Preface

Openness has always been Shanghai’s greatest advantage in developing economy and attracting foreign investment, as well as the best embodiment of Shanghai’s alignment with international standards and continuous innovation. President Xi Jinping said at the first China International Import Expo, “Each city has its own character, and Shanghai’s development is made possible by its character, competitive edge and stress toward greater openness.” “Comprehensiveness and innovativeness have become Shanghai’s most distinctive character.” During his visit to Shanghai, Secretary General Xi underlined that Shanghai should strengthen its confidence in both innovation and opening-up, accelerate the improvement of its urban function, boost core competitiveness, carry forward its spirit of innovativeness, pursuit of excellence, wisdom and modesty, and focus on building a modern socialist international metropolis based on its actual situation, and by learning from the development experience of the world’s major cities.

Shanghai is a highly strategic city with comprehensive advantages and an optimal environment for investment. As a leading city, Shanghai has played an essential role in China’s economic reform and modern opening-up, maintaining high-quality economic development, and developed a variety of high-functioning institutions, and has continuously strengthened its ability to allocate high-end global resources. Nowadays, more and more enterprises have established headquarters in Shanghai, and its influence is continuously expanding. In addition, Shanghai has continuously complied with the highest international standards as the city continues to promote economic reform.

This huge market possesses an ability to connect China with the world, facing the Pacific Ocean and adjacent to the Yangtze River, Shanghai not only has an annual 2.5-3.5 times commodities market itself, but promotes the integrated development of economic, industrial, investment and trade within the Yangtze River Delta region, which has a population of 250 million people and a total economic output of RMB 20 trillion. Moreover, throughout its convenient sea, land and air transportation routes, Shanghai possesses a unique ability to connect with the world’s major cities and markets.

Shanghai is a city full of strength, pioneering the opening-up of China and a pivotal land for investors, led by concepts of reform, openness and innovation. Shanghai has been striving to cement its position as a leader in China’s reform and opening-up, a pioneer in innovative development, and becoming a benchmark in urban development. Shanghai boasts China’s first pilot free trade zone, the first negative list for foreign investment access, the first implementation of the comprehensive, internationalized system reform, and the first unified system for international affairs. Shanghai continues to grow in line with modern development concepts.

This fast-growing city changed with each passing day, In 2018, Shanghai’s GDP topped RMB 3.2 trillion, up 6.6% from the previous year, and Shanghai’s per capita GDP exceeded USD 20,000, reaching the standard of developed economies for the first time. The average number of newly registered enterprises per working day is 1,333. Since the reforms and opening-up, it has only taken Shanghai 18 years to see actual foreign investment amounting USD 50 billion, 5 years to break USD 100 billion and only 3 years to break USD 150 billion and USD 200 billion.

Shanghai is an inclusive city, Openness and inclusiveness are qualities embedded in Shanghai’s culture, Chinese and Western cultures collide and communicate here to create a unique brilliance. While expounding itself into “the new center”, Shanghai is devoted to building its “four major brands” to provide comprehensive “Shanghai service”, quality products made in Shanghai, powerful “Shopping in Shanghai” and an inclusive “Shanghai culture” for each domestic and foreign visitor.

Shanghai is becoming an innovative city, a cosmopolitan city, an economic powerhouse, and more importantly, a global city of excellence. Investors at home and abroad are welcome to invest in, grow, innovate and excel with Shanghai.

Welcome to Shanghai!
INVESTMENT OPPORTUNITIES
Overall Improvement in Comprehensive Strength

With its strong economic strength and competitiveness, Shanghai expands its influence overseas and within China, inspiring confidence among domestic and foreign capital and enterprises to enter the overseas market and expand the domestic market.

Shanghai’s Economy is Showing Relatively Strong Resilience and Vitality

In 2018, Shanghai’s GDP was about RMB 3.268 trillion, up by 6.6% compared to the previous year.

- **Bouquet transformation and upgrading**
  - The added value of the tertiary industry was more than that of the secondary industry, and total industrial GDP was 1.7% higher than the previous year.

- **Continuous consumption support**
  - The total retail sales of social consumer goods amounted to RMB 3.807 trillion, up 5.5%, where the comprehensive retail sales reached RMB 1.357 trillion, up 13.0%.

- **Steady capital support**
  - The Shanghai stock market capitalization reached RMB 5.04 trillion, up 49.1%, with A-share market capitalization reaching RMB 3.80 trillion.

Shanghai’s Competitiveness

- **GDP ranks No.1 among all Chinese cities**
- **Per capita disposable income ranks No.1 in China**
- **Shanghai ranks No.1 in total retail sales of social consumer goods**
- **Shanghai ranks No.1 in urban competitiveness among all cities in China**
- **Shanghai was rated Alpha+ in the Global City Rating**
- **Shanghai ranks No.1 in comprehensive competitiveness and financial market scale in China**
  - In the 10th issue of the “China Financial Center Index” published by the China Comprehensive Development Research Institute (Shanghai), Shanghai ranked No.1 in comprehensive competitiveness and financial market scale in China. Shanghai was also among the Top 10 most financially competitive emerging market cities in the world.

The added value of strategic industries for the whole year was RMB 466.19 billion, an increase of 8.2% over the previous year. Among them, industrial added value was RMB 237.76 billion, an increase of 4.7%, and service sector added value was RMB 308.43 billion, an increase of 11.3%. In 2018, the added value of strategic emerging industries accounted for 16.7% of Shanghai’s total GDP, an increase of 0.5% over the previous year.

The total investment in fixed assets increased by 5.2%, among all categories, industrial investment increased by 17.7%, reaching new highs in recent years. The total profit of industrial enterprises above the designated scale was RMB 233.04 billion, up 6.7% over the previous year.

A total of 330,000 new trade accounts were launched, with the total cross-border RMB settlement of RMB 2.35 trillion, up 10.5% over the previous year.

A total of 3,353 high-tech enterprises were identified, 856 high-tech achievement transformation projects were identified, up 12.4% over the previous year, hitting the highest level for the past 8 years.

399,905 new market entities were established and registered, up 13.2% over the previous year. In 2018, Shanghai launched the “integrated service” network, improved the “one-stop service” function, and established the municipal data center, realizing the demand-based government data sharing mechanism.
Vigorous Development of Foreign Investment

In 2018, foreign investment in Shanghai continued to grow steadily. More than 60% of foreign investment came from an increase in inbound capital. Thousands of multinational corporations set up headquarters and R&D centers in Shanghai, and foreign investment has been effectively utilized and its scale has expanded continuously. The determination and confidence of all types of international investors in Shanghai continue to increase.

In 2018:
- 5,927 new foreign-funded projects were set up in Shanghai, an increase of 41.7% y/y.
- Contractual foreign investment reached 46.937 billion USD, an increase of 19.8% y/y.
- Actual foreign investment reached 17.5 billion USD, an increase of 17% over the same period of last year.

97,000 foreign investment projects
contractual foreign investment worth of 471.162 billion USD
actually foreign capital worth of 240.44 billion USD

By the end of 2018, Shanghai had introduced investment

1. The number of countries and regions that invest in Shanghai increased to 182.
2. The actual utilized foreign investment from 10 countries and regions that invest in Shanghai combined together totaled 10.779 billion USD, accounting to 91.2% of the total amount.
3. Among all countries, the Belt and Road countries increased their actual investment investment by 18.2% on a year-on-year basis, with investment volume accounting for 3.5% of total volume.

A Cluster of Regional Headquarters

In 2018, 49 new regional headquarters of multinational corporations were set up in Shanghai. By the end of 2018, 670 regional headquarters of multinational corporations were established in Shanghai. Notably, the number of headquarters present in Shanghai remained ahead of the rest of China. Function level of these regional headquarters has been increased continuously with 18 new headquarters in the Asia-Pacific region being added throughout the year, amounting to total number of 88 headquarters. Interestingly, more regional headquarters have become a “comprehensive headquarters office” which has integrated the functions of management, decision-making, procurement and sales, R&D, capital operation, outbound services and other functions.

By the end of 2018
Regional headquarters
670
Headquarters in the Asia-Pacific region
88
Investment headquarters
269
Edges Brought by Foreign-invested R&D

In 2018, 15 new foreign R&D centers were set up in Shanghai, adding to a total of 441 of which there were 65 R&D centers in Asia-Pacific region or above, SABAS of Johnson & Johnson and Whu-Chung Innovation Center and other open innovation platforms came to launch in Shanghai one after another, Shanghai’s foreign R&D centers are mainly concentrated in high-tech industries, including information technology, biotechnology, automotive parts and components, and chemical industry. Taking the pharmaceutical and biotechnology industry as an example, 8 of the 10 largest pharmaceutical companies in the world have established their R&D centers in Shanghai, including Pfizer, GlaxoSmithKline, AstraZeneca, Roche, Novartis, Lilly and BMS.

The quantity of new foreign R&D centers set up in 2018 is __________ 15 __________

The total quantity of foreign R&D centers is __________ 441 __________

R&D centers in Asia-Pacific region have achieved the number of __________ 65 __________

The Initiatives of Opening-Up

The three new opening-up measures of expanding Pilot Shanghai Free Trade Zone, setting up a new board in Shanghai Stock Exchange with pilot registration-based IPO mechanism, and implementing the national strategy of regional integrated development of the Yangtze River Delta Region have greatly boosted market confidence and provided valuable opportunities for enterprises at home and abroad to lift the constraints on development.

Expanding the Free Trade Zone

On the basis of the five-year construction of the Shanghai Free Trade Zone, the establishment of new areas will deepen the financial facilitation of institutional innovation, further highlight the open advantages of Shanghai, to encourage innovation in the Diversification of investment and trade facilitation, to resolve the implementation of higher standards, to give full play to the role of reform and opening-up experimental fields, and to rally institutional innovation to the internationally recognized Free Trade Zone with the strongest competitiveness. The new development trend of emerging industries and international markets has significantly enhanced Shanghai’s influence and competitiveness in global resource allocation.

Yangtze River Delta Integrated Development Demonstration Zone

Shanghai will fully implement the national strategy of regional integrated development of the Yangtze River Delta Region and work together with the whole region to promote the construction of integrated development demonstration zone. It will include the construction of the Yangtze River Delta infrastructure, promotion of scientific and technological innovation, industrial upgrading, ecological environment, market system and other cooperative projects within the region. It will also improve the regional talent service, health, human resources, social security and other public service cooperation mechanisms, Shanghai will make a full participation with the construction of the Yangtze River Economic Zone and actively promote the Opening-up Yangtze River Economic Zone green development demonstration, as well as accelerate the construction of a world-class ecological island.

Science & Technology Innovation Board

By establishing the Science & Technology Innovation Board, the capital market will be more inclusive towards technological innovation enterprises, and the innovation of core technology will be supported with focused efforts, and the活力 of the capital market to serve real economy will be improved. The implementation of the pilot registration-based IPO mechanism shall take small steps. Reforms on basic institution including IPO and trading, information disclosure, trading and delisting shall be maintained. The IPO and listing system with information disclosure as the core shall be established and implemented.
Precise Match-Making with Professional Platforms

Shanghai’s high-end factor market is relatively complete with various professional platforms. There are thousands of exhibitions throughout the year. It has made breakthroughs in the core functions of cities such as economy, finance, trade, shipping and technological innovation to provide abundant international professional platforms for investment at home and abroad.

- **China International Industry Fair (CIFTF)**
  - Founded in 1999, CIFTF has promoted the certification of the International Exhibition Industry Association (IEF) through the operation of specialization, marketization, internationalization and brandization. The fair has become the most influential international industrial exhibition in China, providing opportunities for Chinese industries to face the global market and a platform for economic and trade exchange and cooperation.

- **China (Shanghai) International Technology Fair (CSTIF)**
  - This fair is a specialized national and international exhibition for technology trade and is co-sponsored by the MOF, CSCF, the Ministry of Science and Technology, the China Intellectual Property Office and the Shanghai Municipal Government. The 5th CSTIF will be held from the 8th to 20th of April 2019 at the Shanghai Expo Exhibition Hall.

- **World Artificial Intelligence Conference (WAIC)**
  - The high-end global conference on artificial intelligence is dedicated to building a preconditioning platform for the cooperation and exchange of artificial intelligence. The conference promotes and builds the integration and development of artificial intelligence industry and technological innovation, gathering the most influential scientists and entrepreneurs in the field of artificial intelligence, such as leaders of relevant governments, the global science community, the scientific community, industrial trends, and popular issues in the field of artificial intelligence. The conference aims to build the world’s prominent platform for cooperation and exchange within the artificial intelligence industry.

- **Pudong Innovation Forum**
  - It is co-organized by the Ministry of Science and Technology of the People’s Republic of China and the Shanghai Municipal Government. With innovation as the key theme, the forum focuses on international visions and national needs, and strives to build platforms for innovation, development, exchange, and the promotion of advanced ideas. The forum is a think-tank platform among academics, with interactions between government, industry, universities and research institutions. The latest policies and standards, international scientific and technological cooperation are also discussed on the forum.

- **World Laureates Association Forum**
  - A worldwide scientific conference bringing together many top overseas, such as the Nobel Prize, Wolf Prize, Turing Prize, and the MacArthur Genius Grant. The forum gathers pioneering ideas, innovative activities and cutting-edge technology to exchange and interact with outstanding domestic scientists, innovative enterprises, top financial capital and major government departments.

- **Lujaiz Forum**
  - With the rapid expansion of China’s financial market and the increasing influence of China’s economy and finance on the world stage, the Lujaiz Forum has become an international high-end dialogue platform with a wide influence and strong backing from the government, departments and regulators, leaders of global financial and economic circles, as well as well-known experts and scholars. It has been held since 2017 to discuss major issues within the financial field.

- **International Business Leaders Advisory Council (IBLAC)**
  - This conference series is aimed at senior international entrepreneurs gathering in Shanghai to discuss one or two prominent issues in Shanghai’s economic development, and to provide advice and suggestions to the Mayor of Shanghai. The 6th Consultation Conference will be held on 28th October, 2019, with the theme of “Promoting Shanghai’s City Green Development and Core Competitiveness”. 

