotion policies in Shanghai.

### Policy Overview

#### **Policies and Measures for Increasing, Stabilizing, and Improving Foreign Investment with a Focus on the Manufacturing Industry**

On October 25, 2022, the *Policies and Measures for Increasing, Stabilizing, and Improving Foreign Investment with a Focus on the Manufacturing Industry* took effect, aiming to optimize the investment environment, improve investment services, and properly guide foreign investment by attracting more investment in the manufacturing industry, strengthening foreign investment promotion and services, and facilitating high-quality development supported by foreign investment.

#### Policy Highlights

- **Optimizing investment environment and ensuring equal treatment:** Efforts are stepped up to implement the negative list for foreign investment access. For industries outside the negative list, both domestic and foreign-funded enterprises shall comply with the same regulations. It is ensured that national supportive policies are equally provided to foreign investors in terms of factor acquisition, qualification licensing, business operation, IPR protection, standard formulation, tendering and bidding, government procurement, etc.
- **Strengthening investment services and facilitating international business travels:** “Fast Lanes” are established for Chinese and international businesspeople, allowing senior executives and technical personnel from multinational corporations or foreign-funded enterprises, as well as their families, to enter and leave China more conveniently.

#### **Work Plan for Further Optimizing Online Assistance Services for Enterprises**

On November 19, 2022, the *Work Plan for Further Optimizing Online Support Services for Enterprises* was implemented to open up more communication channels between companies and the government, and significantly improve services and the efficiency, accuracy and intelligence of support providing process through enhanced big data and artificial intelligence technologies, thus contributing to the best government services and business environment.

#### Policy Highlights

- **A corporate service system enhanced by multiple platforms:** Integrating the Government Online-Offline Shanghai Portal, “12345” hotline, Shanghai Enterprise Service Cloud, and the online and offline assistance platform, the service system provides streamlined government services and helps enterprises benefit from supportive policies. Featuring faster response and more precise and professional problem-solving capabilities, the service system offers comprehensive services for all stages of a company's development.
- **Big data-enabled service model:** Companies are better categorized based on more accurate information, so that they can receive relevant policy updates from their own Online-Offline Portal websites. By automatically collecting FAQs and updating corresponding answers in a timely manner, the Online-Offline Portal's knowledge base will be upgraded more frequently to provide users with faster responses.



### Operation Support

- **Provisions of Shanghai Municipality on Encouraging Multinational Corporations to Establish Regional Headquarters**
- **Action Plan for Increasing Confidence, Boosting Demand, Stabilizing Growth, and Promoting Development in Shanghai**
- Supplementary Circular of Measures for the Use and Management of Earmarked Funds for the Development of Regional Headquarters of Multinational Corporations in Shanghai
- Opinions on Encouraging Enterprises to Set up Trade Headquarters in Shanghai
- Measures for Further Deepening the Reform of Cross-border Trade Business Environment in Shanghai Port
- Detailed Rules for the Implementation of International Economic and Trade Development Earmarked Funds for Attracting Foreign Investment



Scan the QR code to learn  
more about the operation support policies in Shanghai.

### Policy Overview

#### **Provisions of Shanghai Municipality on Encouraging Multinational Corporations to Establish Regional Headquarters**

Taking effect from November 1, 2022, the revised *Provisions of Shanghai Municipality on Encouraging Multinational Corporations to Establish Regional Headquarters* has further facilitated the clustering of RHQs or quasi-RHQs and enhanced headquarters capacity, allowing Shanghai to extensively attract high-quality foreign investment to a broader range of industries.

#### Policy Highlights

- **Business unit headquarters added:** On top of RHQs and quasi-RHQs, business unit headquarters is added as the third type of RHQ entities. It refers to a Shanghai registered multinational entity set up by its parent company based on its line of specific business segments, or by a foreign-funded company. Business unit headquarters is the only entity that oversees the investment, management, and servicing of the business unit in China or the region.
- **Optimized headquarters recognition criteria:** The minimum ratio of foreign shareholding held by overseas parent companies directly or indirectly is lowered to no less than 50% of its shares. More entities, including foreign-funded companies, are now allowed to establish a quasi-RHQ or business unit headquarters in Shanghai.

