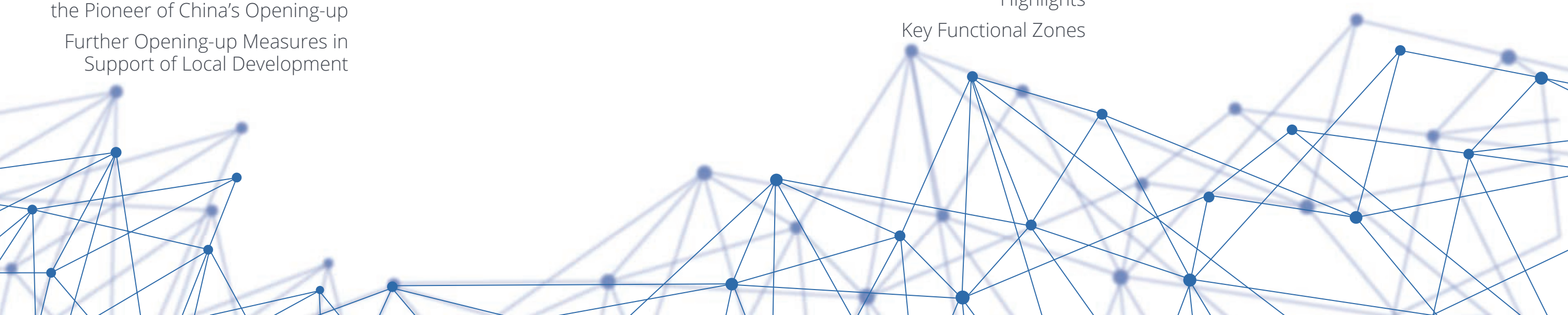


2020

SHANGHAI FOREIGN INVESTMENT GUIDE



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Preface

Situated on the east coast of China near the mouth of the Yangtze River, Shanghai is internationally known as a pioneer of China's opening to the world for its inclusiveness, pursuit of excellence, cultural diversity, and magnificent modesty.

Today, Shanghai has bravely taken on "the most challenging tasks to continuously improve its urban capacities, core competitiveness and governance as a modern socialist metropolis of international influence", as encouraged by the Chinese President Xi Jinping during his visit to the city in November 2019. Marching towards new goals, the city at the forefront of China's opening-up endeavor is dedicated to playing a greater role in allocating global resources, nurturing sci-tech innovations, supporting high-end industries and further opening up the gateway to the world. In this way, high-quality economic growth and more miraculous achievements will be seen in a more liberalized and inclusive market driven by greater innovation momentum.

Firstly, the openness of Shanghai means developing itself into a global city of excellence in line with the

highest international standards and best practices. As China's most important gateway to the world, Shanghai has persistently functioned as a leader in the national opening-up initiative. From the establishment of China's first bonded zone to the inauguration of the country's first pilot free trade zone, and from the operation of the first joint venture retail business to the implementation of the first negative list of foreign investment, Shanghai continuously expands its openness-based new economic system in line with international communities. In 2019, the Lin-gang Special Area of the China (Shanghai) Pilot Free Trade Zone (SHFTZ) was inaugurated as a special economic function zone benchmarked against the most competitive free trade zones recognized internationally. Enabling the free flow of investment, trade, capital, transportation and personnel, it has further intensified Shanghai's efforts to liberalize and facilitate investment and trade. While deepening its all-round institutional innovation, Shanghai plans to continue its active role in this area in the next 30 years with greater momentum to attract and better allocate global resources and optimize its urban capacities and core competitiveness.

Secondly, the openness of Shanghai translates into a most desired investment destination in the world characterized by increasing vitality and optimized business environment. Government authorities in Shanghai have made a point of offering local businesses expedient administrative services through government programs and policies that better meet their needs. While promoting the branding of "Shanghai Service" supported by the city's tradition of providing premium services, the Shanghai Municipal Government has introduced a series of reform programs and policies aiming to extensively improve business environment with a focus on ensuring the satisfaction of businesses and service providers. In addition to the 164 reform programs and policies introduced over the past two years, the government is planning to issue 122 new measures to effectively benefit more local businesses in a more targeted manner. Thanks to these remarkable efforts, Shanghai attracted a record-breaking total of paid-in foreign investment up to USD 19.048 billion in 2019, averaging over USD 52 million a day. As best shown in the active performance of investors and concentration of market players,

Shanghai is becoming one of the most desired investment destinations for foreign investors.

Thirdly, the openness of Shanghai is shown in its pursuit of world-leading science and technology innovations that empower high-quality economic development. As a leader of the national opening-up, the economic growth along the Yangtze River Economic Belt and the integrated development of the Yangtze River Delta (YRD) region, Shanghai is playing a crucial role as a world's strongest center of concentrated global innovation resources. Shanghai has seen a series of iconic innovation achievements and a rapid development of world-class industry clusters characterized by the trial flights of China's homemade C919 large passenger plane, the first-ever cloning of macaque monkeys via somatic-cell nuclear transfer, establishment of the world's largest photonic science center in Zhangjiang, and launch of the Sci-Tech Innovation Board, or the STAR Market, at the Shanghai Stock Exchange (SSE) with its pilot registration-based IPO system. Sci-tech innovation has become the key force driving Shanghai's transformation into a global city of excellence.