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China International Import Expo (CIIE)

Under the guidance of the Belt and Road Initiative, the first China International Import Expo (CIIE) was held in Shanghai from November 5th-10th, 2018.

CIIE attracted 172 countries, regions and international organizations, among which countries of G20, BRICS and SCO, 58 Belt and Road countries and 35 least developed countries participated in the Expo.

Over 3,800 enterprises and more than 400,000 Chinese and foreign buyers participated in the grand event, playing the symphony of "New Era, Shared Future" together.

China International Import Expo "6+365" One-stop Transaction Service Platform

As the host city of the first China International Import Expo, Shanghai also opens its door to enterprises from all over the world. Shanghai Municipal Commission of Commerce and Shanghai Foreign Investment Development Board jointly organized investment promotion events with Shanghai’s 16 districts with 45 investment recommendation routes and 36 investment promotion activities that showcase Shanghai’s dominant industries and characteristic culture. Those events were welcomed by foreign enterprises and foreign institutions participating in CIIE. Great amount of sourcing was achieved during the CIIE, with transaction volume of intention reaching USD 28 billion for the whole year.
投资领域

INVESTMENT
INDUSTRIES
Shanghai is stepping up efforts to build Shanghai into an international hub for economy, finance, trade, shipping and scientific and technological innovation so as to build itself into a city of global excellence and a modern, socialist, international, cultural metropolis with international influence. Shanghai is also actively promoting major domestic strategies such as the Belt and Road Initiative and the Yangtze River Economic Belt development strategy to promote the integrated, quality development of the Yangtze River Delta region. In addition, as a leader in China’s reform and opening-up, and a pioneer in innovative development in the new era, Shanghai is striving to upgrade its development level and core competitiveness by deepening the reform of the China (Shanghai) Pilot Free Trade Zone.

The Shanghai Master Plan (2014-2035) proposes to encourage the development of specialized financial functional areas, promote and cultivate several world-class advanced manufacturing clusters, boost the deep integration of Internet, big data and artificial intelligence with real economy, and promote economic transformation and development through innovation in both manufacturing and services. In the future, Shanghai will provide stronger guarantees for investors across all industries. In the manufacturing sector, Shanghai will continue to promote the development of key industries such as integrated circuits, artificial intelligence, automotive, chemical, new materials and biomedicine. In the meantime, through the innovation of the modern service industries, Shanghai will further drive economic transformation and development through financial, commercial and cultural creativity.

To help investors better understand the investment opportunities in Shanghai, we will provide a brief introduction to 15 key areas, including 8 industries such as finance, commerce and trade, as well as some key characteristic areas. This information will help foreign investors make investment decisions about entering new markets, increasing investment or expanding their business.
Financial Industry

Status Quo

According to the Global Financial Centers Index 23, Shanghai has surpassed Tokyo for 2 consecutive years to rank among the top 5 financial centers in the world (excluding New York, London, Hong Kong and Singapore).

Development Advantages

- **A hub for financial institutions**
  Shanghai has become an important location for the headquarters and functional departments of global financial institutions. The CCP12, RMB Cross-Border Payment System, BRIEX New Development Bank, and other important financial institutions and organizations have settled in Shanghai. In 2018, Shanghai has over 1,600 licensed financial institutions of all types, and is an important hub for both domestic and foreign financial institutions, with foreign financial institutions accounting for 36% of the market.

- **Financial factor market agglomeration**
  Shanghai has gathered a large number of national financial factor markets such as the Shanghai Stock Exchange, Shanghai Gold Exchange, and Shanghai Insurance Exchange. Professional service organizations such as accounting firms, law firms, and asset appraisal agencies also make it more convenient to carry out financial services in Shanghai.

- **Active trading in financial markets**
  The total volume of transactions in Shanghai's financial market in 2018 reached 108,1,649.28 billion, an increase of 18.2% over the previous year. By the end of 2018, the Shanghai Stock Exchange ranked fourth in both total value of the stock market and amount of IPO financing. The Shanghai Gold Exchange had the world's largest spot gold trading volume, and the Shanghai Futures Exchange had the world's largest trading volume of several futures products.

- **Deep financial Talent Pool**
  Shanghai attracts a large number of top professional financial experts from China and abroad, thus encouraging the development of financial institutions in Shanghai. Chartered Financial Analyst (CFA) are the most extensively qualified professionals in the global investment industry. As of 1st January, 2018, there are 5,958 CFA holders in mainland China (excluding Hong Kong, Macau and Taiwan), about 56% of whom are in Shanghai, ranking first with 2,536 CFA holders.

- **Acceleration of innovation in financial reform and opening-up**
  Shanghai continues to optimize policies and measures to support financial development, further expand the breadth and depth of financial factor markets, and to accelerate the development of a global RMB product center with the functions of innovation, trading, pricing, and liquidation, to support the high-quality development of the real economy through high-quality financial services, and forming an important hub for the optimal allocation of global resources.

Development Prospects

By 2020, an international financial center with a “6+1” structure will be established. The “six major centers” are global asset management center, cross-border investment and financing service center, Fintech center, international insurance center, RMB asset pricing and payment clearance center, and financial risk management and stress testing center. The structure aims to form a “world-class financial ecosystem.”

Investment Recommendations

Shanghai’s financial industry has formed a layout of “one city, one belt and several spots”. The “one city” refers to the Lujiazui Financial and Trade Zone, gathering financial factor markets, headquarters finance, and shipping finance. The “one belt” refers to Huangpu District, with financial factor markets and emerging financial services, and Hongkou District with wealth management, asset management, and Fintech. The “several spots” include the Zhangjiang Hi-Tech Park, Jing’an District, XuHui District, and Putuo District.

Lujiazui Financial and Trade Zone

The core hub of Shanghai's financial industry, with office building options including the Shanghai Center, Shanghai World Financial Center (SWFC), Jinmao Tower, Shanghai International Finance Center (IFC), and more.

Contact information: 662716899705
Bridgewater Associates is positive about China’s capital markets

In March 2016, Bridgewater Associates, the world’s largest hedge fund, settled in the Shanghai Free Trade Zone and established Bridgewater Associates (China) Investment Management Co., Ltd., a wholly foreign-owned enterprise. The company completed registration on 29th June 2016, formally becoming a domestic private equity fund manager. In its annual report “East Observations” on 18th April 2016, Bridgewater said that “within the next 10 years, China’s stock market is likely to be comparable in volume and importance to the US and European share markets”. It believes that with the opening of China’s capital markets and the continuous promotion of the construction of Shanghai international financial center, China’s great market space will continue to attract attention and participation from global financial institutions.

Industrial Support

Exhibitions and Events

Lujiazui Forum

Industrial Policies

1. Further Promoting the Financial Opening and Innovation Pilot Project of China (Shanghai) Free Trade Pilot Zone and Accelerating the Construction Plan of Shanghai International Financial Center”, issued on October 29th, 2015.

2. Options for the China (Shanghai) Free Trade Pilot Area on Expanding the Opening of Financial Services and Further Forming the New Advantages of Development and Opening”, issued by the China (Shanghai) Free Trade Pilot Area, on June 21st, 2016.

3. Reforms on the Supervision of Depository Certificates in Shanghai and London Stock Market Interconnection (Final Implementation)”, issued on October 12th, 2018.

Industry Organizations

- China (Shanghai) Free Trade Pilot Area Administration Committee, Lujiazui Administration/Shanghai Lujiazui Financial City Development Bureau
- Shanghai Financial Association
- Shanghai Asset Management Association

Financial Deregulation Cases

Standard Chartered Bank was deeply involved in China's economic development and financial market opening

Standard Chartered Bank is the oldest foreign bank in China, having opened its first branch in Shanghai in 1853. Its Greater China headquarters office was established in Shanghai in April 2007, becoming one of the first local corporate banks. Standard Chartered is deeply involved in China’s economic development. On 9th November 2016, as one of the first corporations to announce its participation in China International Import Expo, it signed contracts a total of about worth of US$2 billion USD during the first CIIE. In 2018, Standard Chartered Bank (China) Limited became the first foreign-funded bank to be granted custody qualification for securities investment funds by the China Securities Regulatory Commission (CSRC). It was authorized to provide custody services for fund-management institutions to invest in domestic and foreign markets.
Commerce and Trade

Status Quo

In 2018, the added value of wholesale and retail trade reached RMB 458.438 billion in Shanghai, up 3.3% year-on-year, while the total sales of commodities reached RMB 11.95 trillion, up 5.6%, where wholesale sales amounted to RMB 10.74 trillion, up 5.3%; The total retail sales of social consumer goods reached RMB 1.216.653 billion, up 7.3% year-on-year, where non-store retailing sales amounted to RMB 192.599 billion, up 13.8%, and online retail sales totaled RMB 190.759 billion, up 15.8%.

Development Advantages

- **Commerce and Trade in Shanghai has a solid foundation and is well-driven**

  The overall good macroeconomic development, with growing per capita disposable income, and positive consumption expectations in Shanghai are the internal driving forces for the development of Shanghai’s trade and commerce. With the construction of Internet infrastructure and smart mobile devices in Shanghai, trade and commerce in Shanghai has realized innovative development through online and offline integration.

- **Government policy support in place**

  Shanghai will develop new business models, new formats and modern supply chains, and call for a new consumption of culture, health and information to build itself into a global city of consumption. Shanghai will further promote trade and investment facilitation, meticulously organize the China International Import Expo, deepen reform and opening-up with a focus on the construction of the China (Shanghai) Pilot Free Trade Zone, and accelerate the establishment of a new open, high-quality economic system.

Development Prospects

The integration of traditional commerce, trade and e-commerce is the current trend of modern commerce and trade. The continuous development of new technologies such as Internet, cloud computing, big data and artificial intelligence has injected fast growth momentum into the industry. In this context, commodity flow, shopping experience and product quality will be unified. The retail industry can be effectively monitored from the production to the consumption of commodities. Consumers will get more professional services and higher quality products, while sellers will achieve zero-inventory operations. This change has helped reduce the burden on the retail industry and directly promote the fast development of the industry.

Investment Recommendations

**Industrial spatial layout ("3+1")**

Shanghai’s commerce and trade is widely distributed. At present, a "3+1" spatial layout has been formed, which consists of commercial centers at the city-level, district-level and community-level, supplemented by characteristic commercial streets.

<table>
<thead>
<tr>
<th>Major distribution areas of commercial centers</th>
</tr>
</thead>
<tbody>
<tr>
<td>City-level commercial centers</td>
</tr>
<tr>
<td>East Nanjing Road, West Nanjing Road, Midsel Huaihai Road, North Sichuan Road, Dabang, Zheng, Midsel Ring (Zhabei), Hongkou Business District, Hongkou-Tianjin, Zhongshan Park, Xujiahui, Wujiaochang, Small Lujiang-Zhangyang Road, Yuanshan Tourist Park, Shanghai International Resort</td>
</tr>
<tr>
<td>District-level commercial centers (central districts)</td>
</tr>
<tr>
<td>Central Business District, Kangqiao Road, Dapuqiao, Gangu Business Area, North Bund, Waigaoqiao, Yangpu, Binyang, Buyuan, Xinhua, Changning, North Midsel Ring, South Bund, Xuhui, Binyang, World Expo Area, New Bund, Xujiahui, Kangqun, South Commercial City, Hongkou, Wujing Road, Songqiao</td>
</tr>
<tr>
<td>District-level commercial centers (suburbs)</td>
</tr>
<tr>
<td>Community-level commercial centers</td>
</tr>
<tr>
<td>Residential business, neighborhood business, etc.</td>
</tr>
<tr>
<td>Characteristic commercial streets</td>
</tr>
<tr>
<td>Historic streets, characteristic architectural areas, characteristic tourism resources, etc.</td>
</tr>
</tbody>
</table>
Hema Fresh, a representative of the new retail industry

Shanghai’s first Hema Fresh was established in January 2016 in Jingan. Today, Hema Fresh has 22 stores in Shanghai, with their delivery services covering more than 6 million Shanghai residents. Hema Fresh is a new retail format that Alibaba has developed by completely reengineering offline supermarkets. Hema Fresh uses big data, mobile interconnection, intelligent internet, automation and other technologies, and advanced equipment to achieve optimal management among people, goods and stores. Hema Fresh utilizes technologies including its own complete bypass system from supply chains, forecasting to delivery. The new sales model of Hema Fresh has quickly achieved remarkable results in Shanghai after it was introduced to the city, taking rice as the most important staple food in China as an example; according to the data provided by “Shanghai Municipal Agricultural Commission” in 2018, the monthly sales of Hema Fresh rice increased 4.8 times accounted for 62% of the city’s total. Hema Fresh is the only retailer of the city’s newly harvested rice.

Industrial Support

Industrial Exhibitions

China International Self-Service, Kiosk and Vending Show 2019/Shanghai International Smart Retailing Show 2019 (CVS)

The exhibition will be held at the Shanghai New International Expo Center from April 25 to 27, 2019, CVS is a professional exhibition that provides integrated solutions and trade services, including all kinds of domestic and foreign self-service terminals, vending machines, and related accessories for retail, shopping malls, restaurants, office buildings, hospitals, communities and other business spaces. In addition, CVS brings together intelligent applications, goods and suppliers as well as business clients from the upstream and downstream of the smart retail industry chain, and cooperate with well-known enterprises in the industry to promote the healthy development of smart retail.