#### **Action Plan for Increasing Confidence, Boosting Demand, Stabilizing Growth, and Promoting Development in Shanghai**

The *Action Plan for Increasing Confidence, Boosting Demand, Stabilizing Growth, and Promoting Development in Shanghai*, implemented from January 20, 2023, aims to boost market expectation and confidence, and foster qualifiedly and quantifiably enhanced year-round socioeconomic development.

#### Policy Highlights

- **A combination of policies and actions:** Fulfilling a group of new national policies, further implementing many policies that have worked since 2022, and launching new policies favorable for stable growth, sustainable development and stronger functionality; and assigning specific tasks to municipal-level departments and requiring all districts to draft and unveil action plans, so as to ensure a “1 + N” policy coordination system.
- **An integration of demand expansion and support for market entities:** Encouraging the development of livestreaming e-commerce and instant retail and supporting the introduction of more new global brands to arouse consumer interests; using increased investment as an important measure for raising confidence, fueling demand, stabilizing growth and boosting development; and stimulating internal motivation and vigor of companies that face short-term operation difficulties by bringing a strong signal of stable growth policies to them especially MSMEs and those from crisis-stricken industries.
- **A balance between improving strengths and tackling weak links:** Focusing on investments and industries which strongly drive and support economic growth; further giving the spearheading role of major projects into play; accelerating the development of three leading industries, key industries and future industries, so as to make them main engines for Shanghai's further progress; and strengthening the support in all fronts to industries that face new opportunities in a new stage of COVID-19 prevention and control.



## Investment Policies (Continued)



### Talent Support

- **Shanghai Pujiang Talent Program 2022**
- **Notice on Continuously Improving the Matters Related to Online Approval for Foreigner's Work Permit in China (Version 4.0) to Attract Foreign Talents**
- **Implementation Opinions on Strengthening and Improving Industry and Information Technology Talent Pool**



Scan the QR code to learn more about talent support policies in Shanghai.

### Policy Overview

#### Shanghai Pujiang Talent Program 2022

Implemented from June 16, 2022, *Shanghai Pujiang Talent Program* has further attracted outstanding returned overseas students to work or start businesses in Shanghai. The program is designed to pool together much-needed innovative people to Shanghai according to its industry layout and development focus with corresponding subsidies.

#### Policy Highlights

- **Optimized application procedures:** Advocating online and paperless applications and extending the application deadline properly.
- **Targeted policies:** Providing favorable treatment to frontline personnel fighting against the epidemic, entrepreneurial and innovative professionals, as well as young talent.
- **Pre-employment application:** Encouraging more overseas students to make applications, when they have yet not returned to China but reached a clear employment consensus with an employer or a project consensus with a start-up incubator for overseas professionals in Shanghai.

#### Notice on Continuously Improving the Matters Related to Online Approval for Foreigner's Work Permit in China (Version 4.0) to Attract Foreign Talents

The *Notice on the Matters Related to Online Approval (Version 4.0)*, which has been officially implemented since March 1, 2021, strives to attract more foreign professionals with simplified recruitment procedures.

#### Policy Highlights

- **More flexible high-end foreign talent recognition criteria:** Young foreign professionals, including international members of scientific research team and fresh foreign doctoral graduates of key subjects such as natural science, engineering, agriculture and medicine, are eligible to directly apply for Talent Visas (the "R Visa") and receive preferential treatment such as simplified paperwork and procedures for visa application.
- **Strengthened efforts to attract foreign skilled personnel:** A new channel is opened for foreign professionals with nationally-recognized international occupational skill certificates, much-needed expertise or other globally recognized occupational certificates to recruit international qualification holders. The limit on age is extended to 70.



### Sci-Tech Innovation



Scan the QR code to learn more about policies for sci-tech innovation in Shanghai.

- **Measures for Encouraging Foreign Investment in Establishing Research and Development Centers**
- **Action Plan for Building Shanghai into a Future Industry Innovation Highland and Developing Future Industry Clusters**
- **Action Plan of Jiangsu, Zhejiang, Anhui Provinces and Shanghai Municipality for Jointly Building a Science and Technology Innovation Community in the Yangtze River Delta (2022–2025)**
- **14<sup>th</sup> Five-Year Plan on Intellectual Property Rights Protection and Application in Shanghai**
- **14<sup>th</sup> Five-Year Plan for Building Shanghai into a Science and Technology Innovation Center with Global Influence**



### Financial Support



Scan the QR code to learn more about policies for financial support in Shanghai.