At the beginning of 2020, Shanghai released the 3.0 version of its business environment reform plan – the *Implementation Plan on Deepening the All-round Development of a World-leading Business Environment in Shanghai*. Aiming to further improve local business environment, the plan specifies 36 measures to optimize the administrative services provided through the All-in-one Portal, increase the international competitiveness of Shanghai in attracting foreign investment, provide enhanced institutional arrangements to better protect and encourage operations of market players, and strengthen the support from government agencies. As emphasized by Li Qiang, Secretary of the Chinese Communist Party Shanghai Municipal Committee, at the Shanghai Business Environment Improvement and Investment Promotion Convention, additional efforts will be made in accordance with the instructions of Xi Jinping to resolutely deepen the development of a more competitive business environment.

To maintain its steady progress in the "three major tasks" put forward by President Xi – expanding the

SHFTZ with a new area included; operating the SSE STAR Market with its pilot registration-based IPO system; and promoting the integrated development of the YRD region as a national strategy, Shanghai will continue to forge closer cooperation with foreign investors in more sectors. A forerunner in China's reform and opening-up as well as innovation-driven development, Shanghai is set to further thrive and create new miracles that will continuously propel national growth and benefit the world.

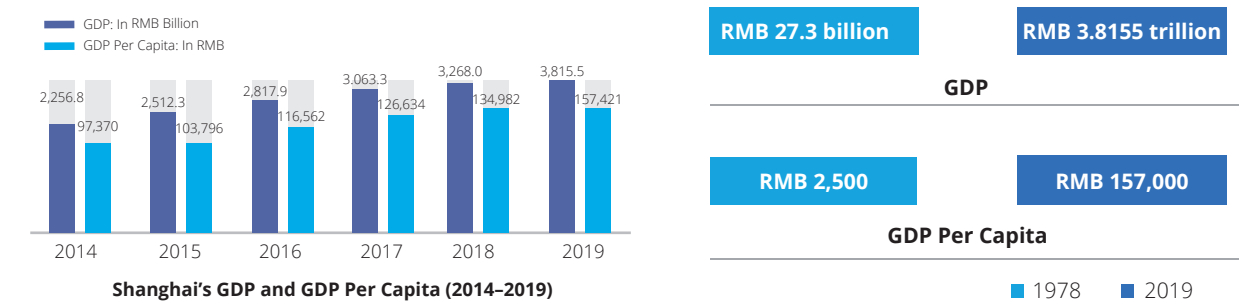
Chapter I

A City Abundant in Investment Opportunities

Enhancing Urban Capacities and Core Functions

As China's largest economic center, Shanghai exhibits buoyant economic dynamics characterized by robust resilience and inclusiveness. In the New Era, the vibrant city is focusing on core urban functions and key areas to develop itself into an international center of economy, finance, trade, shipping and sci-tech innovation, as well as a global city of excellence and a modern socialist metropolis with international appeal, boasting higher-quality development driven by further opening-up.

🌐 **Shanghai grows faster than most of the world's major cities in terms of GDP, recording a compound annual growth rate of 11.56% between 2001–2019.**



🌐 **Shanghai has achieved remarkable progress in its Initiative of “Five Centers”, showed strong economic resilience and vitality, and enhanced its urban capacities and core competitiveness in every aspect.**

- Shanghai is one of the **world's top ten** economically vibrant cities.
- According to the study of Oxford Economics in 2018, Shanghai was expected to rank **fourth** in the 2035 Global GDP Rankings of Major Cities, jointly with London.
- As of the end of 2019, **70** enterprises had launched their IPOs on the **Science and Technology Innovation Board**, or the STAR Market.
- In 2019, the total funds devoted to research and test (R&D expenditure) in Shanghai accounted for **4%** of the local GDP, marking an increase for **nine consecutive years**.
- Shanghai ranked **fourth** in the 2019 Xinhua-Baltic International Shipping Centre Development Index.
- Shanghai Port has **topped** the list of global ports in terms of container throughput for **ten consecutive years**.
- Shanghai takes the **fourth** place in the Global Financial Centers Index (GFCI 27) in 2020.
- Shanghai is **No.1** in China according to the China Financial Centers Index in terms of comprehensive competitiveness and financial market scale.
- Shanghai is the **world's largest** port city for international trade.
- Shanghai ranks **second globally** in terms of the intensity of international retailers.



Strengthening Four Major Functions to Promote High-quality Economic Development

Allocating Global Financial Resources

Complete International Financial Sectors

- 12 national financial factor markets
- In 2019, the turnover of financial markets totaled **RMB 1,934.31 trillion**, up by 16.6% year on year.

Pioneering China's Financial Opening-up

- A total of **projects in relation to financial opening-up in 4 batches** have submitted application, among which **18** have been approved.
- Shanghai was the first in China to pilot cross-border RMB business and venture-loan linkage program.

Clustering Headquarters of Financial Institutions

- New Development Bank
- The Cross-Border Interbank Payment System
- The Global Association of Central Counterparties
- China Insurance Investment Fund

Facilitating Science and Technology Innovations

Investment in Science and Technology Increasing Steadily

In a proactive effort to support the implementation of China's 2030 Innovation Megaprojects Initiative, Shanghai has undertaken a total of **854** National Science and Technology Major Projects, ranking first in China, and has thus been granted **RMB 31.62 billion** by the central government.

Innovation Resources Increasingly Aggregated

High-level research institutes have been established in Shanghai, including the Zhangjiang Lab, the Shanghai Research Center for Quantum Sciences, and **44** national-level key laboratories. In addition, **13** major sci-tech research facilities have been built or are currently under construction.