Industrial Policies

Plans of Establishing Shanghai into an International Trade Center in the 13th Five-Year Plan Period


Industry Organizations

- Shanghai Chain Enterprise Association
- Shanghai E-Commerce Association (SIECA)
- Shanghai Cross-Border E-Commerce Association (SIECA)
- Shanghai Food Industry Association

Yonghui Supermarket, a representative of traditional retail industry

Yonghui Supermarket is one of the Top 500 enterprises in China, with 141 stores in Shanghai. As one of the fastest growing retailers, Yonghui attempted to divorce a new retail format as early as 2015, when the great opportunity of digital transformation was not yet mature. In 2017, Yonghui established Super Spaces on high-end fresh food experience. It has been positioned to provide catering facilities and digital retail experience for its customers on top of serving as a supermarket. In this way, Yonghui realized the integration of online and offline operations.

Rent of Medium and High-end Shopping Malls in Shanghai (by District)

According to the Research Department of Colliers International, as of the first half of 2016, the rent of medium and high-end shopping malls in Shanghai are as follows:

<table>
<thead>
<tr>
<th>District</th>
<th>Rent (RMB per m² per day)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jing'an</td>
<td>80</td>
</tr>
<tr>
<td>Pudong</td>
<td>75</td>
</tr>
<tr>
<td>Xuhui</td>
<td>65</td>
</tr>
<tr>
<td>Huangpu</td>
<td>55</td>
</tr>
<tr>
<td>Changning</td>
<td>60</td>
</tr>
<tr>
<td>Hongkou</td>
<td>80</td>
</tr>
<tr>
<td>Yangpu</td>
<td>70</td>
</tr>
<tr>
<td>Zhabei</td>
<td>60</td>
</tr>
<tr>
<td>Putuo</td>
<td>55</td>
</tr>
<tr>
<td>Minhang</td>
<td>70</td>
</tr>
</tbody>
</table>

Case Study - New Retail Model Through Online and Offline Integration
Cultural and Creative Industry

**Status Quo**

The cultural and creative industry is becoming a growth point of the new industrial system being built in Shanghai, and an important growth point to enhance the city's competitiveness. According to the historical evolution and industrial floor division of the districts, various cultural and creative industrial parks in Shanghai have gradually formed industrial clusters with their own distinct characteristics and emphases.

**Development Advantages**

- **A complete industrial foundation**
  
  In terms of spatial layout and cooperation between upstream and downstream industries, Shanghai has formed a complete international cultural and creative industry chain featuring Shanghai culture. The cultural industry has shifted its focus from cooperation with the software and Internet information industry over the years to integration with creative and digital industries. With the rapid development of mobile Internet, social networking, excellent enterprises in the field of digital culture and animated games have emerged.

- **Sound policy support**
  
  Based on the characteristics of the "light asset" of cultural enterprises, Shanghai has further improved relevant mechanisms, broadened channels, improved the cultural investment and financing service system covering "investment, financing, guarantees, loans and modulation", and vigorously promoted the full integration of the cultural and creative industry with capital, industry supporting facilities, project subsidies, loan discounts, and guidance funds.

**Development Prospects**

Within the next five years, the added value of Shanghai's cultural and creative industry will account for about 15% of the city's GDP, and Shanghai will essentially build itself into a major city centered on modern cultural and creative industry. By 2030, the added value of Shanghai's cultural and creative industry will account for about 16% of the city's GDP, and Shanghai will basically complete establishing of a cultural and creative industry center with global influence. By 2035, Shanghai will have fully completed the establishment of a cultural and creative industry center with global influence.

**Investment Recommendations**

**Spatial layout of "one axis, one circle, two belts and multiple zones"**

Enterprises of cultural and creative industry in Shanghai are mainly concentrated in the cultural and creative parks in Pudong New Area. Shanghai has been steadily building industrial functional bases and characteristic cultural and creative parks, with a focus on seven functional core areas of the cultural and creative industry: Lujiazui, Zhangjiang, Luqiao, World Expo Area, Waigaoqiao, Resort Area and Lujiazui. The city has successfully created multi-regional industrial clusters with reasonable distribution and coordinated development. At present, the spatial layout of "one axis, one circle, two belts and multiple districts" has been formed.

**Shanghai Zhangjiang Cultural and Creative Industry Park**

Located in the Shanghai Zhangjiang Hi-Tech Park, the Shanghai Zhangjiang Cultural and Creative Industry Park is characterized by R&D, financial support, and innovative services, and has remarkably gathered leading enterprises to achieve the scale effect on the park. It boasts obvious advantages for the combination of culture and technology, innovation, finance, and trade, and is a national cultural industry demonstration park with strong cultural communication power. It is home to an array of domestic well-known, industry-leading cultural and creative companies, including Shanda, Tiandi, TomTom Media, City Animation, and Hopo Animation.

**Contact information:**

86-21-50801818

**National Base for International Cultural Trade, Pudong New Area**

Located at Waigaoqiao Free Trade Zone, the National Base for International Cultural Trade, Pudong New Area, the space covers a total area of 10,000 square meters, with an area of 13,376 square meters occupied by commercial service facilities. As the first national base for international cultural trade, the base has the special regional advantages of the Waigaoqiao Free Trade Zone: to provide comprehensive services and support for cultural enterprises across the country, such as import and export agency, product display, equipment leasing, business consultation, copyright trading, performance brokerage, film and television production, film and television planning and creative design.

**Knowledge and Innovation Community, Yangpu District**

The Knowledge & Innovation Community is a core part of the Yangpu Large Knowledge & Innovation Functional Area, as well as a pioneer area that has implemented "Yangpu's development concept of street - town - linkage and three - way integration." The Functional Area serves as a demonstration area for innovative development of Shanghai's service industry and covers a planned area of about 6 square kilometers, bordering on East Guomao Road to the south, East Yanjiang Road to the north, Guohe Road to the east and Guoming Road to the west. Its leading industries are information services, intelligent medical services, and design services industries represented by artificial intelligence, cloud computing, and big data. This Functional Area has gathered a group of renowned enterprises including BPM, DaEcoS, AECOM, and I2Tech. It is also home to more than 70,000 people who work, study and live here as well as about 66 major entrepreneurial platforms and incubators with different industrial functions and business models.

**Contact information:**

Building Rental: 86-21-50688931

Park Services: 86-21-61436143
**Industrial Support**

**Industrial Exhibitions**

**Shanghai International Cultural Creative Design Industry Expo**

This year’s Shanghai International Cultural Creative Design Industry Expo will be held in the Shanghai New International Expo Center from July 16th to 18th, 2019. It will serve as an important platform for products exports, industry exhibition, information exchanges and project cooperation of cultural industry.

**Industrial Policies**

Several Opinions of the State Council on Promoting the Integrative Development with Relevant Industries of Cultural Creativity and Design Services.

**Detailed Implementation Rules for Opening up Certain Areas of the Cultural Market in China (Shanghai Pilot Free Trade Zone)**

**Implementation Opinions of the People’s Government of Shanghai Municipality on Implementing the Several Opinions of the State Council on Promoting the Integrative Development with Relevant Industries of Cultural Creativity and Design Services.**

**Measures of the Shanghai Municipality for Implementation Launching Financial Support Funds for Promoting the Development of the Cultural and Creative Industry.**

**10th Five-Year Plan of the Shanghai Municipality for the Development of the Creative and Design Industry.**

**Measures of the People’s Government of Shanghai Municipality on the Administration of Cultural and Creative Industry Parks.**

**Several Opinions on Accelerating the Innovative Development of the Cultural and Creative Industry in Shanghai.**

**Industry Organizations**

- Shanghai Creative Industry Association
- Shanghai Creative Industry Center
- Shanghai Creative Production Industry Association

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**Case Study - Cultural and Creative Enterprises in Shanghai**

**BroadFischer International**, a cultural link multinational between China and foreign countries

BroadFischer International, headquartered in Germany, is a cooperation that has a leading position in culture, technology and exhibition industries. In 2001, BroadFischer International established its regional headquarters in the Zhangjiang Hi-Tech Park, Pudong, Shanghai. In recent years, with the implementation of China’s “opening up” strategy, BroadFischer International has brought a larger number of cultural enterprises and brands to the stages of global exhibitions and demonstrated the “confidence of Chinese brands” to the world. In addition, BroadFischer International has actively introduced foreign excellent cultural and creative ideas and practices to promote the prosperity of Shanghai’s cultural and creative industry.

**LUK**, an international integrated innovative design group

LUK, founded in 2001, is an innovative design group dedicated to improving product competitiveness for customers. Through the platform of the Innovation Yard, LUK has developed from an initial industrial design company to an international integrated innovative design group. LUK has provided numerous innovative aesthetic products for consumers. In 2013, it was included in the first batch of national industrial design centers recognized by the Ministry of Industry and Information Technology.
Artificial Intelligence (AI)

Status Quo

Shanghai’s AI industry chain is relatively complete, and has a comprehensive support system. The market size of AI-related industries in Shanghai reached RMB 70 billion. Shanghai has gathered nearly 100 AI-related enterprises, investment and financing institutions, and scientific research institutes, forming a mature industrial technology and business model. Sectors including assisted driving and intelligent robots have become

Development Advantages

* **Industrial Base**: A high concentrated, complete industrial chain and comprehensive, technology of high quality
  Standing on the highland of China’s domestic AI industry, Shanghai provides strong support for investors in hardware area such as AI chips manufacturing, representative enterprises include Thunders and etc., in the field of voice recognition.
* **Talent Pool**: A hub for AI industry professionals and research institutes
  One third of China’s AI professionals have gathered in Shanghai, with a wide range of experience in the fields of computer vision, semantic recognition, and brain engineering, etc., Shanghai is also home to senior scholars in AI. For example, Fudan University has established the Brain Intelligence Research Institute, Tongji University and Jiaotong University are preparing to build AI research institutes.
* **Application Scenarios**: The fusion of collaborative development with rich applications and segments
  Shanghai’s downstream AI industry has rich application scenarios in the automotive, aviation, integrated circuits, and complete equipment manufacturing sectors, as well as services such as finance, commerce, logistics, and consumer services.
* **Data Resources**: Shanghai’s data resources consist of three basic databases: a legal person database, actual population database, and spatial-geography database, the data trading center accounts for 90% of the country’s total average daily data trading volume. Meanwhile, its empowerment scheme has been shared, and Shanghai has initially formed an innovation, open and collaborative integrated industrial ecosystem.
* **Financial Support**: Designated fund and industrial development funding
  Shanghai Municipal People’s Government supports key AI projects and platforms, including an AI industry development fund of RMB 100 billion, designated funding that has the maximum of RMB 20 million, etc.

Development Prospects

By 2020, the scale of key AI industry in Shanghai are expected to exceed RMB 100 billion reaching the peak of China’s domestic AI development, its industrial development sees a promising future.

Investment Recommendations

Investors may consider investing in AI applications in financial services, transport, healthcare, and security. Several specialized AI industrial zones are located in Shanghai, including the "Xuhui Riverside, Gaoyou, Zhongzhu Park" AI innovation belt, Huawei Binyang, AI Team, Zhangjiang Xiangyang, "Xujing" AI Innovation Zone, and the "Pu-er" smart urban area of Xuhui District, all of which are ideal investment destinations.

West Bund

The West Bund covers an area of 9.2 square kilometers alongside the 11.4-kilometer shoreline of Huangpu River, with a total development land area of 5.3 million square meters. It includes more than one million square meters of "1M Square", within which the International Artificial Intelligence Center (AI Tower), 200 meters high has already been built. Leading companies such as Microsoft, Tencent, Baidu, Alibaba, Honor, Xiaomi, TV, SenseTime, Youku Network, and other industry giants have gathered here. The scenery of this area is beautiful and the environment comfortable. The 2018 World Artificial Intelligence Conference was also held in the West Bund Area.

Contact Information: 86-21-64573609

Zhangjiang Artificial Intelligence Island

Shanghai Zhangjiang Park gathers intelligent chip design, speech recognition, and intelligent manufacturing industries. Representative companies include Huawei, Technology (educational robots), Elan Technology (service robots), All KUKA (automotive), Fourier (medical rehabilitation robotics), and so on. With remarkable location advantages and convenient transportation, the AI Island is located in Zhangjiang Fuxing Park, covering a total area of 100,000m². It is located near national scientific research facilities and dozens of scientific research institutions, in the meantime, it has open labs, experience centers, and a large covering space.

Contact Information: 86-21-68796879
Lingang AI Agglomeration Zone

With a planned area of nearly 247 square kilometers, Lingang Industrial Zone aims to become a key scientific and technological innovation center with global influence, and an international center for intelligent manufacturing. The Zone has the unique geographic advantages of aviation, shipping, long distance rail transportation, inland river transport, and road transport all integrated within the area.

Contact information: B6-21-18298818

Yangpu District - Changyang Campus

The Changyang Campus, covering a planned floor area of 150,000m², is an innovative and entrepreneurial campus for knowledge workers. As an example: in the renewal of central urban areas of Shanghai, the Campus visibly manifests the transformation of new and old energy, and is vigorously building itself into a "world-class Campus".

Contact information: B6-21-205236000

Case Study - AI Enterprises in Shanghai

IBM established a presence in Zhangjiang AI Island

In January 2019, IBM’s Shanghai Headquarters and R&D Building officially entered Zhangjiang AI Island, coordinating several functions of customer service, R&D, design innovation, and sales centers. It will become one of IBM’s three major global R&D centers. "This is a place with unlimited potential," Liu Jieyang, General Manager of IBM Greater China, said, "We are confident in our ability to attract more experts to join IBM when we settle in Pudong, Shanghai, where talent gathers."

Microsoft established a presence in Zhangjiang AI Island

In 2019, Microsoft's Artificial Intelligence and Internet of Things Laboratory was established in the AI Island. It is Microsoft's third AI laboratory in the world, and fits in its Asia-Pacific strategy and the company's largest AI laboratory in the world so far. "It's a great honor to grow and progress together with world giants like Microsoft," said Yuan Tao, Party Secretary of Zhangjiang Group.