### Overview of Investment Promotion Policies

#### Measures for Encouraging Foreign Investment in Establishing Research and Development Centers

Implemented on January 19, 2023, *Measures for Encouraging Foreign Investment in Establishing Research and Development Centers* strengthens support for foreign investors to launch R&D centers and facilitate sci-tech innovation activities in China, thus further enhancing international exchanges and cooperation and boosting high-quality sci-tech development.

#### Policy Highlights

- **Supporting sci-tech innovation and facilitating R&D:** The application and review procedures and materials involved have been further simplified to provide foreign investors with more efficient and precise services for establishing and operating R&D centers. Foreign-funded R&D centers are granted legitimate access to science equipment, research reports, and relevant data. Financial institutions are encouraged to support foreign-funded R&D centers to conduct basic and cutting-edge research.
- **Introducing overseas professionals and improving IPR protection:** It is more convenient for foreign professionals to work in Shanghai, as they are allowed to apply for work permits and work-based residence permits as a team. With more rigorous regulation on trade secrets, infringement, and legal liability, the IP protection policy has improved prosecution procedures and optimized punitive damage systems for infringement cases, further strengthening IPR protection.

#### Action Plan for Encouraging the Banking and Insurance Industries to Support Shanghai's Science and Technology Innovation Center Initiative (2022–2025)

This action plan aims to improve techfin capabilities, and promote and optimize the quality and efficiency of techfin-centered services within three years by maximizing the leading advantages of clustered financial resources, sci-tech innovation, and high-end industries in Shanghai.

#### Policy Highlights

- **Strengthening financial services for the industry chain and supply chain of technology companies:** Shanghai focuses its efforts on providing enhanced financial support and customized services for key companies along the crucial industry chains, including ICs, biopharmaceuticals, AI, and automobiles, to address their distinctive requirements.
- **Broadening and deepening the application of sci-tech insurance:** Shanghai encourages insurance companies to invest in sci-tech innovation funds, provide guarantee insurance for IP pledge financing, participate in the investment and financing for major technology companies or projects, and provide insurance support for building technology infrastructure, integrating industry chains, and reforming and restructuring technology companies.

## Investment Promotion Agencies

Shanghai has established a professional and sophisticated investment promotion agency network, led by government departments and supported by professional agencies, chambers of commerce, associations, and well-known companies, to facilitate corporate exchanges and cooperations. The network serves as an international third party which provides foreign investors with professional guidance to improve the investment promotion environment in Shanghai, and facilitate the stable development of foreign investment.



### Shanghai Municipal Commission of Commerce

Address: No. 7 Building, 300 Expo Village Road,  
Shanghai, China  
Website: <https://en.swww.sh.gov.cn/>

- Responsible for Shanghai's foreign trade, foreign investment, foreign economic cooperation, and port services;
- Drawing up plans and strategies for developing Shanghai into an international trade center, advancing the establishment of a modern market system, improving commerce and trade as well as consumer services, pioneering the promotion of e-commerce development, and providing guidance for import and export structure adjustment;
- Seeking international economic cooperation, organizing international trade and commerce events, providing guidance for foreign investors, and coordinating foreign investment promotion and the approval and record-filing of foreign-funded enterprises;
- Approving and filing registration and information changes of foreign-funded enterprises, and providing foreign-funded companies with policy consultation and other coordination services.



Invest Shanghai

### Shanghai Foreign Investment Development Board Shanghai Overseas Investment Development Board

General Department  
Information Department  
Asia-Africa Department  
America-Atlantic Department  
Europe Department  
Small and Medium Sized  
Enterprise Department  
Overseas Offices

WeChat Official Account: Invest Shanghai  
Website: <https://www.investsh.org.cn/>

- Promoting foreign investment in Shanghai and Shanghai's investment abroad;
- Gathering information on global development issues through overseas offices, Shanghai Investment Promotion Partnership (SIPP), Shanghai Foreign Investment Promotion Platform, investment promotion events, etc.;
- Improving the brand awareness of INVEST SHANGHAI which provides various services for domestic and foreign investors in terms of investment consultation, match-making, and site selection to assist them in making the best investment decisions locally and globally.