Innovation Achievements Constantly Emerging

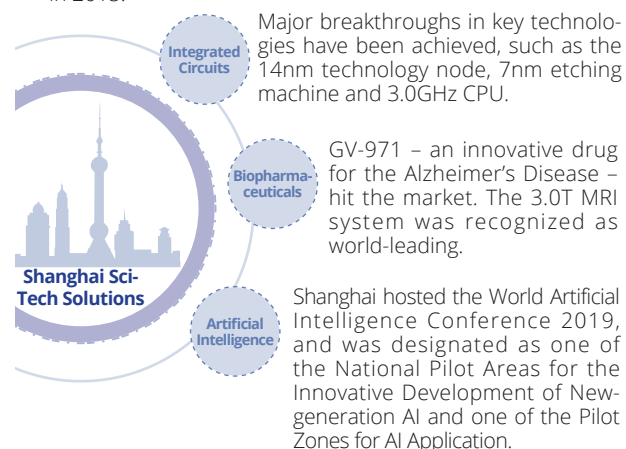
In 2019, **100,587** patents were approved in Shanghai, and over **5,900** firms recognized as high-tech enterprises. By the end of 2019, a total of **12,940** high-tech achievement application projects had been identified.

Moving up the Sci-Tech Innovation Rankings

Shanghai recorded **281.9** points in Science and Technology Innovation Center Index¹, marking a year-on-year increase of **10.51%** and an average annual increase rate of **13.83%**. According to the *Global Scientific and Technological Innovation Centers Evaluation Report 2020*, Shanghai moved up **four** places in the overall rankings.

High-end Industries Playing Leading Roles

Economic structure continues to improve: Knowing that high-end industries are important forces driving high-quality economic development and the increase of urban capacities and core competitiveness, Shanghai has been constantly optimizing its industry structure to control core links on value chains and move up towards the higher end. By the end of 2019, the output of the manufacturing sector among strategic emerging industries in Shanghai accounted for 30% of the city's gross industrial output, up from 23.6% in 2015.



A Gateway to the World

- Throughout 2019, Shanghai Port handled a throughput of about **43.30 million TEUs**, remaining as **the world's busiest container port**.
- In 2019, the value of goods trade between Shanghai and the Belt and Road countries/regions and strategic node cities accounted for **22.4%** of the city's total value.
- In 2019, the value of goods imported and exported through Shanghai Port reached **RMB 8.42679 trillion**, ranking **first across the globe**.



Note: 1. The data was issued by Shanghai Institute for Science of Science.

Influx of Foreign Investments into the Pioneer of China's Opening-up

In 2019, foreign investment in Shanghai maintained steady growth, and by the end of the year, a total of over 50,000 foreign-invested enterprises had been established in the city. Already a home base to the largest number of regional headquarters (RHQs) and foreign-invested R&D centers in China for years, Shanghai has continued to push ahead the all-round opening-up at a higher level. As a result, it is now one of the most attractive investment destinations in China and beyond, boasting a new foreign investment landscape pillared by headquarters, service and R&D economies.

New foreign investments in Shanghai in 2019



Investment Security

A secure and healthy investment environment is the foundation for continuous attraction of investment. Well known for its security and orderliness, Shanghai is one of the world's safest cities to invest in. According to the research of a third-party institution, the index of the sense of security and satisfaction of people in Shanghai has been steadily growing for seven years in a row, testifying to how safe and secure the city is. The city was also rated by *The Economist* magazine as one of the safest cities in the world.



Total foreign investments in Shanghai as of the end of 2019



Major Sources of Investment

As of the end of 2019, Shanghai had received investments from 188 countries and regions, among which the amount of contractual investment from countries and regions along the Belt and Road accounted for **8.2%** of the total amount of foreign investments.

Major Investment Areas

The number of foreign-invested projects and the amount of contractual foreign investment in Shanghai's tertiary industry throughout 2019 accounted for **97.1%** and **95.4%** respectively. Most investments were devoted to business services.

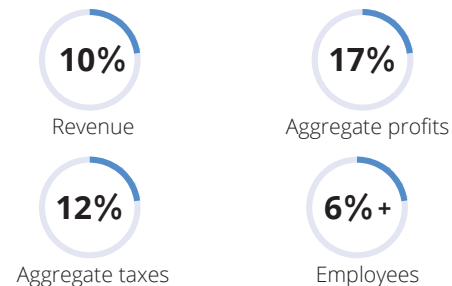
Foreign Investment Pushing Ahead Local Opening-up

For the first time in China, Shanghai welcomed a foreign-invested shareholding company, a wholly foreign-owned international shipping agency, a foreign-controlled securities company, and a wholly foreign-owned insurance holding company.

Regional Headquarters of Multinational Corporations

In recent years, given the changing landscaping of Chinese and international economies, multinational corporations (MNCs) have been accordingly adjusting their business operation models and global presence. Closely following their movements, Shanghai has been committed to strengthening its capacity of allocating global resources of high-end factors to encourage MNCs to set up in the city RHQs covering Asia, Asia-Pacific or broader regions. At present, RHQs of MNCs in Shanghai mainly operate in a diversified range of manufacturing industries, represented by automobile, chemicals, biopharmaceuticals and electronic equipment.

RHQs of MNCs make up 1.34% of foreign-invested corporations in Shanghai, contributing substantially to local economic growth.