SenseTime sets up its global R&D headquarters in Shanghai

Shanghai Group is China's largest AI enterprise, its algorithms have been applied in more than 16 industries so far, such as smart cities, finance, automotive, smart phone, mobile Internet, smart retail, and microspheres industry. In 2017, it signed a broad strategy cooperation agreement with Shanghai Municipal People’s Government, and invested RMB 6 billion to set up its global R&D headquarters in Shanghai, located in Ruihu Riverside Area.

Industrial Support

Industrial Exhibitions and Events

World Artificial Intelligence Conference

The 2018 World Artificial Intelligence Conference, held from September 15-18, 2018 at the West Bund of Shanghai, was co-sponsored by the National Development and Reform Commission, Ministry of Science and Technology, Ministry of Industry and Information Technology, State Network Information Office, Chinese Academy of Sciences, Chinese Academy of Engineering, and Shanghai Municipal People’s Government.

China (Shanghai) International Artificial Intelligence Exhibition

The China (Shanghai) International Artificial Intelligence Exhibition was successfully held in the Shanghai Convention & Exhibition Center of International Sources on August 30, 2018, hosted by DIWeek, China’s Hi-Tech Industry Portal, and HTC High Technology Club.

Industrial Policies

In 2017, Shanghai Municipal People’s Government issued "Opinions on the Implementation of Next Generation of Artificial Intelligence". In 2018, Shanghai Municipal People’s Government released the "Implementation Measures to Accelerate the Development of High-Quality Artificial Intelligence in Shanghai."

Industry Organizations

Global Innovation Alliance

National Bureau of AI Venture Capital Service
Biomedical Industry

Status Quo

The biomedical industry is an important pillar of the emerging industries in Shanghai, as well as a key industry for development. In 2018, the output value of Shanghai’s biomedical industry was RMB 171.6 billion, with an increase of 12.8% on a year-over-year basis.

Development Advantages

- A complete biomedical innovation industry chain
  Shanghai has the most advanced R&D enterprises and institutions in China. In terms of the R&D environment, the administrative department has increased the number of R&D institutions. Shanghai is also advocating the construction of the “Shanghai Clinical Medical Research Center” to facilitate the cooperation between health services and manufacturing.

- A pool of multi-level professional talents
  Zhangjiang Biomedical Industry includes about 42,000 employees, among which 36,000 hold a college degree or above, including about 8,200 masters, and 2,800 with doctoral degree. 102 experts at the top level and about 12,000 people engaging in scientific and technological activities.

- Extensive market applications
  Including hospitals, nursing homes, health management, internet medical health service food and general consumption areas.

Development Prospects

It is estimated that by 2020, Shanghai’s biomedical industry will reach RMB 490 billion, and become a R&D center, a manufacturing center, a R&D outsourcing and service center of national biomedical products. In terms of the market environment, the global medical market has increased in recent years. The World Health Organization predicts that in the next decade, the medical expenditure in Asia will increase exponentially, and consumer medical needs will rise on the rise. Moreover, Shanghai has a large number of high-standard medical institutions, and the demand for biomedical products is increasing, resulting in high prospects for the market.

Investment Recommendations

**1+3+N** spatial layout

**1** refers to the Pudong New Area, **3** refers to the Penghang, Jiading, and Jingan Districts, and **N** refers to the Songjiang, Xuhui, Gaoqiao, and Minhang Districts, etc. (where a large number of biomedical enterprises are headquartered.

- **Pudong New Area**: Zhangjiang Hi-Tech Park
  - Harbin, the largest biomedical R&D park in China
  - Special tax rate of 15%

- **Jiading District**: Zhuding Binhai Park
  - Special tax rate of 15%

- **Songjiang District**: Zhuding Binhai Park
  - Special tax rate of 15%

- **Xuhui District**: Zhuding Binhai Park
  - Special tax rate of 15%

- **Gaoqiao District**: Zhuding Binhai Park
  - Special tax rate of 15%

- **Minhang District**: Zhuding Binhai Park
  - Special tax rate of 15%

- **Jingan District**: Zhuding Binhai Park
  - Special tax rate of 15%

- **Penghang District**: Zhuding Binhai Park
  - Special tax rate of 15%

*Contact Information: BLCJ-47768799*
Fenglin Medical Center

Fenglin Medical Center is the only professional service organization in Xuhui District that aims at accelerating the incubation of medical innovation enterprises at home and abroad. To meet the demand of domestic and foreign innovative enterprises including biomedicine, medical devices, medical services and artificial intelligence, the center provides flexible office space, business consulting services, and fully utilizes the surrounding medical innovation resources to speed up the translation and implementation of overseas innovative biomedicine technologies in China.

Zhu National High-tech Industrial Development Zone

The Zone is composed of a university park, an R&D base and the Zhu National supporting area. In September 2009, it was awarded "Shanghai National Biomedical Industry Base" by the National Development and Reform Commission and "National Science and Technology Innovation Base (Biomedicine)" by the Ministry of Commerce and the Ministry of Science and Technology.

Case Study - Worldrenowned Pharmaceutical Enterprises in Shanghai

Roche Innovation Center in Shanghai

Roche is one of the Fortune Global 500 companies and the second-largest pharmaceutical company in the world. In 2016, Roche will invest RMB 863 million to establish Roche Innovation Center in Shanghai, which will be an important part of Roche's global strategy and its third largest biotech center worldwide. Since 2016 when Roche was recognized as the Authorized Economic Operator (AEO) by the World Customs Organization, Shanghai Customs has offered more convenient services for Roche, including prioritized handling of customs clearance procedures for imported goods, smoother audit process, and random inspection of imported biopharmaceuticals, which have greatly reduced the clearance time.

Novartis' third largest R&D center in Shanghai

Novartis is one of the three largest pharmaceutical enterprises in the world, and a world-leading pharmaceutical brand. To cater to the Chinese market and meet the drug demand of China, Novartis established the Novartis (China) Biomedical Research Center, its third largest R&D center in Shanghai. Novartis has introduced advanced technologies into China, and also shared these technologies with Shanghai through cooperation with local universities and hospitals. Rostered in Wuyuanqiao Pudong, Novartis has established a comprehensive new drug R&D service platform that covers all fields including drug R&D, testing, production, experiment and marketing.
Integrated Circuit

Status Quo

In recent years, the sales of Shanghai’s IC industry have reached hundreds of billions of RMB, where the chip design industry accounts for about 1/3, and the chip manufacturing industry accounts for about 1/6. Notably, Shanghai’s chip design industry has grown rapidly with an average compound annual growth rate increasing nearly tenfold in a decade.

Development Advantages

- A strong industrial foundation - A concentrated industry with a complete industrial chain and optimized structure. Shanghai is the most concentrated IC industry base in China with the highest comprehensive technical level and a relatively complete industrial chain, integrating design, manufacturing, packaging, testing, materials, equipment, and other supporting services.
- Excellent professionals - Strong support from universities and multiple professional technicians and practitioners. Shanghai’s IC industry has about 165,000 practitioners, supported by Fudan University, Shanghai Jiao Tong University, Tongji University, and many other colleges and universities with rich experience in the training of IC talents and a solid foundation for industry-university cooperation.
- Abundant application scenarios - Great market potential and wide applications. Including the sensor (MEMS) market, wearable equipment market, Internet of Things market, industrial robot market, VR/AR (virtual reality/metaverse reality) market, and artificial intelligence market.
- Government policy support - Multiple policies supporting the construction of major projects, foundation establishment, independent innovation technology R&D and special awards. Taking the tax policy as an example, new IC manufacturers or projects established after January 1st, 2019 — with a line width less than 300 nanometers and with an operation period of more than 10 years — are exempt from business income taxes in their first two years, and enjoy a 50% discount off their business income taxes paid at a statutory tax rate of 25% from the third to the fifth year. Those with a line width less than 350 nanometers enjoy the preferential policy of “five exemptions, two reductions.”

Development Prospects

The rapid growth of emerging industries such as smartphones, Internet of Things, cloud computing, and artificial intelligence will become the main driving factors for the IC industry. Shanghai aims to build itself into a world-class benchmark of information infrastructure by 2020 and implement and pilot the in-depth application of 5G. Shanghai’s IC industry is expected to exceed RMB 200 billion.

Investment Recommendations

Spatial layout of “one core and multiple poles”

Shanghai’s IC industry is mainly concentrated in the Zhangjiang Hi-Tech Park and scattered across multiple districts and counties including Gaoyou Hi-Tech Park in Xuhui District, Songjiang Industrial Park, Yangpu District, Jingdezhi District, Qingpu District and Jinshan District. At present, the spatial layout of “one core and multiple poles” has been formed. Four parks are recommended here.

Zhangjiang Hi-Tech Park

The park, covering an area of 17.9 square kilometers, is the largest IC industrial park in China with the highest comprehensive technology level and the most complete industrial chain, known as China’s “IC Valley.” The park has gathered 197 enterprises, including IC design, chip manufacturing, packaging and testing, equipment and materials, 6 out of the top 10 global IC design enterprises have established regional headquarters and R&D centers in Zhangjiang, and 3 out of the top 10 national chip design enterprises are headquartered here. The park is also home to several well-known manufacturing enterprises, including SMIC and Huaxi Microelectronics.

Zhuo Hi-Tech Industrial Development Zone

The park is one of the important bases of Shanghai’s IC industry. The park has attracted several major national and municipal projects such as the GOI, Aviation Power, and Commercial Aircraft Engine. It houses 137 foreign enterprises and 596 domestic enterprises, and is home to the R&D centers and regional headquarters of several of the world’s Fortune Global 500 companies, including Intel, Microsoft, GE, and Cisco, as well as a group of well-known IC enterprises, such as Broad Asia-Tai Chi R&D, Zhejiang Semiconductor, and Axiomtek Electronics Technology. (Reference land price: RMB 8,500/㎡ in 2018)

Contact Information: 021-248816777
AMD established its Shanghai R&D Center

Advanced Micro Devices (AMD) established an R&D center in Zhongliang in 2006, with a total investment of USD 16 million, to serve its global users. In the R&D of cutting-edge technologies and products. Today, AMD's Shanghai R&D Center has grown into its largest CPU platform and mobile product R&D center outside of its home country.

Heraeus established Shanghai Innovation Center

In October 2018, the Fortune Global 500 company Heraeus established its Shanghai R&D Center in the Minhang District. Heraeus set up its innovation center in Shanghai, as it did with its Greater China headquarters, because Shanghai has a huge customer base, renowned universities, a large talent pool and remarkable comprehensive advantages.

Industrial Support

Industrial Exhibitions

China Semiconductor Technology International Conference (CSTIC)

The China Semiconductor Technology International Conference (CSTIC) is one of the largest and most comprehensive annual semiconductor technology conferences in China and Asia at large since 2005. The conference focuses on manufacturing and advanced technology, including detailed manufacturing processes, device design, integration, materials and equipment.

Industrial Policies

Several Policies of the Shanghai Municipality on Further Encouraging the Development of Software and Integrated Circuit Industries

Focus on Issues Concerning Income Tax Policies of Integrated Circuit Manufacturers

Measures of the Shanghai Municipality for Special Rewards for Designers and Core Teams of Software and Integrated Circuit Enterprises

Industry Organizations

1. Shanghai Integrated Circuit Industry Association
2. Shanghai Semiconductor Industry Association
3. Shanghai IC Technology and Industry Promotion Center
New Materials Industry

Status Quo

Since the beginning of the 13th Five-Year Plan period, Shanghai’s new materials industry has maintained steady development. At present, Shanghai has 517 new materials enterprises above the designated level. In 2018, Shanghai’s new materials industry achieved a total output value of RMB 295 billion, ranking second among products and related services of eight key categories of the strategic and emerging industries and related services in Shanghai.

Development Advantages

A strong industrial foundation

Shanghai’s new materials industry has formed a complete industrial chain integrating upstream and downstream industries, including advanced polymer materials, new metallic materials, new inorganic non-metallic materials, high-performance fibers and composites, special integrated circuit materials, biomedical materials, aviation and aerospace materials, artificial crystals and advanced ceramics, third-generation semiconductor materials, new display materials, battery materials for new energy vehicles, and rare earth functional materials.

A pool of professional talent

16 famous universities in Shanghai have opened new material-related disciplines; 6 professional research institutes focus on related in-depth scientific research; 28 national key laboratories, research centers, other functional platforms and institutions have conducted basic research and technological development for new materials application.

Abundant application scenarios

New materials can be applied in a variety of industries, including electronics, automotive, artificial intelligence, integrated circuit and biomedical industries as well as market segments including artificial crystals, graphene, and 3D printing.

Favorable policy support

Shanghai offers distinctive supporting policies, such as the Program of Special Funds for Industrial Transformation, Upgrading and Development (First Batch of New Materials) and the Program of Strengthening Basic Industrial Capacities, major project services, industrial demonstration, and new materials industry funds. In 2018, the First Batch of the New Materials Program supported 14 projects, In 2017 and 2018, Shanghai’s Key Basic Materials R&D and Innovation Program for Strengthening Basic Industrial Capacity supported 9 new materials projects, garnering new materials R&D expenditure and industrial investment of RMB 278 million.

Development Prospects

By 2020, the total output value of Shanghai’s new materials industry is expected to reach RMB 250 billion, 1 to 2 new competitive materials will be developed, and industrial agglomeration will be initially formed. In addition, Shanghai will continuously strengthen the supporting capacity for the key materials of major industrial clusters, such as integrated circuit, automotive industry, aviation and high-end equipment, so as to realize the intelligent and green transformation and upgrading of the iron and steel, petrochemical and other basic materials industries.

Investment Recommendations

“3 + X” spatial layout

“3” refers to Baoshan, Jinshan and Shanghai Chemical Industry Park, where more than 140 new material companies have settled. “X” refers to Songjiang District, Jiaxing District, Fuping District, Fuping New Area, Qingpu District and other related parks. Investment in these areas is highly recommended.