### Global Service Network

#### Shanghai Headquarters

Tel: 0086-21-62368800  
Fax: 0086-21-62368026  
E-mail: [investshanghai@investsh.org.cn](mailto:investshanghai@investsh.org.cn)

#### Frankfurt Office, Germany

Tel: 0049-69-30855017  
Fax: 0049-69-30855163  
E-mail: [frankfurt@investsh.org.cn](mailto:frankfurt@investsh.org.cn)

#### Los Angeles Representative Office, USA

Tel: 001-213-625-1890  
Fax: 001-213-625-1935  
E-mail: [la@investsh.org.cn](mailto:la@investsh.org.cn)

#### Osaka Office, Japan

Tel: 0081-6-6569-1520  
Fax: 0081-6-6569-1521  
E-mail: [osaka@investsh.org.cn](mailto:osaka@investsh.org.cn)

#### London Office, UK

Tel: 0044-20-76268088  
Fax: 0044-20-78682002  
E-mail: [london@investsh.org.cn](mailto:london@investsh.org.cn)

#### Gothenburg Office, Sweden

Tel: 0046-31-158688  
Fax: 0046-31-158788  
E-mail: [gothenburg@investsh.org.cn](mailto:gothenburg@investsh.org.cn)

## Investment Promotion System

Shanghai is strengthening the cooperation between the government and foreign-funded enterprises, and garnering support from investment promotion partners to optimize its role as a bridge and bond for foreign investors and create an energetic investment promotion environment.

### Shanghai Foreign Investment Promotion Platform

- **Investment project matching:** The platform collects all kinds of investment information, including industry data and resource needs, and preliminarily connects potential investors with investment promotion agencies through intelligent online matching or targeted notification.
- **Comprehensive corporate services:** Combining online and offline channels, the platform provides comprehensive services covering site selection, registration and operation.
- **Platform database marketing:** The latest investment information will be sent weekly to the platform's subscribers through group e-mails.
- **Real-time online Q&A services:** Platform staff will respond to and collect the visitors' online questions in a timely manner.
- **Investment promotion event information:** The platform publishes information about various events, such as investment promotion and policy analysis, and provides visitors with event details and registration methods or direct online access to registration.
- **Event news and investment analysis:** The platform publishes news about events and activities organized by the investment promotion center and overseas offices, as well as analysis articles on the current industry development, and offers the "online lectures" program.



Scan the QR code to learn more about policy information on Shanghai Foreign Investment Promotion Platform

### Shanghai Investment Promotion Partnership (SIPP)

SIPP, led by Shanghai Foreign Investment Development Board, is China's first provincial-level alliance of investment promotion institutions, aiming to provide a platform for cooperation and exchanges between domestic and foreign investment promotion institutions in Shanghai. Centered on the needs, problems and projects of business and on efficiently integrating resources, SIPP strives to enhance city promotion, investment cooperation, information exchanges, and enterprise services to facilitate and upgrade the two-way investment promotion of Shanghai.

#### ✓ SIPP Members



15

Investment promotion agencies in Shanghai jointly initiated the SIPP



109

Chinese and overseas investment promotion institutes



70%+

Overseas SIPP members



From 30+

Countries and regions

#### Part of Chinese and Foreign Members of SIPP (in Alphabetical Order)

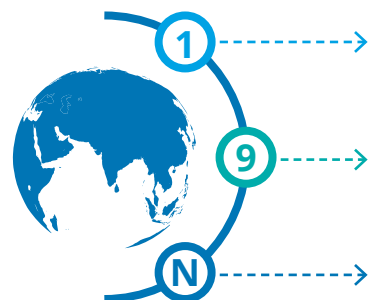
- |   |  |  |
|---|--|--|
| • AICEP Portugal Global                             | • Department for International Trade of the United Kingdom | • London & Partners  |
| • American Chamber of Commerce in Shanghai          | • Enterprise Singapore                                     | • Netherlands Foreign Investment Agency (NFIA) China                         |
| • Australian Trade and Investment Commission        | • European Union Chamber of Commerce in China              | • Polish Investment and Trade Agency China Representative Office in Shanghai |
| • Brazil-China Chamber of Commerce & Industry       | • French Chamber of Commerce and Industry in China         | • Shanghai Branch of the Trade Mission of the Russian Federation in China    |
| • Canadian Chamber of Commerce in Shanghai          | • Hong Kong Trade Development Council Shanghai             | • Swiss Center Shanghai  |
| • Commercial Office of New Zealand Consulate        | • IDA Ireland  | • Thai Chamber of Commerce in China  |
| • Delegation of German Industry & Commerce Shanghai | • Innovation Norway China                                  |  |
|   | • Invest in Sweden Agency                                  |  |
|   | • JETRO SHANGHAI   |  |