Foreign-invested R&D Centers

Favored by foreign and local innovators, Shanghai is home to one fourth of the foreign-invested R&D centers in China, thanks to its proactive efforts in recent years in supporting foreign-invested enterprises to establish R&D centers and open innovation platforms. It has also been encouraging these R&D centers to develop global competitiveness and participate in the R&D of public service platforms. Today, foreign-invested centers are playing an essential role in building Shanghai into a global innovation hub.



A Concentration in High-tech Industries

Foreign-invested R&D centers in Shanghai have concentrated in high-tech industries including information technology, pharmaceuticals, automobile and auto parts, and chemicals. As of now, eight out of ten world's largest pharmaceutical enterprises have set up R&D centers in the city.



Globalizing Foreign-invested R&D Centers

MNCs are enhancing the significance of their Shanghai R&D centers in their global operations, and upgrading them into regional or global R&D centers to support R&D achievements around the world.

Main types of foreign-invested R&D centers in Shanghai

Product Localization

Foundational R&D

Technology & Product Development

RHQs of MNCs



In 2019, Shanghai attracted

50 RHQs of MNCs, including 28 Asia-Pacific/global HQs.



As of the end of 2019, Shanghai had introduced

720 RHQs of MNCs, including 116 Asia-Pacific/global HQs.



Foreign-invested R&D Centers



In 2019, Shanghai attracted

20 foreign-invested centers, including 7 Asia-Pacific/global centers.



As of the end of 2019, Shanghai had hosted

461 foreign-invested centers, including 72 Asia-Pacific/global centers.

Further Opening-up Measures in Support of Local Development

At the first China International Import Expo (CIIE) in 2018, three missions were set for Shanghai by President Xi Jinping, cementing its role in China's further opening-up: expanding the SHFTZ to include a new special area; launching on the Shanghai Stock Exchange (SSE) a science and technology innovation board with a pilot registration-based IPO system; and promoting the integrated development of the YRD region as a national strategy. The three missions, together with the CIIE, constitute the "3+1" system, which will create new opportunities driving the growth of Shanghai in the new era.

Lin-gang Special Area of SHFTZ

The Lin-gang Special Area of SHFTZ was inaugurated on August 20, 2019, with an initial planned area of 119.5 km². As an all-round, fundamental institutional innovation in response to new trends in global economy and trade, this special area with re-organized functions is expected to strengthen Shanghai's position as a gateway to both national and international markets, and to serve as an important platform for China to become more integrated into the global economy.

Reshaping the developing structure of urbanization

Increasing local economic vitality

Creating more strategic space for Shanghai's development

A globally influential and competitive zone tasked with special economic functions

A set of institutional arrangements is being put in place in alignment with international practices to drive further opening-up that is institutionally supported rather than only based on flows of goods and factors of production.

An open, innovative and sustainable urban destination that is livable and business-friendly

High-quality foreign capital investment is encouraged in public services to improve local infrastructure for delivering world-class urban services and functions.

The SSE STAR Market with a Pilot Registration-based IPO System

Launched on June 13, 2019, the SSE science and technology innovation board, or the STAR Market, is a critical move in promoting the development of Shanghai as a global center of both sci-tech innovation and finance. Aiming to facilitate the marriage of capital and innovation, it is designed as a source of capital for high-tech enterprises and the real economy. As of the end of 2019, 70 companies were listed on the STAR Market, raising a total of RMB 82.4 billion.



Supporting High-tech Enterprises

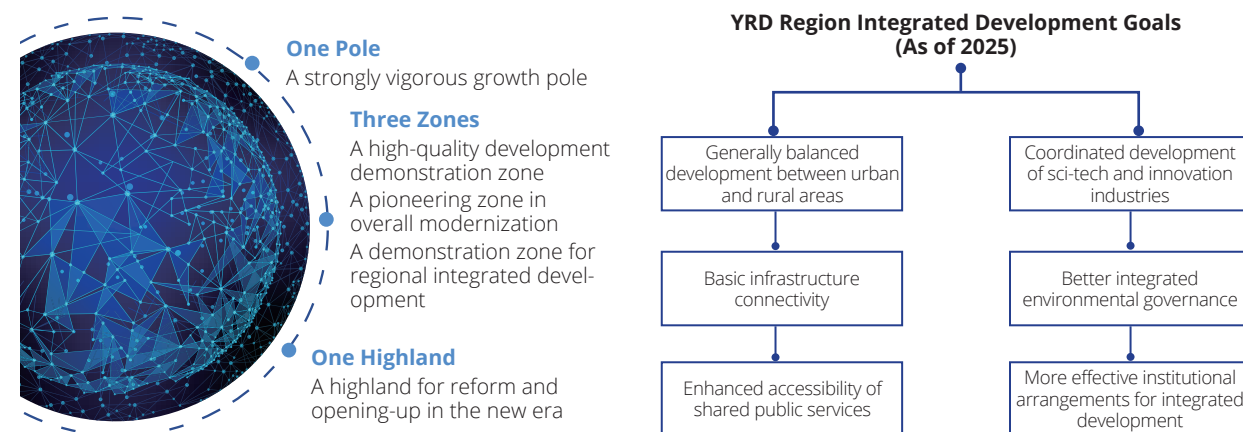
Positioned to support enterprises at the forefront of global technological innovation with a view to powering economic growth and serving major national needs, the STAR Market has accepted listing applications from 205 companies active in strategic emerging industries such as new-generation information technology, biopharmaceuticals and advanced equipment manufacturing.