Baoshan Industrial Park

Baoshan Industrial Park is a municipal-level industrial park established in 2002. It is part of Shanghai National Innovation Demonstration Zone and is also the main advanced manufacturing industry and strategic new industrial base in Baoshan District, Shanghai. Baoshan Industrial Zone with an area of 26.54 square kilometers is located in the north-eastern part of Shanghai, facing Yangtze River to its east, facing new town to its west, Lake Malan to its south and Taicang to its north. Baoshan Industrial Park has abundant land resources, with an area of about 10,000 mu, including industrial land of 5800 mu, CSR headquarters research and development land of 2000 mu, commercial office and residental land of 1800 mu. At the same time, the park has nearly 300,000 square meters of high-standard industrial plants and 700,000 square meters of R&D buildings. Each year, the park will build more than 200,000 square meters of new plant carrier area, which can provide rich development space for enterprises entering the park.

In the future, the park will boost the awareness of "Shanghai Northern Suburb", building three parks, namely "Shanghai CSCC International Cruise Industrial Park", "New Energy Vehicles Accessories Industrial Park", "Shanghai Northern Suburbs Future Industrial Park", and developing luxury cruise ships, auto parts, intelligent hardware, new materials and other industries. Baoshan Industrial Park will accelerate high-end manufacturing, R&D headquarters, comprehensive service function layout and industrial chain shaping, and promote the integration of the Yangtze River Delta industrial chains.

Contact information:
021-40061808
021-66630369
Jinshan Industrial Park

The Jinshan Industrial Park is one of the core bases for new materials in Shanghai. The park focuses on organic materials, functional materials, and structural materials. The core base for petrochemical and fine chemicals centers on plastics, special rubber, optical diaphragms, and their basis membranes, high-performance fibers, polyurethane, and fine chemicals. The core development areas for new materials include the Jinshan Industrial Park, the Shanghai Jinshan Industrial Park, the Shanghai Fine Chemical Industry Park, the state-level Shanghai New Materials Industry Park, and the Jinshan Branch of Shanghai Chemical Industry Park.
Reference land price: RMB 1600/m² (July 2018)
Contact information: 86-21-57370001

Qingpu Industrial Park

In 2007, the Qingpu District was approved to establish the Qingpu New Materials Industry Base under the National Torch Plan. And the Qingpu Industrial Park was recognized by the Ministry of Industry and Information Technology as the "National New Industrial Demonstration Base (New Materials)" with an area of about 25 square kilometers. The park centers on new organic materials, new building materials, new composite materials and new metallic materials, and focuses on the development of polymer-modified materials. The park is home to RHI, BASF, Fiber (Shanghai), Honeywell Specialty Materials, Kingfa Science & Technology, and other enterprises.
Reference land price: RMB 1,500/m² (March 2018)
Contact information: 86-21-69290000

Jiading Industrial Zone

The Jiading Industrial Zone primarily focuses on new rare earth materials and new automotive materials. The zone mainly consists of the Shanghai High-Tech Industrial Park of the Chinese Academy of Sciences and the Jiading Industrial Base of the National University Science & Technology Park of Shanghai University. It is home to Xinhai Energy, Honeywell Turbines, Shanghai BMWAX Technology, and other enterprises.
Reference land price: RMB 820/m² (August 2018)
Contact information: 86-21-39960000

Case Study - New Materials Enterprises in Shanghai

BASF (China) Co., Ltd. - Super brain of the new materials industry

The German BASF is one of the largest chemical companies in the world. In 2004, BASF moved its Greater China Headquarters to Shanghai, with its production and manufacturing located in the Shanghai Chemical Industry Park and its new materials R&D center, headquarters and talent training center located beside the Huangpu River in Putong, Shanghai. More important, BASF Innovation Campus Shanghai is its global R&D hub. With the increase of BASF’s investment in Shanghai and the accelerated construction of its R&D center, BASF is a large-scale chemical enterprise with global influence, setting a model for industrialized innovation centers, regional coordinated development, high-level integration between city and industries, safe production and environmental protection, industrial restructuring and secondary development.

Industrial Support

Industrial Exhibitions

Shanghai International New Material Industry Show 2019

The Shanghai International New Material Industry Show of the 21st China International Industry Fair will be held at the National Exhibition and Convention Center (Shanghai) from September 17th to 21st, 2019.

Industrial Policies

2018 Special Supporting Measures of Shanghai Municipality for the First Batch of New Materials (Trial Implementation)

Industry Organizations

- Shanghai Society for Advanced Materials
- Shanghai Nonferrous Metals Trade Association
- Shanghai Polymers Industry Association
- Shanghai Association for New Farm
Automotive Industry

Status Quo

The output value of Shanghai’s automotive industry accounts for more than one tenth of the city’s total output value, and about one tenth of the country’s total. From the perspective of the globalisation, consumers’ interest in electric vehicles and new energy vehicles has further increased, and the industry is quickly moving towards four major trends: shared travel, autonomous driving, intelligent connected vehicles and new energy. Shanghai is seeking the development of upstream power batteries for new energy vehicles while shifting profit points of the automotive industry through downstream business expansion. Shanghai’s industrial layout has paved the way for the upstream, middle downstream and downstream of the new energy vehicle industry.

Development Advantages

- **Industrial aggregation**
  An automotive industry cluster is formed in various areas of Shanghai, a large number of upstream and downstream supporting enterprises have also flocked to Shanghai, accelerating the formation of a fully functional industrial chain.

- **Talent aggregation**
  The development of Shanghai’s automotive industry is inseparable from the contributions of the city’s talents. Tongji University, Shanghai Jiao Tong University and Fudan University have made outstanding contributions to automotive research. Meanwhile, they have set up automotive research institutes and obtained a number of national-research funds. Among them, the Institute of New Energy for Vehicles of Tongji University was established in 2017.

- **Policy support**
  On March 1, 2018, "Administrative Measures of Shanghai Municipality for Road Tests of Intelligent Networked Vehicles (Trial Implementation)" was released, and the first batch of licenses for open road tests for intelligent connected vehicles were issued. The policy innovatively promotes corporate R&D activities and venture capital in the fields of artificial intelligence and travel.

- **Innovation leadership**
  Shanghai is the leader in promoting new energy vehicles in the whole country. By the end of 2018, Shanghai’s new energy vehicle ownership stood at 238,784, continuing to maintain the leading position in China and even in the world. The vehicle-to-plate ratio was further increased to 1:2.1, which can effectively respond to and meet the fast-growing demand for charging services from new energy vehicles.

Investment Recommendations

The Shanghai Automobile City, Jinghua Economic and Technological Development Zone and Lingang District are all ideal destinations for automotive investment. Moreover, several other areas including Songjiang Economic and Technological Development Zone, Minhang Xinchang Industrial Park, Gaoqiao Xiangqiao Business District and Pingshan New Energy Vehicle Parts Industrial Park are also available options.

**Shanghai International Automobile City and Jiading Industrial Zone**

The Shanghai International Automobile City, covering an area of 180 square kilometers, comprises an automobile trade area, an automobile R&D area and other functional areas. Its supporting parts industrial park has formed an automobile industrial chain including car bodies, doors, chassis systems, safety systems and interior systems. In the field of automotive R&D, it has three national R&D platforms: the Shanghai Motor Vehicle Inspection Certification & Tech Innovation Center (SMVIC), the Institute of New Energy for Vehicles, Tongji University, and the Shanghai Automotive Wind Tunnel Center.

Established in October 1993, the Shanghai Jiading Industrial Zone covers an area of 18 square kilometers, with access to the resources of Shanghai International Automobile City, the zone has gathered a number of well-known domestic and foreign enterprises, including the Swedish VVolvo and Autoliv, the German Volkswagen Power Assembly, ZF Steering Systems, Continental Automotive Systems, Sweden and VоляN VоляN, as well as SAE Automotive Transmission, Kito, and Yanfeng Plastic Omnium Automotive Exterior Systems.

Reference
- Price: RMB 8261/m² (August 2018)
- Contact information: 021-59150100 (Shanghai International Automobile City)
  021-59960700 (Jiading Industrial Zone)
**Lingang Industrial Zone**

At present, the Lingang Industrial Zone has formed an industrial cluster of automobiles and autosparts, and enjoys a good supporting foundation. It is home to more than 20 automobile and parts enterprises, including SAIC, upstream, middle and downstream automotive enterprises including Novar, Daxin Technologies and Yanfeng KSS have also flocked into the zone, constantly consolidating Shanghai’s automotive industry.

Reference land price: RMB 1,335m² (end of 2018)

Contact Information: 38037-2201000

**Jinqiao Economic and Technological Development Zone**

The zone focuses on the development of new energy vehicles and small vehicles. With the entry of a number of enterprises and institutions such as Shanghai Nuair Business in Embraer battery management systems, CNDT (a joint venture focusing on connected cars), National Engineering Laboratory for Electric Vehicles (Shanghai Center) and SAIC GM, Jinqiao has established a presence in the upstream, middle, downstream and aftermarket of the new energy vehicle industry.

Jinqiao Shangqiao (Jinqiao Huaxing Innovation Park) is located in the core area of the North District of Jinqiao Export Processing Zone in Pudong New Area of Shanghai. It is the best choice for strong enterprises to build office headquarters, R&D centers and operation centers.

The park covers an area of about 190,000 square meters, with a total floor area of 210,000 square meters. It consists of more than 30 single commercial buildings, each of which has its own right of naming.

Reference land price: RMB 3,110m² (end of January 2018)

Contact Information: 8621-20010000

**Case Study - Automotive Enterprises in Shanghai**

**Volvo R&D Center (Leading International Automobile City)**

On September 9, 2015, Volvo opened its new China R&D headquarters in Shanghai, which is the core of Volvo’s global R&D efforts. The center undertakes the development and production of vehicles and engine projects, and continuously strives to improve global R&D efficiency, development capacity and product experience, and continuously charts out more forward-looking technologies to ensure technological leadership of Volvo’s global R&D efforts. In addition, the center also undertakes some global development tasks. Peter Mertens, senior vice president of R&D at Volvo, said, “China is Volvo’s second home market; The Chinese R&D team is an important part of Volvo’s global R&D system.”

**Tesla Gigafactory (Lingang Industrial Zone)**

In January 2018, Tesla, an electric vehicle plant, officially settled in Shanghai by establishing the Tesla Gigafactory in Lingang. With policy support from the Shanghai government, it took less than half a year to complete the contract signing and other procedures required for the start of construction. The Tesla Gigafactory is so far the largest foreign-investment automobile manufacturing project in Shanghai, with a total investment of RMB 50 billion. Upon full completion, the project can produce 500,000 electric vehicles per year. At the commencement ceremony, Tesla’s CEO Elon Musk said that Tesla “has felt the amazing speed of Shanghai”, which is attributed to the good business environment in Shanghai, and also reflects the determination and action of the city to open to the outside world.

**Industrial Support**

**Shanghai International Automobile Industry Exhibition (Auto Shanghai)**

The show is held in Shanghai every two years. With the development of China and the International automotive industry, it has become one of the most authoritative automobile exhibitions in China and one of the most influential automobile exhibitions in the world. In 2019, the show is expected to cover an area of 300,000 square meters, showing the unique charm of China as one of the most dynamic auto market with great potential in the world.

**Industrial Policies**

In 2017, the Ministry of Industry and Information Technology issued the Promotions on the Access Administration of New Energy Vehicle Manufacturing and Products.

In 2018, the Ministry of Science and Technology issued the Letter on Supporting the Construction of the National New Energy Vehicle Technology Innovation Center.

In 2018, the National Development and Reform Commission and the Ministry of Commerce issued the Special Management Measures (Negative List) for Foreign Investment Access (2018).

**Industry Organizations**

Shanghai Automotive Trade Association
Chemical Industry

Status Quo

The chemical industry in China gradually transforms from primary or middle stage to senior middle stage of developing high value-added and differentiated fine chemical products. This development reduces the need for the raw chemical materials and fine chemical products. In addition, the final downstream fields of petroleum and chemical products, such as real estate, automotive industry, household appliances and textiles, have kept growing, increasing the demand for related chemical products.

Development Advantages

- Strong industrial foundation
  Shanghai is one of the earliest chemical industry bases in China. With a solid foundation, a relatively complete product mix, complete supporting facilities and advanced technology, the chemical industry is one of the pillar industries of Shanghai.

- Talent pool
  "The Shanghai International Chemical New Materials Innovation Alliance" has been established, comprising the first batch of 10 institutes including the Shanghai Chemical Industry Park, East China University of Science and Technology, Shanghai Jiao Tong University, Donghua University, Shanghai Advanced Research Institute of the Chinese Academy of Sciences, Shanghai Petrochemical Sinopharm Daqiao Petrochemical Wax Group, Sinopec Research Institute of Petroleum Processing and the Shanghai Research Institute of Chemical Industry. The Alliance aims to further consolidate the advantages of innovative talents, intensify the efforts to introduce "top talents" and deepen the training for talents.

- Vast market
  Chemicals are primarily utilized in the real estate and automotive markets, where the demand for Architectural Coatings is expected to remain stable. Automotive brake fluid is gradually developing towards high-end varieties. As the high-end brake fluid formula requires a higher proportion of specialty additives and brake water, the demand for these specialty additives is increasing.

Investment Recommendations

Shanghai Chemical Industry Park

The Shanghai Chemical Industry Park is a state-level economic and technological development zone, one of the first batch of new industrialization demonstration bases, a national eco-industry demonstration zone and an advanced unit of smaller economy. Located on the north bank of Hangzhou Bay, and with a planned area of 224 square kilometers, the park has focused on integrating refining and chemical projects, created a "1+4" industrial pattern, developed middle and downstream petrochemical facilities and fine chemical deep processing series with defers and aromatics as raw materials, and formed a product chain with ethylene, propylene, benzene and aromatics as raw materials. The park covers Jinshan and Fengxian and is administered under Shanghai Chemical Industry Park. The Jinshan Branch focuses on chemical logistics, chemical inspection and maintenance, chemical trading and other industries, while the Fengxian Branch focuses on fine chemicals, chemical machinery & equipment and polymer materials industries.