## Investment Promotion Events

### 2022 Shanghai City Promotion Convention

- Since 2019, **four consecutive sessions of the City Promotion Convention** have been held during the CIIE with the slogan of “Embracing the CIIE, Sharing a Future”.
- In November 2022, Shanghai hosted the **2022 Shanghai City Promotion Convention** as part of the city's continuous effort to attract global enterprises and professionals. During the Convention, a total of **18** key projects with an investment of **around RMB 30 billion** were signed, covering biopharmaceuticals, ICs, AI, high-end equipment, healthcare, and other major industries.
- In October 2022, 4 overseas warm-up events for Shanghai City Promotion Convention took place **online for the first time in Los Angeles, London, Frankfurt, and Osaka**. These warm-up events, aiming to introduce Shanghai's business environment and enhance the city's economic and trade cooperation, have received warm participation and support from consulates and investment promotion institutions as well as comprehensive reports from domestic and international media.

### “1 + 9 + N” Promotion Events Series



Shanghai successfully held the special event for global investment partners at CIIE in November 2022, which marked the beginning of the one-month investment promotion event “INVEST SHANGHAI 2022”;

With the concerted efforts of the investment promotion departments of Jing'an, Changning, Baoshan, Jiading, Qingpu, Chongming, and Lin-gang Special Area, 9 “INVEST SHANGHAI” promotion conventions were concluded;

Over 200 specialized events were launched by Shanghai's global investment partners and investment promotion departments of Minhang, Hongkou, Baoshan, Jinshan, and key industry parks.

### International Exchanges – Global Investment Activities



Ride the Wave of  
Rising Shanghai

#### Global Investment Promotion Season

On June 16, 2022, the Shanghai Global Investment Promotion Conference 2022 and the launching ceremony of the “Ride the Wave of Rising Shanghai” global investment promotion season was officially held.

- During the Conference, **322** major industry projects were signed and **48** key industry projects were launched, with a total investment of **RMB 565.8 billion** and **RMB 162.7 billion** respectively;
- The Conference announced **a list of 13 specialized industry parks** and investment promotion plans for **metaverse, the green and low-carbon economy, intelligent terminals, and the digital economy**;
- Districts in Shanghai also successively held “cloud signing” and “cloud investment” conferences, attracting a total investment of **nearly RMB 200 billion**;
- Shanghai added **10** new global investment partners;
- **The 2022 edition of the industry map** was published.



Expanding Overseas  
Investment

#### Global Brand Sharing

As China implements new measures to optimize the Covid-19 response, companies face a more urgent need to expand international markets. Actively responding to the national policies, Shanghai has launched various supportive services for overseas visa application, residence guidance, and industry promotion to help companies expand international markets and secure orders.

- In December 2022, **6 high-growth specialized and sophisticated enterprises that produce new and unique products** from the Baoshan district debuted on the international market, participating in exhibitions and conferences in **16 Asian, African, European and American countries**;
- In January 2023, business delegations from the Pudong New Area held an investment promotion conference on industry development in Osaka, Japan, attracting **30** Japanese companies and institutions, including relevant departments of the Osaka government, the Japan-China Economic Association, Panasonic, and Hitachi Zosen Corporation. It was **the first time in three years** that the Chinese government sent a business delegation to hold an investment briefing in Osaka.

## Appendix



# Appendix I: Contact Information of Government Agencies for Commerce and Investment Promotion in All Districts

## Pudong New Area Commission of Commerce

Website: english.pudong.gov.cn  
Tel: 86-21-68546514  
Address: 2 Hehuan Road

## Huangpu District Commission of Commerce

Website: english.shhuangpu.gov.cn  
Tel: 86-21-33134800 transferred to the Commission of Commerce  
Address: 300 East Yan'an Road  
[Huangpu District Financial Service Office](#)  
Tel: 86-21-33134800  
Address: 300 East Yan'an Road

## Jing'an District Commission of Commerce

Website: english.jingan.gov.cn  
Tel: 86-21-64178239  
Address: 915 Julu Road  
[Jing'an District Investment Promotion Office](#)  
Tel: 86-21-33372300  
Address: 915 Julu Road