Institutional Breakthroughs

The STAR Market pilots a registration-based IPO system that is built on information disclosure and open inquiry-based review. This makes it possible for a company to go public within only 120 business days on average after filing. The time needed for share prices to reach equilibrium is also shortened, thanks to the market-oriented pricing mechanism.

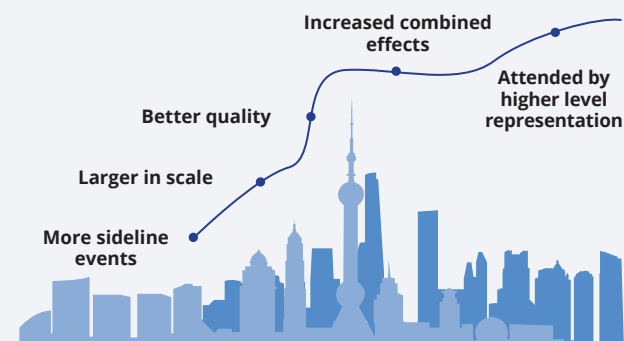
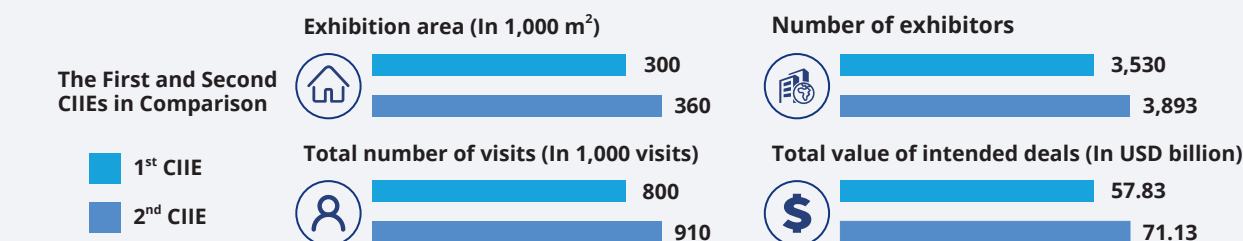
Integrated Development of the YRD Region as a National Strategy

As one of the most economically dynamic, open, and innovative regions of China, the Yangtze River Delta (YRD) region is actively pursuing integrated regional development to better contribute to China's reform and opening-up. In 2018, the YRD Regional Cooperation Office was established by the municipal government of Shanghai jointly with the provincial governments of Jiangsu, Zhejiang, and Anhui, as the first permanent cross-regional administrative office set up for the integrated development of the YRD region. In December 2019, the *Outline of the YRD Region Integrated Development Plan* was issued jointly by the CPC Central Committee and the State Council of China, highlighting the need for Shanghai to enhance its urban functions and core competitiveness as a forward-looking, globally-minded city, and take lead in the integrated development of the YRD region.



The Second CIIE

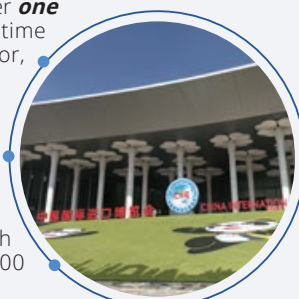
The second CIIE was held in Shanghai on November 5–10, 2019, as not only an international exhibition and high-level forum, but also an opportunity for diplomatic dialog and people-to-people exchanges. Representing an important move of China to open its market to the world, the CIIE is an international public platform for open cooperation that maximizes mutual benefits. The event will continue on an annual basis, signifying China's commitment to keeping its door open to the world, and creating more opportunities for global economic growth.



64 countries featured in the Country Exhibition in the second CIIE, of which over **one third** attended the CIIE for the first time and **15** were guest countries of honor, compared to 12 in 2018.

391 new products, technologies and services were premiered to the Chinese mainland or the world.

Over **230** companies have signed up for the upcoming third CIIE, of which more than **80** are Fortune Global 500 companies and market leaders.

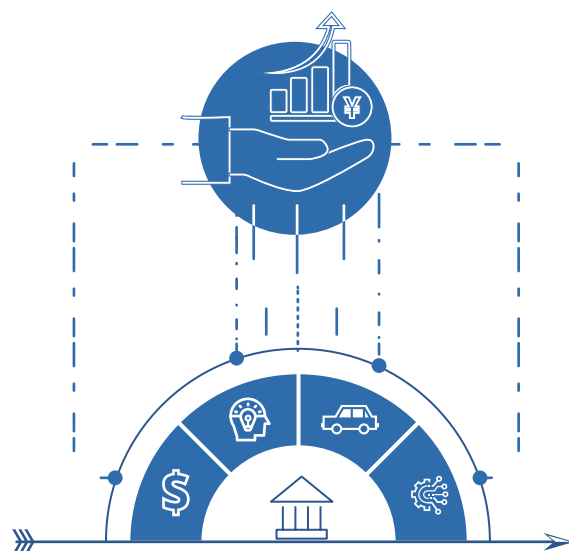


Chapter II Highlighted Investment Areas



Overview of Investment Areas

In the wake of the new round of technological revolution and further industry transformation, Shanghai has made relentless efforts to upgrade its traditional industries into high-end and high value-added ones of great efficiency, while cultivating new growth poles of emerging industries with enormous potential by virtue of technological breakthroughs. As Shanghai continues to agglomerate worldwide resources and factors to build itself into a modern metropolis with global influence, it has brought in sufficient opportunities for foreign investors. Based on the city's current industry system, with modern service industries as its base, strategic emerging industries at the top, and advanced manufacturing as the backing force, investors are welcomed with open arms to invest in varied distinctive and competitive industries. Efforts will be made:



To boost the development of modern service industries in Shanghai, including **financial services, modern commerce and trade, and cultural and creative industries**, and enhance their capacity in mobilizing global resources, through further opening-up and institutional innovation.