The Shanghai Chemical Industry Park has been developed and built along the advanced concept of "integration" for world-class large chemical industry parks. Through the integration of product projects, public assistance, logistics & transportation, environmental protection and management services, the park provides the best investment environment for investors. Today, the park is already home to numerous multinational corporations, including the British BP, German BASF, Bayer and Evonik, American Honeywell, Japanese Mitsubishi Gas Chemical and Mitsui Chemicals as well as well-known public engineering companies such as the French Suez, Dutch Veolia, French Air Liquide and American Fluor.

Contact Information: 86-21-47706606

Location advantages

Located on the south wing of Shanghai and on the north bank of Hangzhou Bay, the park has a comprehensive expressway network, and has the Pudong Railway and a dedicated railway to connect with Pudong Airport and Zhangjiang. Through an inland river shipping system, the park is also connected with the Huangpu and Yangtze rivers. The park also has a dedicated sea terminal. With favorable "land, water and air" transportation conditions, transportation services for investors will be largely facilitated.

Management advantages

By drawing on the successful experience of world-class large chemical industry parks, the Shanghai Chemical Industry Park has proposed the management concept of "integrated products and projects, integrated public and auxiliary facilities, integrated logistics and transportation/integrated environmental protection and integrated management services" to achieve professional integration, investment and resource concentration, to concentrate benefits, so as to create core competitiveness.
Industrial advantages

The Shanghai Chemical Industry Park has a long history in China and is one of the key pillar industries within Shanghai. The park is one of the biggest projects in China in terms of development and investment.

Capital advantages

The chemical industry is a technology-intensive industry as well as a capital-intensive industry. The development of the chemical industry requires capital support. As one of the centers of the national capital market, Shanghai has formed a sound national capital market system. Chemical enterprises investing in Shanghai can gain full use of its capital advantages. Shanghai’s growing internationalisation has attracted large-scale international transactions. Capital and talents to promote industrial development.

Reference land price in the Fengxian Branch of the Shanghai Chemical Industry Park: RMB 1396y/m² (October 2018)
Reference land price in the Jiading Branch of the Shanghai Chemical Industry Park: RMB 823y/m² (end of 2018)

Case Study - Chemical Enterprises in Shanghai

Germany’s Covestro

Covestro’s predecessor Bayer Material Science began the construction of an integrated base in Shanghai in 2001. By the end of 2018, the total investment in the base had reached 3.3 billion euros, making it Covestro’s largest production base. Shanghai is also the headquarters of Covestro China, Covestro’s Asia-Pacific R&D center and its global headquarters of polyurethane business. In 2017, Covestro started independent operations, primarily focusing on the production and manufacture of high-tech polymer materials and the R&D of innovative solutions for many areas of daily life. Today, Covestro has become one of the largest polymer producers in the world, with sales of 16.8 billion euros in 2018. It has seven production sites and one Asia-Pacific Innovation Center in Greater China. Covestro has taken full advantage of opportunities in China market with Shanghai as its strategic center.

Cabot

Among the first batch of foreign chemical enterprises that entered China after the country’s reform and opening up was Cabot, which established its first plant in Shanghai as early as 1988. 30 years later, in 2018, Cabot set up its Asia-Pacific headquarters in Shanghai. In 2011, Cabot was awarded the title of national regional headquarters, and developed the strategy of empowering Shanghai to promote all kinds of businesses in China and Asia Pacific. In 2015, Cabot established its Asia Pacific Technology Center in Shanghai, showing its confidence and determination in its strategy of driving innovation through technology, stimulating overall business and promoting regional economic growth in Shanghai.

Industrial Support

Industrial Exhibitions

China International Chemical Industry Fair (CICIF China) 2019
The CICIF China 2019 will be held at the Shanghai New International Expo Center from December 11 to 13, 2019.

Shanghai International Environmental Chemical Technology & Equipment Fair (CEEF) 2019
The CEEF 2019 will be held at the Shanghai New International Expo Center from September 24 to 26, 2019.

Industrial Policies

Development Plan for Petrochemical and Chemical Industries (2016-2020) formulated by the Ministry of Industry and Information Technology

Industry Organizations

Shanghai Chemical Industry Association
**Characteristic Areas**

**Songjiang G60 Sci-Tech Corridor**
Contact information: 86-21-67863615

Songjiang is the G60 Sci-Tech Corridor begins from Songjiang District, Shanghai, and aims to jointly create an overall layout of "one corridor, one core and multiple centers" with nine prefecture-level cities in the Yangtze River Delta. "One corridor" refers to the G60 Sci-Tech Corridor, "One core" refers to the global science and technology innovation center—Shanghai, with access to Shanghai's science & technology innovation resources. Songjiang aims to become a hub that reaches the east with Shanghai's global science & technology innovation center plus advanced manufacturing clusters, and west with the hinterland of Jiangsu, Zhejiang and Anhui. "Multiple centers" include Jinshan, Hongqiao, Jiading, Songjiang, Fuping, Suizhou, Hubei, Xiangyang, Wuhan and Hefei. The nine prefecture-level cities focus on planning connection, strategic synergy, thematic cooperation, market unification and mechanism improvement, while striving to promote the G60 Sci-Tech Corridor to become an important engine for building the Yangtze River Delta into a leading demonstration area that implements new development concepts.

**Key Industries:** Advanced manufacturing industries such as industrial internet, new-generation information technology and new energy, intelligent manufacturing and high-end equipment, as well as service industries, and industrial parks.

**Fengxian Oriental Beauty Valley**
Contact information: 86-21-37791140

The Shanghai Oriental Beauty Valley is located in the middle of the Fengxian District. The favorably-bounded valley offers convenient transportation conditions, sound supporting facilities and functions, and a superior comprehensive environment. It is a Fengxian-based "three-dimensional industrial system" that consists of three coordination: beauty and health-related products, services and industries. In terms of products, the Valley focuses on R&D, production, packaging and sales, etc. Regarding services, the Valley focuses on raw material procurement, ODM design, OEM production, inspection and testing, marketing planning, branding and other matching functions. While for industries, the Valley focuses on product design, user experience, beauty care, medical care, trade & logistics, interaction & consulting and other industries. Thus, a beauty and health productized value chain develops and expands in the form of "products + services" to create a multi-layer three-dimensional system.

**Minhang Industrial Aircraft Carrier**
Contact information: 86-21-64180001

The Minhang District is creating an industrial cluster of "four major functional areas along the First Bay of Hangzhou River", and "seven industrial business districts surrounding Hangzhou and Xiaoshan" around the "South Shanghai Hi-Tech Intelligence Belt" and "Shanghai-Pojang International Business Belt" to support the overall strategy of promoting city-industry integration and the development of advanced manufacturing industries and modern service industries. Given trends such as the accelerated upgrading of emerging industries and cross-industry integration, Minhang is inclined to choose its three features in future industries, i.e., "smart manufacturing", "smart management" and "smart intelligence", based on its actual situation of industrial foundation, resources and policy orientation, and in accordance with national strategies such as "Made in China 2025", and the requirements for building Shanghai's "new major brand". Minhang strives to build a future-oriented "6+" modern industrial system that primarily comprises of advanced manufacturing industries led by technology inheritance, and modern service industries led by "new New three new technology, new business model, new format, new industry economy."

**Putuo Taipu Smart City**
Contact information: 86-21-63101290

The Taipu Smart City will focus on building a "characteristic AI industrial cluster" and an "international innovation city". By doing so, it aims to build the China-Israel Innovation Partnership Park, the Smart City will participate develop platforms and ecosystems for innovative development, turning itself into a catalyst for the transformation of innovative Israeli technological achievements, a carrier of China-Israel innovative cooperation entities, and a promoter of China-Israel innovative cooperation projects.

**Key Industries:** In the future, the Smart City will focus on three major industrial fields: "intelligence", "intelligent manufacturing" and "health" and form an "industrial collaboration system named "one core, two wings", with the core being "intelligence" and the wings being "intelligent manufacturing" and "health". By focusing on the three industrial fields of "intelligence", "intelligent manufacturing" and "health", and the three industrial directions of "scientific and technological innovation", "innovative commerce" and "smart consumption", the Smart City will actively develop six vertical fields, namely scientific and technological services, financial, regional headquarters, professional services, smart experience and intelligent retailing, thus forming its unique "1+6" industrial ecosystem.
North Bund

The North Bund is situated in the southern riverside area of the Henan District. The southern part of North Bund functional zone mainly plays a role in Shanghai’s transformation into an international shipping and financial center. The central part zone primarily centers on Shanghai’s efforts to build an international cultural metropolis. The southern part centers on Shanghai’s International Financial and Technology Innovation Center. By focusing on high-end shipping services, the Yangpu District endeavors to build a shipping service headquarters base, and improve the coverage of shipping services and the utilization of shipping resources to build North Bund as a prominent brand of Shanghai’s shipping services.

The North Bund will also speed up the construction of a financial center, further gathering financial headquarters institutions, powerful wealth management institutions, and high-quality supporting service enterprises, enhancing the energy of fund wealth management, while actively promoting the “Block and Road” initiative and the high-quality integrated development of the Yangpu River Delta. Furthermore, it will support the establishment of financial asset management companies to promote the “Block and Road” initiative, encourage financial enterprises and institutions to globalize and promote the integration of financial and industrial capacities with the countries beyond along the “Block and Road.”

To further promote its cultural development and renew its image as a “aater town for modernization,” the North Bund will build a cultural protection and development for the traditional historical and cultural protection area. The area will emphasize the construction of an “Art on the Sea” cultural area that integrates cultural exhibitions, leisure, business, and travel while improving the existing cultural and social trends such as the Shanghai World Expo Memorial, Oriental Pearl Art and Designian Road. Along with this, the North Bund will build a cultural cluster on North Songjiang Road, a cultural performance cluster on the north bank of Shanghai River and the Shanghai Literature Museum.

Key Industries: Shipping, finance, culture, science and technology

Ecological Changning

Changning is located at the estuary of the Yangtze River. It is the largest marine ecological island in the world and the third largest island in China. Guided by the instructions on protecting the environment and avoiding excessive exploitation along the Yangtze River Economic Belt, Changning has firmly followed the path of ecological priority and green development, while striving to build a world-class ecological island and promoting the construction of an ecological civilization to a new height.

By 2020, Changning will install the basic framework of a modern ecological island. Substantial achievements will be achieved in ecological environment; the quality of water, vegetation, soil atmosphere and other ecological environment elements will be continuously improved; the forest coverage rate will increase to 30%; the natural wetland retention rate will be 45%; the target rate of the surface water environmental function area will be improved; the urban sewage treatment rate will reach 95%; and the rural domestic sewage treatment rate will reach 100%. The living environment will be more harmonious, with a permanent population controlled at about 700,000, the total area of building land will be reduced, the infrastructure will be strengthened, and basic public services will be significantly improved. Ecological development will be significantly improved; the ecological environment will develop hand in hand with agriculture, tourism, commerce, sports, culture, health and other industries in an integrated manner; 80% of the food will be certified as green food.

Yangpu Riverside

Yangpu Riverside is located at the eastern end of the Yangpu River shoreline, known as the “Seaside Pearl” of Shanghai. Guided by the design concept of “forming an ecological belt and smart public space with industrial heritage at its core,” Yangpu Riverside will be on “three belts, nine chapters and eighteen highlights.”

Ecological Changning

Lingang Innovation Galaxy

Lingang Innovation Galaxy is an important part of Lingang Group’s overall strategy. By adding innovative and entrepreneurial elements to the city’s existing resources, and integrating the resources of its partners with its original space, industries, resources, and services, Lingang Group is dedicated to building an innovation and entrepreneurship park with global influence that provides comprehensive innovative and entrepreneurial services such as office, industry, space, investment and financing. In line with its strategy of “Based in Shanghai, serve the whole country and go global,” Innovation Galaxy has actively established a presence in central city areas, devoted itself to urban renewal and industrial upgrading, and gained widespread reputation and influence within the industry. In addition to the completed Lingang, Hongkou and Baoshan parks, Innovation Galaxy is planning other functional parks such as Yangtianhuang MultiMedia Center, Yangtianhuang Science and Technology Promotion Center and Cultural Creativity Base.
Openness and Innovation

Openness, innovation and inclusiveness are Shanghai’s core values, which have played a leading and pioneering role in the development of its plans. To accelerate the development of the Shanghai Pilot Free Trade Zone, substantial policy support and innovation in investment and trade liberalization and facilitation. In 2018, a series of policy reforms and measures were implemented. Openness and Innovation have become the new driving force of Shanghai that continues to attract foreign-invested enterprises.

Frist-of-its-kind Projects

**Creation**
- The Special Administrative Measures on Cross-border Trade in Services in China (Shanghai) Pilot Free Trade Zone (Negative List)

**The first free trade account**
- 71,000 free trade accounts have been opened.

**The first negative list for foreign investment**
- The negative list is shortened to 45 items in the 2018 edition.

Fairness and the Rule of Law

Shanghai has continuously upgraded the soft power of the institutional environment, has continuously improved the IPD system, and has always been an international, innovative, and environment-friendly business environment, strengthened IPR protection, and comprehensively fostered a united, efficient, and steady market environment to provide high-quality services for foreign investment.

Intellectual Property Protection

**Continuous improvement of supporting services**
- In March 2016, Shanghai issued the Implementation Opinions on Strengthening the Use and Protection of Intellectual Property Rights and Supporting the Construction of the Science and Technology Innovation Center, which laid down an important documentary foundation for the protection of intellectual property rights.
- In July 2017, the first Shanghai Intellectual Property Protection Center was established in Putuo.
- On February 12, 2018, the Shanghai Municipal Government and the World Intellectual Property Organization (WIPO) signed an agreement to establish the Shanghai IP Office, which is an international hub for intellectual property services, and the Shanghai IP Office was established.