## Xuhui District Commission of Commerce

Website: www.xuhui.gov.cn  
Tel: 86-21-64389215  
Address: F12, Building 1, 336 North Caoxi Road  
[Xuhui District Business Service Center](#)  
Tel: 86-21-64872222  
Address: F8, Building 1, 336 North Caoxi Road

## Changning District Commission of Commerce

Website: www.shcn.gov.cn/english  
Tel: 86-21-22050817, 86-21-22050867  
Address: F8, 599 Changning Road  
[Changning District Investment Promotion Office](#)  
[Changning District Investment Service Center](#)  
Tel: 86-21-62118851  
Address: F7, 555 Loushanguan Road

## Putuo District Commission of Commerce

Website: english.shpt.gov.cn  
Tel: 86-21-52564588-7081  
Address: F10, Building 2, 1321 Tongchuan Road

## Investment Promotion Division of Administrative Committee of Hongqiao International Central Business District

Website: www.shhqcbd.gov.cn  
Tel: 86-21-34738030  
Address: F3, Building F, 719 Shengui Road

[Putuo District Investment Promotion Office](#)  
Tel: 86-21-52820889, 86-21-52820851  
Address: F5, 602 Tongpu Road

## Hongkou District Commission of Commerce

Website: www.shhk.gov.cn/English  
Tel: 86-21-25658367  
Address: Room 1305, 518 Feihong Road  
[Hongkou District Investment Promotion Office](#)  
Tel: 86-21-65953818  
Address: F23, 908 Dongdaming Road

## Yangpu District Commission of Commerce

Website: english.shyp.gov.cn  
Tel: 86-21-65148753  
Address: F20-21, Building 2, 800 Huimin Road  
[Yangpu District Investment Promotion Office](#)  
Tel: 86-21-55805520  
Address: 690 Longchang Road

## Minhang District Commission of Economy

Website: english.shmh.gov.cn  
Tel: 86-21-64122886  
Address: F3, 6558 Humin Road  
[Minhang District Investment Promotion Center](#)  
Tel: 86-21-54438001  
Address: F5, Building 1, 4855 Dushi Road

## Jiading District Commission of Economy

Website: english.jiading.gov.cn  
Tel: 86-21-69981822  
Address: 111 South Bole Road  
[Jiading District Investment Promotion Service Center](#)  
Tel: 86-21-59991069  
Address: 111 South Bole Road

## Baoshan District Commission of Commerce

Website: www.shbsq.gov.cn/shbs/en  
Tel: 86-21-56178991, 86-21-56176506  
Address: 245 Taihe Road  
[Baoshan District Investment Promotion Leading Group Office](#)  
[Baoshan District Investment Promotion Service Center](#)  
Tel: 86-21-26096030  
Address: F29, Building 9, 803 Shuangcheng Road

## Investment Promotion Service Center of Linqiao Special Area

Website: en.lgxc.gov.cn  
Tel: 86-21-58285050  
Address: F7/8, Complex Building, 200 Shengang Avenue

## Jinshan District Commission of Economy

Website: en.jinshan.gov.cn  
Tel: 86-21-57921161  
Address: Room 1349, 2000 Jinshan Avenue  
[Jinshan District Investment Promotion Office](#)  
Tel: 86-21- 57922898  
Address: F15, 555 Longshan Road

## Songjiang District Commission of Economy

Website: english.songjiang.gov.cn  
Tel: 86-21-37737101  
Address: 3456 North Renmin Road  
[Songjiang District Investment Promotion Service Center](#)  
Tel: 86-21-37735285  
Address: 1 Yuanzhong Road

## Qingpu District Commission of Commerce

Website: www.shqp.gov.cn/english/  
Tel: 86-21-59732890-19228  
Address: 100 Gongyuan Road  
[Qingpu District Investment Promotion Service Center](#)  
Tel: 86-21-69215123  
Address: 100 Gongyuan Road

## Fengxian District Commission of Economy

Website: www.fengxian.gov.cn  
Tel: 86-21-57419432  
Address: 443 Jianghai Road, Nanqiao Town  
[Fengxian District Investment Promotion Office](#)  
Tel: 86-21-67137517  
Address: F9, SME Union Building, 1529 South Wangyuan Road