To attract and implement major projects oriented towards technological transformation and industry development, particularly those of strategic emerging industries, such as **integrated circuits, AI and biopharmaceuticals**, and break the barriers to patents, supply chain and technologies, so as to independently grasp key and core technologies with improved innovation capabilities.

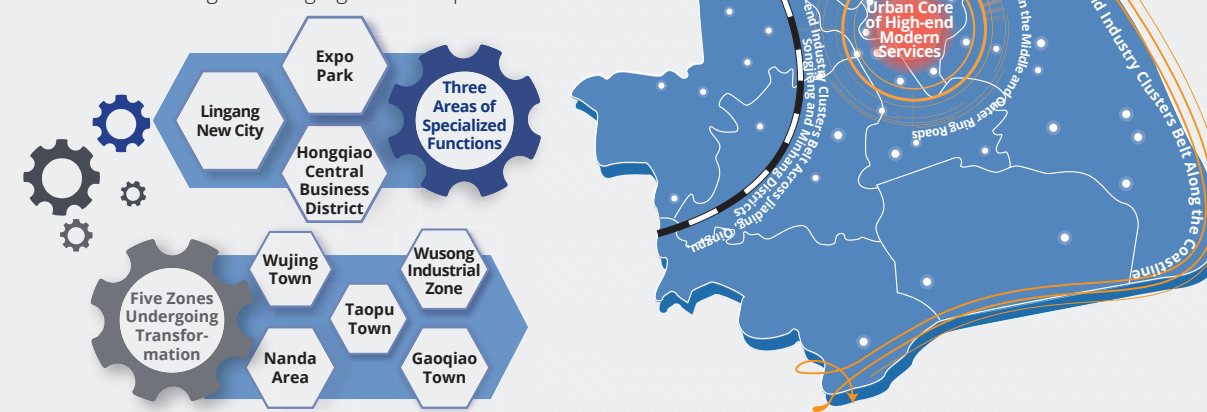
To enhance the industry foundation and move up the value chain by transferring traditional industries while creating industry clusters of **new materials, high-end energy equipment and new energy vehicles**, with a view to improving the capacity and quality of real economy.

In this new round of regional economic development, many international metropolises are encouraging the backflow of manufacturing industries to balance their capital allocation. Endowed with a strong manufacturing gene, Shanghai has the manufacturing sector taking up over 25% of its GDP, a rather high proportion compared with that of New York, Tokyo and other international economic centers. In recent years, giving full play to its existing clustered technology innovation resources, the city has made great efforts in transforming industries into high-end ones with the help of technological transformation, and promoting the deep integration of strategic emerging industries and cutting-edge practical technology innovations, by aligning the innovation chain with the industry layout. Backing Shanghai's economic development, manufacturing has laid a solid foundation for the growth of the modern service industries in Shanghai, such as finance, commerce and trade.

Spatial Layout of Investment Areas

Based on its spatial structure and the comparative advantages of different areas, Shanghai has developed an overall layout of industries featuring an urban core that provides high-end modern services, a circle of growing integrated digital industries represented by AI and big data, and two belts of high-end industry clusters focusing on strategic emerging industries and advanced manufacturing. On top of that, Shanghai has focused on developing high-end and high-tech industries in a bid to create new industry zones with high economic intensity.

The "park economy" is a prominent feature of Shanghai's sci-tech innovation and industry development. The city has long been committed to providing sufficient spaces for high-quality industry projects. In March 2020, it launched a campaign to introduce its 26 specialized industry parks covering six core areas – integrated circuits, artificial intelligence, biopharmaceuticals, aerospace, new materials, and intelligent manufacturing. These "small and beautiful" parks, with a total of over 60 km² planned industrial land, boast specific industry positioning, unique park operators and strong industry ecosystems, providing investors with great potential to plan their investment based on their own strategies and highlights of each park.



One Urban Core Providing High-end Services

Covering districts including Huangpu, Jing'an, Xuhui, Changning, Putuo, Hongkou and Yangpu

Represented by financial services, modern commerce and trade, and the cultural and creative industries

One Circle

One Circle Formed by Growing Integrated Digital Industries

Covering areas along and between the Middle and Outer Ring Roads
Represented by AI, big data, and Industrial Internet of Things (IIoT)

Two Belts of High-end Industry Clusters

One extending across Jiading, Qingpu, Songjiang and Minhang Districts, while the other stretching along the coastline across Pudong New Area, and Chongming, Baoshan, Fengxian and Jinshan Districts

Represented by advanced manufacturing and strategic emerging industries

Two Belts

67 Key Areas for Future Industry Development

Playing crucial roles in developing high-end and high-tech industries represented by integrated digital industries, strategic emerging industries, modern services, and modern agriculture

Multi Areas

A Glimpse at Shanghai's Advantageous Industries

Financial Services

In 2019, Shanghai's financial industry generated an added value of RMB 660.06 billion, an increase of 11.6% year on year. As China's financial center with a full-fledged financial market system, Shanghai has preliminarily built itself into a global trading, pricing, clearing and innovation hub of RMB-denominated financial products, and has become an ideal destination for global financial institutions' headquarters and functional financial entities. Shanghai moved up to 4th place among worldwide financial hubs according to the Global Financial Centers Index 27 (GFCI 27) released by British think tank Z/Yen.