**Steady growth of patent applications**
- In 2018, 156,233 patent applications were received, up 14.6% over the previous year; 92,460 patents were authorized, up 27.2% over the previous year.
Sound Legal Environment

Promoting information-based legal work

In recent years, Shanghai High People’s Court has actively applied advanced technologies such as artificial intelligence, cloud computing, big data and mobile Internet in its work, vigorously enhanced informatization, optimized the “one-stop” procuratorial service platform, and has established a big data center.

Establishing of the Shanghai Financial Court

With a focus on the tasks of serving the real economy, preventing and controlling financial risks and deepening financial reforms, the Shanghai Financial Court will centralize jurisdiction over financial cases, promote the reform of the financial trial system and mechanism, improve the quality, efficiency and judicial credibility of financial trials, and enhance China’s voice on international financial transactions rules. In addition, the court will combine the beneficial experience of foreign financial justice practices with China’s actual conditions to explore a financial judicial system with Chinese characteristics.

Establishing Shanghai’s reputation for good judicature

In order to achieve the goals of judicial impartiality, efficiency and authority, Shanghai High People’s Court will further implement the accountability system, standardize the exercise of judicial power, optimize the allocation of judicial authority, further deepen the application of intelligent means, and continuously improve the quality and efficiency of case handling.

Government Services

According to the Doing Business 2019 issued by the World Bank on October 31, 2018, China ranked 46th, 32 places higher than last year, the best outcome ever in history of reports. The weight of Shanghai as a sample city was 35%. According to this World Bank report, in terms of 6 indicators involving local government authority, Shanghai’s business procedures have been reduced by 30.5% and its handling time has been reduced by 52.8% on average.

Continuous Deepening of Reform

1. The procedures for starting a business have reduced from 4 to 3, and the handling time has reduced to 3-5 days.
2. The procedures for construction permits have reduced from 19 to 14, and the handling time has reduced from 169.5 days to 97 days.
3. The procedures for property registration have reduced from 4 to 2, and the handling time has reduced from 9 days to 5 days.
4. Regarding cross-border trade, the import border compliance time has kept within 48 hours.
5. Regarding taxation, the total tax rate and social contributions have reduced to about 65% and the taxation time has reduced to 130 hours.
6. The time limit for administrative examination and approval has been reduced by half on average, and so has the number of documents required.
Improving Institutional Guarantees

- The reform of "semi-license separation" further strengthens government's efforts to streamline administration and delegate power.
- The launch of the "one-stop service" for foreign-invested enterprises and the "one website to access all governmental services" for the exit of companies.

[Case]

On January 1, 2018, Starbucks acquired the remaining 51% equity in Shanghai United Starbucks Coffee Co., Ltd. and achieved 100% ownership of all of its stores in Jiangsu, Zhejiang and Shanghai. On January 16, the original Shanghai United Starbucks Coffee Co., Ltd., was formally changed to "Shanghai Starbucks Coffee Enterprise Co., Ltd.. According to the acquisition agreement, Starbucks needed to complete the name change of the relevant legal office and branches within a certain period of time after completion of the transaction. The renaming required the head office in Shanghai, 12 branches in Jiangsu and Zhejiang, and 1,666 stores in Jiangsu, Zhejiang and Shanghai. The licenses that needed to be changed included business licenses, food business licenses, and fire safety inspection certificates.

Due to the quantity and complexity, the renaming would have taken about one and a half years according to the existing procedures if the enterprise completely handled this on its own. Therefore, Starbucks contacted the Shanghai Municipal Commission of Commerce, hoping that it would help coordinate the relevant municipal departments to speed up the handling of relevant licenses in various districts and that if possible, it would help coordinate the commerce authorities in Jiangsu and Zhejiang to speed up the changing of business for stores in Jiangsu and Zhejiang.

The Shanghai Municipal Commission of Commerce actively coordinated the involved departments and communicated with the commerce departments of Jiangsu and Zhejiang. In October 2018, Starbucks completed the renaming of 1,666 stores in Jiangsu, Zhejiang and Shanghai through the positive action of relevant government departments in the three areas. After the change, the scope of the business license in most stores is basically the same as that of the head office, and so is the scope of food business license.

Investment Policies

The Announcement No.19 (2018) of the State Council was released in 2018, following the release of NO.5 and NO.19 Circulars in 2017, forming a foreign investment policy system in the new era, which integrated "investment freedom, investment facilitation, investment promotion, investment protection, investment layout and investment platforms".

Notice of the State Council on Several Measures for Expanding Opening-up and Actively Utilizing Foreign Investment (Circular No. 5 [2017] of the State Council)

China will further actively attract foreign investment, create a good business environment, continuously improve administration, delegate power and optimize services, and reduce institutional transaction costs to achieve a mutually beneficial and win-win situation.

Notice of the State Council on Several Measures for Promoting the Growth of Foreign Investment (Circular No. 93 [2017] of the State Council)

The policy aims to deepen the systemic structural reform, promote administrative reform by streamlining administration and delegating power, optimizing services, further enhance the business, international investment and foreign investment environment, and improve the quality of foreign investment utilization.

Notice of the State Council on Several Measures for Actively and Effectively Utilizing Foreign Investment to Promote High-quality Economic Development (Announcement No. 18 [2018] of the State Council)

In order to actively and effectively utilize foreign investment to promote high-quality economic development, and create a fair, transparent, convenient and more attractive investment environment, the State Council adopted international best practices for investment attraction policies, has proposed measures of six aspects: Investment Bureaucracy, Investment facilitation, Investment protection, Investment protection, optimization of regional economic layout, and promoting innovation and upgrading of national development plans.

Special Management Measures (Negative List) for Foreign Investment Access (2019 Edition)

The policy lists special management measures for foreign investment access, such as shareholder and senior executive requirements.

Several Opinions on Further Expanding, Opening-up and Accelerating the Construction of a New Open Economic System (13 measures for expanding opening-up)

In order to comprehensively deepen the reform of the China (Shanghai) Pilot Free Trade Zone (hereinafter referred to as the "Shanghai PFTZ"), Shanghai has taken the lead in establishing a system in line with international practice, investment and trade rules, fostering a business-oriented, international and competitive business environment, a fair, unified, and efficient market environment, and accelerating the formation of a new open economic system in Shanghai.

Several Opinions of the Shanghai Municipality on Further Supporting Foreign R&D Centers to Participate in Public R&D Projects and Build Shanghai into a Science and Technology Innovation Center with Global Influence (18 measures)

The policy lists 18 measures to promote foreign-invested R&D centers to more deeply and extensively participate in building Shanghai into a science and technology innovation center with global influence, and to give full play to the R&D centers in terms of the allocation of global scientific and technological resources.

Promoting Government-Enterprise Interaction

A variety of activities are held regularly to help foreign-invested enterprises correctly understand the latest policy updates.
Establishment of foreign-invested enterprises not under special management measures for foreign investment access

The single form and one-stop system are adopted for the business filing and registration of foreign-invested enterprises. To set up foreign-invested enterprises, investors only need to log into "One-stop" enterprise establishment handling online service platform and fill out a single form to complete the business filing and registration. After getting registered at the industrial and commercial departments, the relevant information will be pushed to the Integrated Foreign Investment Management and Application System of the Ministry of Commerce, and the commercial departments will continue to handle the relevant procedures.

Website: http://jyzt.sh.gov.cn "One-stop" Enterprise Establishment Handling Process

Establishment of foreign-invested enterprises involving special management measures for foreign investment access

For information on the necessary documents and procedures, log onto the relevant website of the Shanghai Municipal Commission of Commerce.

Other
In the event of alteration from a domestic-invested enterprise into a foreign-invested one, the applicant shall fill in the business filing information when applying for the change of industrial and commercial registration. After approval and registration by the industrial and commercial departments, the relevant information will be pushed to the Integrated Foreign Investment Management and Application System of the Ministry of Commerce, and the commercial departments will process the filling procedures.

In the event of change in connection of the business filing information of foreign-invested enterprises, the applicant shall fill in the filling information in the Integrated Foreign Investment Management and Application System of the Ministry of Commerce, and the commercial departments will process with the filling procedures.

Foreign Investment Law
On March 15, 2019, the Second Session of the 13th National People's Congress passed the Foreign Investment Law, which comes into force on January 1, 2020. The law states that, subject to the management system of "one-establishment national treatment plus negative list", for foreign investment and investment under the management mode of "market access plus negative list", the relevant information will be pushed to the Integrated Foreign Investment Management and Application System of the Ministry of Commerce, and the commercial departments will process the filling procedures.

For more information, please visit the relevant website of the Shanghai Municipal Commission of Commerce.
Business Infrastructure

As a hub for numerous businesses, Shanghai has complete commercial infrastructure, from hardware facilities such as commercial buildings, to the city and exhibition venues that meet various needs, to software services such as talent training, medical services and cultural life, providing extensive, comfortable and convenient services for investors.

Complete Business Facilities

Abundant commercial buildings and lower vacancy rates

As of the third quarter of 2018, the overall vacancy rate in the Shanghai office building market was reduced to 6.9% month-on-month to 6.6%.

- The vacancy rate in the central area of Grade A office buildings in Shanghai was 10.3%.
- The overall vacancy rate in the sub-central area was 23.3%.
- The stock of Grade A office buildings in the city’s core business district rose to 8.8 million square meters.

National leader in exhibition

Shanghai has more than 5 million square meters of exhibition areas, ranking first among all the major exhibition cities in the world. Shanghai boasts a wide range of exhibition venues of all sizes and types, including National Exhibition and Convention Center (Shanghai), the world’s single largest exhibition center, and 9 large and medium-sized exhibition centers such as Shanghai New International Expo Center and the Shanghai World Expo Exhibition & Convention Center, as well as more than 25 professional exhibition venues including the China Art Museum and Shanghai Science and Technology Museum.

Large Talent Pool

Diversified professional talents

- A total of 46 persons listed in Shanghai are proposed to be included into the National Innovation Talents Promotion Plan.
- 27 young and middle-aged scientific and technological innovation leaders, accounting for 8.82% of the total.
- 3 innovation teams in key areas, accounting for 6% of the total.
- 16 scientific innovation and entrepreneurial talents, accounting for 8% of the total.
- 107 people are selected into the Shanghai Leading Talents Training Program.
- Shanghai boasts 182 academicians from the Chinese Academy of Sciences and Chinese Academy of Engineering, including 13 newly-elected academicians, accounting for 10.2% of the country’s total.

Abundant well-educated talents

- Shanghai has 64 general colleges and universities, including independent colleges.
- With more than 159,500 undergraduates, there are 25 secondary and higher adult education schools.
- More than 132,500 graduates on average per year.
- There are about 491 vocational and technical adult training institutions within Shanghai.
Inflow of overseas talents
In the past five years, Shanghai has attracted 97,000 new Shanghai first graduates who get the city’s permanent household registration, 56,000 returned overseas students, and 275,000 foreigners who set up businesses in Shanghai, ranking first in the country.

Sound entrepreneurial atmosphere

| Number of incubators | The number of incubators for tech firms in Shanghai has reached 183, of which 49 have been identified as state-level incubators. |
| Number of incubated enterprises in Shanghai | The number of incubated enterprises increased from over 5,000 in 2013 to more than 17,000 in 2017, and these enterprises have nearly 300,000 employees. |
| Number of new intellectual property rights applications submitted by incubated enterprises per year | The number soared from 2,798 in 2011 to 14,517 in 2012. |
| Number of enterprises that graduated from incubators | A total of 2,846 enterprises graduated from incubators, including 179 listed enterprises. |

Innovation and entrepreneurship demonstration bases
At present, Shanghai has seven major entrepreneurship and innovation demonstration bases, Yangpu District, Shanghai Jiao Tong University, Xuhui District, Fudan University, ShanghaiTech University, Shanghai Institute of Microsystem and Information Technology (SIOM), Chinese Academy of Sciences (CAS), and Baoji Group.

Increasing participation in entrepreneurship competitions
In 2018, the number of start-ups participating in various types of entrepreneurship competitions in Shanghai exceeded 7,000.

Strong institutional innovation
By giving full play to the leading role of the China (Shanghai) Pilot Free Trade Zone, and deepening the reform of management, optimization of service reform, Shanghai is vigorously breaking through the institutional barriers that restrict the development of "mass entrepreneurship and innovation" with a focus on market access, market environment, talent development and other prominent issues so as to constantly stimulate the vitality of mass entrepreneurship and innovation. For example, Shanghai has taken the lead in implementing a marketing authorization holder system for drugs, enhanced the autonomy of scientific research institutions in the use of funds, raised the labour subsidy ratio for basic scientific research projects from 20% to 50%, and increased the proportion of recurrent funds for municipal universities to 70% to further motivate innovation of scientific research institutions.
**Superior Living Environment**

**Ecological environment**

In 2018, 286 days had good air quality according to AGL, and the accounting for 81.1% of the total from 2017. By 2035, Shanghai will grow into a more sustainable ecological city, develop a multi-level, network-based and multi-functional urban ecological system characterized by “double rings, nine corridors and ten districts”, and build Chongming into a world-class ecological island. The city’s forest coverage rate reaches 23%, while the per capita green area is more than 13 square meters. The average annual concentration of PM2.5 will be controlled at about 25 μg/m³ by 2035.

**Cultural environment**

By the end of 2018, there were 25 municipal, district-level cultural museums and mass art museums, 329 art performance groups, 23 municipal and district-level public libraries, 49 archives centers and 131 museums in Shanghai. During the year, Shanghai hosted 175 major international and domestic matches, including representative events such as Formula 1 Chinese Grand Prix, ATP 1000 Shanghai Masters, longines Global Champions Tour and Shanghai International Marathon. A total of 6,186 matches and activities were held by Shanghai Shanghai Amateur Games, participated by near 2.5 million residents.