## Chongming District Commission of Economy

Website: shcm.gov.cn/www/  
Tel: 86-21-59611993  
Address: F5, Building 2, 8188 Chongming Avenue, Chengqiao Town  
[Chongming District Eco-Industry Promotion Office](#)  
Tel: 86-21-59620053  
Address: F7, Building 2, 8188 Chongming Avenue, Chengqiao Town

## Executive Committee of the Demonstration Zone for Integrated Ecological and Green Development of the YRD Region

Tel: 86-21-39255137  
Address: 66 Shajiadai Road

# Appendix II: Utility Prices

## Water (water supply and drainage services provided by Shanghai municipal water utilities)

Type of Users		Annual Household Usage (m³)	Water Price (RMB/m³)	Sewage Treatment Rate (RMB/m³)
Household	Tier-1	0-220	1.92	1.70
	Tier-2	221-300	3.30	1.70
	Tier-3	>300	4.30	1.70
Non-household (charged at the household price)			2.12	1.70

Notes: 1. Sewage treatment fee= water usage × sewage treatment rate × 0.9  
2. If water supply and drainage services are provided by district-administered water utilities, please consult the local price administration or water authority for corresponding prices.

## Electricity

Type of Users	Tier	Annual Household Usage (kWh)	Price (RMB/kWh)		
			Fixed Rate	Time-of-Use Rate	
Household	Tier-1	0-3,120	0.617	Peak	0.617
				Off-peak	0.307
	Tier-2	3,121-4,800	0.667	Peak	0.677
				Off-peak	0.337
	Tier-3	>4,800	0.917	Peak	0.977
				Off-peak	0.487
Non-household (charged at the household price)	<1 kV		0.641	—	
	10 kV		0.636	—	

## Natural Gas (supplied by Shanghai municipal gas utilities)

Type of Users		Annual Household Usage (m³)	Price (RMB/m³)
Household	Tier-1	0-310	3.00
	Tier-2	311-520	3.30
	Tier-3	>520	4.20
Non-household (charged at the household price)			3.05

## Appendix III: Previous Documents on Foreign Investment in Shanghai

### *Shanghai Foreign Investment Guide*



### *White Paper on Environment for Foreign Investment in Shanghai*



Scan the QR code to read the previous versions of the *Shanghai Foreign Investment Guide* and the *White Paper on Environment for Foreign Investment in Shanghai*

## Afterword

The *Shanghai Foreign Investment Guide* is published annually by Shanghai Foreign Investment Development Board to provide comprehensive information on the advantageous investment environment and opportunities available to foreign investors in Shanghai, enable their informed decision-making regarding investment and operation in the city, and help them find investment areas that fit into their development needs.

Based on the information and data related to the economic and industry development of Shanghai, the annual Investment Guide aims to demonstrate the overall investment environment and policies, highlighted investment areas and their spatial distribution in Shanghai as well as the city's comprehensive investment services. This Investment Guide is a joint project made possible with the strong support and great contribution from various government departments in Shanghai, including Shanghai Municipal Commission of Commerce, Shanghai Municipal Development and Reform Commission, Shanghai Municipal Commission of Economy and Informatization, and authorities of commerce and investment promotion in all districts. We are grateful for their

admirable efforts to collect and provide information and data during the preparation of this Investment Guide.

Our special appreciation also extends to **Deloitte China** ("Deloitte"). Engaged by Shanghai Foreign Investment Development Board, Deloitte has developed this brand new Investment Guide featuring a professional, objective and all-round analysis. Professionally improved in style and layout, the 2023 edition is more readable and visually attractive, better meeting the needs of foreign investors.

To benefit more investors with fact-based information on the foreign investment environment in Shanghai, this year's Investment Guide, available in both Chinese and English versions, provides an all-round overview of the investment environment in Shanghai with regards to the city's open industry ecosystem, attractive investment areas as well as professional services, favorable protection and proactive promotion for investment activities, in a bid to facilitate investors' business operation in Shanghai. Comments and suggestions will be greatly appreciated.



**Shanghai Foreign Investment Development Board**  
**Shanghai Overseas Investment Development Board**



Address: F15, New Town Center, 83 Loushanguan  
Road, Shanghai, P.R.C. Post code: 200336  
Tel: 86-21-62368800  
Fax: 86-21-62368026  
Website: [www.investsh.org.cn](http://www.investsh.org.cn)  
E-mail: [investshanghai@investsh.org.cn](mailto:investshanghai@investsh.org.cn)