Investment Advantages

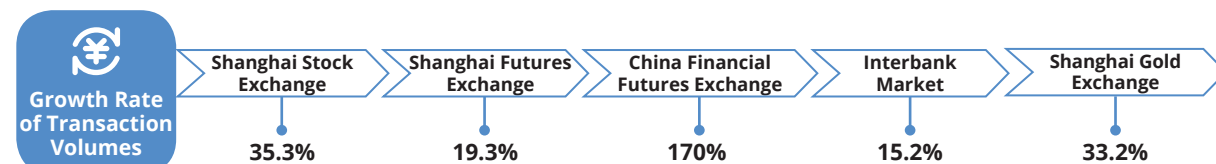
Vigorous Growth Momentum

As one of the industries that contribute the most to the city, Shanghai's financial industry enjoys a strong foundation and vigorous growth momentum. By the end of 2019, the city was home to a number of state-level financial markets such as the Shanghai Stock Exchange, Shanghai Gold Exchange and Shanghai Insurance Exchange, and 1,659 licensed financial institutions, of which over 30% are foreign-funded. It is proven that Shanghai has emerged as one of the cities with the largest number of financial institutions and the most comprehensive factor markets globally.



Increasing Transaction Volumes

Shanghai's financial markets saw an active year in 2019, with the transaction volumes reaching RMB 1,934.31 trillion, a year-on-year increase of 16.6%.



Greater Openness to the World

Shanghai has taken the lead in the openness of financial industry among the other cities in the Chinese Mainland with more areas open to foreign investors. It has launched a range of financial innovation products, such as Huluntong (Shanghai-London Stock Connect), CSI 300 Stock Index Options, and China Universal CSI Yangtze River Delta Integrated Development Theme ETF. The Shanghai government is also speeding up implementing a set of opening-up policies, including lifting restrictions on foreign investment ratios of joint venture insurance companies operating life insurance business, piloting wealth management companies co-funded by overseas financial institutions and domestic large banks, and allowing capital management centers established by multinational companies in Shanghai to trade in the interbank foreign exchange market upon approval.

Shanghai has China's first approved wholly foreign-owned insurance holding company

Allianz (China) Insurance Holding Co., Ltd.

Shanghai has China's first batch of foreign-controlled securities companies

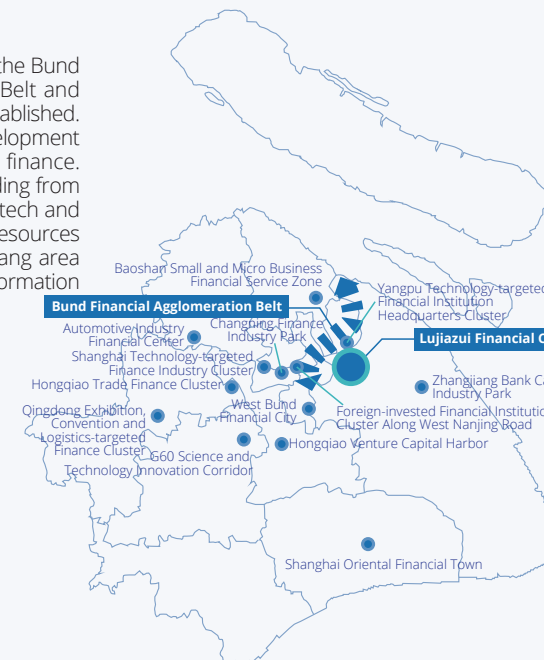
Nomura Orient International Securities Co., Ltd.
J.P. Morgan Securities (China) Co., Ltd.

Vibrant Fintech Innovations

The development of fintech allows Shanghai to simultaneously build itself into an international financial hub and a global science and technology innovation center, and it also provides more business opportunities for various financial institutions to enrich financial products and improve the financial supply chain. In recent years, Shanghai has been strategically promoting the development of fintech and improving its development framework by adopting measures such as launching the Science and Technology Innovation Board and piloting a registration-based IPO system, setting up the Shanghai Fintech Industry Union and its physical premises – Shanghai Shinovation Capital Fintech International Industrial Park, and releasing *Implementation Plan for Accelerating the Development of Financial Technology Center in Shanghai*. These efforts have created opportunities for foreign-invested financial institutions to play a part in fintech innovation and find new growth poles in Shanghai.

Recommendation on Where to Invest

Based on the "Golden Triangle" financial zone formed by Lujiazui, the Bund and the North Bund, a development layout of "One City, One Belt and Multiple Spots" in Shanghai's financial service industry has been established. "One City" stands for Lujiazui Financial City, dedicated to the development of financial factor markets, headquarters finance and shipping finance. "One Belt" refers to the Bund Financial Agglomeration Belt extending from Huangpu District to Hongkou District, committed to cultivating fintech and other emerging financial industries in align with special industry resources of each district. "Multiple Spots" are represented by the Zhangjiang area as well as Jing'an, Xuhui and Putuo Districts, featuring financial information services, foreign capital finance and cultural finance.