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**Cost of living**

The utility fees in Shanghai such as water, electricity and natural gas fees are as follows:

**Water** (Service areas covered by municipal water supply and drainage enterprises):

<table>
<thead>
<tr>
<th>User type</th>
<th>Annual water consumption per household (m³)</th>
<th>Top water price (RMB/m³)</th>
<th>Sewage treatment fee (RMB/m³)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>0 ~ 220</td>
<td>1.92</td>
<td>1.70</td>
</tr>
<tr>
<td>Tier 2</td>
<td>221 ~ 300</td>
<td>3.30</td>
<td>1.70</td>
</tr>
<tr>
<td>Tier 3</td>
<td>above 300</td>
<td>4.30</td>
<td>1.70</td>
</tr>
</tbody>
</table>

Non-residential users to whom prices for residential users apply: 2.12, 1.70

**Electricity**

<table>
<thead>
<tr>
<th>User type</th>
<th>Annual electricity consumption per household (KWh)</th>
<th>Price (RMB/KWh - h)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Unlimited</td>
</tr>
<tr>
<td>Tier 1</td>
<td>0 ~ 3120</td>
<td>0.617</td>
</tr>
<tr>
<td>Tier 2</td>
<td>3121 ~ 4800</td>
<td>0.667</td>
</tr>
<tr>
<td>Tier 3</td>
<td>above 4800</td>
<td>0.677</td>
</tr>
</tbody>
</table>

Non-residential users to whom prices for residential users apply: 0.641

**Gas** (Areas covered by the urban gas supply network):

<table>
<thead>
<tr>
<th>User type</th>
<th>Annual gas consumption per household (㎥)</th>
<th>Price (RMB/㎥)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>0 ~ 310</td>
<td>3.00</td>
</tr>
<tr>
<td>Tier 2</td>
<td>311 ~ 520</td>
<td>3.30</td>
</tr>
<tr>
<td>Tier 3</td>
<td>above 520</td>
<td>4.30</td>
</tr>
</tbody>
</table>

Non-residential users to whom prices for residential users apply: 3.00
Transportation

Shanghai is connected to 47 countries and 297 cities in the world. It is China’s largest transportation hub and an important gateway for connecting China and the world.

There are six railway stations in Shanghai, with an average daily traffic of 289,000 passengers.

Shanghai has built 13,000 kilometers of highways, including 830 kilometers of freeways, with the inter-provincial highways carrying an average daily traffic of 94,000 passengers.

In 2018

Shanghai’s rail transit network had 16 lines in operation with a total length of 705 km. By 2020, this network will be expanded to include 18 lines in operation with a total length of more than 800 km. In the future, Shanghai’s public transportation will account for 40% of all modes of transportation.

By 2020

Shanghai will strive to improve and upgrade its integrated public transportation system, with the passenger volume of rail transit accounting for 60% of public transportation. Through public transportation, the average commuting time of residents in the central areas will be controlled within 45 minutes.

Entry & exit procedures

Shanghai currently has 139 self-service immigration inspection channels, including 113 channels at Pudong and Hongqiao International Airports, and 26 channels at Shanghai Port International Passenger Transport Center and Wusongkou International Cruise Terminal, providing a "10-second self-service" experience for about 14,000 passengers per day.

Public safety management

In Shanghai, more than 2,700 residential communities equipped with an intelligent security system hit “zero criminal cases” target, and more than 3,900 high-rise buildings were equipped with an intelligent fire sensing system hit “zero fire accidents” target. According to a survey by the Third-party Horizon Research Consulting Group, in 2018, Shanghai’s public sense of security and satisfaction indexes both improved for 6 consecutive years, and have reached record highs.
投资促进机构

INVESTMENT PROMOTION INSTITUTIONS
Authorities Providing Services

Shanghai Municipal Commission of Commerce

Address: Building 7, No. 100, Shanghai Road, Shanghai
Website: www.scmcm.gov.cn
Tel: 86-21-63109464 / 23110469

The Shanghai Municipal Commission of Commerce is a department of the Shanghai Municipal People’s Government. It is responsible for Shanghai’s foreign trade, foreign investment, foreign economic cooperation, domestic trade and circulation management, commerce and trade-related foreign affairs. The commission is responsible for the preliminary examination and approval of ports opening up, temporary ports opening and temporary access to specific areas.

Main responsibilities concerning foreign investment:
- Providing policy advice
- Coordinating relevant government departments and project implementation
- Providing complaint handling services for foreign-invested enterprises

Shanghai Foreign Investment Development Board

Shanghai Foreign Investment Development Board (Shanghai Overseas Investment Development Board; hereinafter referred to as “INVEST SHANGHAI”) was founded in December 1999 by the Shanghai Municipal People’s Government as the only municipally-level professional overseas investment promotion agency in Shanghai under the Shanghai Municipal Commission of Commerce, INVEST SHANGHAI is headquartered in Shanghai, with a global network of overseas representative offices in Los Angeles, Osaka, London, Frankfurt, Gothenburg, Singapore, New Delhi, Bangkok and Dubai. It close collaboration with investment promotion departments in each district and development zone in Shanghai as well as overseas investment promotion agencies, INVEST SHANGHAI is dedicated to providing domestic and overseas investors with comprehensive and professional services ranging from investment policy and law advice to consultations, market-matching and site selection, to assist them to make the best investment decisions locally and globally.

Shanghai Municipal Commission of Commerce

Address: Building 7, No. 100, Shanghai Road, Shanghai
Website: www.scmcm.gov.cn
Tel: 86-21-63109464 / 23110469

Los Angeles Representative Office, USA
Tel: 310-713-0592, 999
Fax: 310-713-0593
Email: info@investshanghai.com

Osaka Office, Japan
Tel: 06-6410-0492
Fax: 06-6410-1003
Email: osaka@investshanghai.com

London Office, UK
Tel: 020-7838-0790
Fax: 020-7838-1656
Email: london@investshanghai.com

Frankfurt Office, Germany
Tel: 069-4488-8000
Fax: 069-31-31835-1162
Email: frankfurt@investshanghai.com

Gothenburg Office, Sweden
Tel: 356-79-7888
Fax: 79-15-188888
Email: gothenburg@investshanghai.com

Singapore Office, Singapore
Tel: 65-6324-0798
Email: info@investshanghai.com

New Delhi Office, India
Tel: 91-11-25051221
Email: info@investshanghai.com

Bangkok Office, Thailand
Tel: 66-2-727-7076
Email: bangkok@investshanghai.com

United Arab Emirates Office, U.A.E.
Tel: 971-5-27099088
Email: info@investshanghai.com
Commerce Authorities at All Districts in Shanghai

Commission of Commerce of Pudong New Area
www.pdmingzhu.gov.cn
⑥, 27-1505282577
Room 303, No. 303 Pudong East Road

Commission of Commerce of Xuhui District
www.xhuqingyi.gov.cn
⑥, 27-1505282222
Room 501, No. 501 North Renmin Road

Commission of Commerce of Changning District
www.changning.gov.cn
⑥, 27-1505282217
Room 402, No. 402 Jiefang East Road

Economic Commission of Minhang District
www.minhang.gov.cn
⑥, 27-1505282217
Room 501, No. 501 Minhang Road

Economic Commission of Yangpu District
www.yangpu.gov.cn
⑥, 27-1505282217
Room 501, No. 501 Yangpu Road

Economic Commission of Baoshan District
www.baoshan.gov.cn
⑥, 27-1505282217
Room 501, No. 501 Baoshan Road

Economic Commission of Jingan District
www.jingan.gov.cn
⑥, 27-1505282217
Room 501, No. 501 Jingan Road

Economic Commission of Songjiang District
www.songjiang.gov.cn
⑥, 27-1505282217
Room 501, No. 501 Songjiang Road

Economic Commission of Changning District
www.changning.gov.cn
⑥, 27-1505282217
Room 501, No. 501 Changning Road

State-level Development Zones

Minhang Economic and Technological Development Zone
Location: the Southwest of Shanghai, with a total area of 3.5 square kilometers
Key industries: the electromechanical industry (represented by rail transit and power plant equipment), supplemented by the pharmaceutical and medical industry (represented by blood products and common used pharmaceuticals) and light industry (represented by food and beverages)
Tel: ⑥, 27-1505282217 Website: www.smzdc.com

Hongqiao Economic and Technological Development Zone
Location: the West of Shanghai, with an area of 6.652 square kilometers
Key industries: an emerging business zone featuring foreign trade, exhibitions, and modern service industries
Tel: ⑥, 27-1505282217 Website: www.hzdc.com

Caohong Hi-Tech Park
Location: the Southwest of Shanghai, spanning the Xuhui and Minhang districts, with a planned area of 14.28 square kilometers
Key industries: The park has formed a "2+7" industrial pattern with electronic information being the pillar industry, while the five major industries are new materials, aerospace & aviation, biomedicine, automotive R&D and energy. Meanwhile, modern services acts as a supporting industry.
Tel: ⑥, 27-1505282217 Website: www.caohong.com

Jinqiao Economic and Technological Development Zone
Location: the Central part of Pudong New Area with a planned area of 27.38 square kilometers
Key industries: Dominated by advanced manufacturing and modern producer services industries, the zone will vigorously develop the "4+3" strategic industries (automotive and parts industry, electrical equipment and machinery industry, new energy industry and aviation supporting industry), give priority to developing the "four major producer services industries" (headquarters economy, service outsourcing, network culture, R&D and design industries), consolidate and improve the "two traditional advantageous industries" (modem household appliances industry and the equipment manufacturing industry).
Tel: ⑥, 27-1505282217 Website: www.jinqiao.gov.cn

Shanghai Chemical Industrial Park
Location: the north bank of Yangtze River, with a planned area of 29.4 square kilometers
Key industries: petrochemicals, deep processing and chemical gas products, pharmaceuticals, fine chemical products, polymer processing products, comprehensive deep processing products, and high-tech biomedical products
Tel: ⑥, 27-1505282217 Website: www.scip.com.cn
Songjiang Economic and Technological Development Zone

Location: the Southwest of Shanghai, with an area of 57.77 square kilometers
Key Industries: The zone has formed a "4+3+N" industrial pattern, composed of four traditional industries (electronics and information, food processing, fine chemicals, modern equipment), three national strategic emerging industries (integrated circuits, new energy vehicles, biomedicine) and biotech projects.

Tel: 86-21-37031111 86-21-57856399 Website: www.yetong.com

Zhangjiang Science City

Location: the Central Pudong, with a planned area of 95 square kilometers
Key Industries: biomedical industry, integrated circuit, Artificial Intelligence AI

Tel: 86-21-68768879 Website: www.zpark.com

Shanghai Zizhu Hi-Tech Industrial Development Zone

Location: the Southwest of Shanghai, with a planned area of 13 square kilometers for the Phase I project
Key Industries: Dominated by six industries: integrated circuits and softwares, new materials, life sciences, new energy, aviation and digital contents, This is the only new high-tech industrial development zone jointly invested by the government, enterprises and universities and operated in a market-oriented manner, featuring high-quality and high-end innovative elements at home and abroad.

Tel: 86-21-61212288 Website: www.zhskipark.com

Lujiazui Finance and Trade Zone

Location: the Pudong New Area, within the Shanghai Inner Ring Line consisting an area of 31.78 square kilometers
Key Industries: The zone has formed a "3+2" modern service industry development system with shipping, trade and finance being the core industries and cultural tourism & exhibition and professional services being the key industries.

Tel: 86-21-33848788 Website: www.nceac.gov.cn

Sheshan National Tourist Resort

Location: the Songjiang District, the Southwest of Shanghai, with an area of 46.26 square kilometers
Key Industries: tourism, sightseeing, conference, leisure, vacation, residence and other comprehensive tourism and leisure industries

Tel: 86-21-57610117
UNIDO-SPIC

The Shanghai Investment Promotion Center of the United Nations Industrial Development Organization (UNIDO-SPIC) was jointly established by the UNIDO, the Ministry of Commerce and the Shanghai Municipal People’s Government. The center operates in introducing foreign investment and technology to Shanghai, and promoting Chinese investment and technology to access other developing countries and extend its influence in the world. UNIDO-SPIC provides high-level advisory services for enterprise development agencies, road government and investment promotion agencies, multilayer investment, technology, knowledge and skills, and implements sustainable, inclusive and innovative projects in China and other developing countries.

Shanghai Technology Innovation Center

For many years, the center has been committed to the incubation and management of science and technology-based SMEs. The center is not only an incubator of science and technology-based SMEs, but also a service organization coordinating the city's science and technology-based enterprise incubator network and science and technology parks of universities. In addition, it provides innovation and entrepreneurship services for the city’s small and medium-sized tech firms and creates a public service environment to promote entrepreneurship in the whole society.

Shanghai SME Development Service Center

The Shanghai SME Development Service Center is a national public service demonstration platform for SMEs recognized by the Ministry of Industry and Information Technology. The service center helps implement the laws, regulations and policies of the central government and Shanghai Municipality in relation to SMEs. The center also assists in promoting the construction of SME service systems and credit systems, coordinating and organizing cross-industry and cross-regional activities for SMEs.

OSI Promotion Shanghai

The Shanghai OSI Promotion Service Center provides information to enterprises going global on economy and trade, forums, project matchmaking consultation, legal protection, market analysis, risk prevention, and other information for all types of enterprises. It aims to create a favorable, efficient, and stable business environment in Shanghai to go global and conduct international operations.

‘Going Global’ Service Platform

This WeChat platform was created by the Shanghai Municipal Commission of Commerce to give further play to Shanghai’s leading role in the “Silk and Road” initiative. The platform releases the latest policies and news on foreign investment and cooperation, providing services for enterprises to go global.

Shanghai Development Park Association

The Shanghai Development Park Association is an independent, nonprofit social organization, organized and managed by experts from industry and technology innovation parks. With members covering all types of development zones in Shanghai, the association provides a comprehensive network for Shanghai’s industry and technology innovation parks, promotes the development of members by strengthening domestic exchanges and boosting expanding international cooperation.

Note: All information in this brochure is obtained from public sources and is for reference only.