Lujiazui Financial City

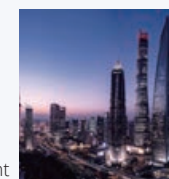
Lujiazui Financial City is the most prominent financial cluster in China, boasting complete factor markets and a well-established shipping financial services system. With over 250 office buildings and 108 regional headquarters of multinational corporations, the commercial real estate economy density of Lujiazui Financial City ranks among the top in the world.

Office Buildings: Shanghai World Financial Center, Jin Mao Tower, Shanghai IFC

Contact: 86-21-60893700



WeChat Official Account of Lujiazui Financial City



Bund Financial Agglomeration Belt

As a core area for supporting Shanghai as an international financial center, the Bund Financial Agglomeration Belt gathers the second largest number of financial institutions in Shanghai, and has witnessed the world's largest spot gold trading volume and industry-leading asset and wealth management scale. As specified in the *Eighteen Guidelines for Bund Finance* issued by the Huangpu District government in 2020, focused efforts will be made to develop the asset management and fintech sectors, encourage foreign investors to set up or control financial institutions that involve in bonds, funds and futures, and accelerate the agglomeration of the leading fintech companies and unicorns.

Office Buildings: Bund Financial Center (BFC), Greenland Bund Center, Bund SOHO

Contact: 86-21-33134800



Huangpu Financial Services Platform



Eighteen Guidelines for Bund Finance

North Bund Financial Zone

As a cluster of financial industries in Hongkou, the North Bund Financial Zone dedicates itself to the development of fintech and wealth and asset management. It has attracted one-ninth of China's companies that operate public offering funds and housed more than 1,500 financial institutions, with the value of asset under management totaling more than RMB 5 trillion. Since the completion of Shanghai Fintech Park, the North Bund Financial Zone has been endeavoring to build a well-developed fintech ecosystem to support the level-up of its wealth management capacity.

Office Buildings: Pujiang International Financial Plaza, Financial Street (Hailun) Center

Contact: 86-21-65953818



Hongkou Investment Services Platform



Exemplary Case of Foreign-invested Financial Institutions in Shanghai

Allianz (China) Insurance Holding Co., Ltd.

As an open international financial center, Shanghai has long been an attractive destination for foreign investors. Since the China Banking and Insurance Regulatory Commission (CBIRC) cancelled the foreign equity ratio restrictions in joint venture life insurance companies, along with the introduction of other favorable policies, foreign financial companies have started to expand their businesses in China at an accelerated pace. In January 2020, Allianz Group, a world-leading financial company, established Allianz (China) Insurance Holding Co., Ltd. in Shanghai as China's first wholly foreign-funded insurance holding company. This sole proprietorship will greatly enhance the strategic and financial flexibility of the company. As a member of the International Business Leaders' Advisory Council for the Mayor of Shanghai (IBLAC), Allianz has witnessed and participated in Shanghai's reform and opening-up. According to Oliver Bäte, Chief Executive Officer and Chairman of Allianz, Allianz attaches great importance to the Chinese market, especially Shanghai, and appreciates the strong support from China's financial regulators and the Shanghai municipal government in opening the holding company; Allianz is willing to allocate more resources to Shanghai to better serve Chinese customers and other institutional investors and expects to achieve greater development by participating in Shanghai's international financial center development.

Nomura Orient International Securities Co., Ltd.

Nomura Orient International Securities Co., Ltd. ("Nomura Orient"), 51% owned by Japan's Nomura Holdings, is the first foreign-controlled joint venture brokerage in China. It was established in August 2019 with a registered capital of RMB 2 billion, and granted the securities business license by the China Securities Regulatory Commission in November 2019. Since officially opened on December 20, 2019 in Huangpu District, Nomura Orient has been operating brokerage, investment consulting, proprietary trading and asset management.

Determined to provide customers with a diversified range of investment products and services developed in the Chinese market, Nomura Holdings is leveraging its international know-hows and local strengths to make Nomura Orient an integrated securities company positioned at the strategic center of its Asian business landscape (except Japan). These efforts will also promote the development of China's capital market and the broader economy.

Industry Support

Industry Policy



Opinions of the China (Shanghai) Pilot Free Trade Zone on Expanding the Opening-up of the Financial Service Industry and Further Gaining New Advantage in Development and Opening-up issued by China (Shanghai) Pilot Free Trade Zone



Action Plan for Shanghai's Construction of International Financial Center (2018-2020) issued jointly by People's Bank of China and the National Development and Reform Commission



Measures for the Administration of the Registration of IPO Stocks on the Science and Technology Innovation Board (Trial) issued by China Securities Regulatory Commission



Implementation Plan for Accelerating the Development of Fintech Center in Shanghai issued by the General Office of Shanghai Municipal People's Government

Convention & Exhibition



Lujiazui Forum



Shanghai Financial Services Fair



Shanghai Financial Association (SFA)



Shanghai Securities Association (SSA)



Shanghai Asset Management Association (SAMA)

Industry Association

Modern Commerce



In 2019, the total sales of goods in Shanghai reached RMB 12.080841 trillion, a 1.1% increase over the same period last year, in which the gross retail sales of consumer goods recorded a year-on-year increase of 6.5% to RMB 1.349721 trillion. Looking at different types of retail activities, non-store retail sales clinched approx. RMB 240.32 billion, a year-on-year growth of 13% whereas online retail sales finished at about RMB 189.65 billion, which was an increase of 15.8% from last year and accounted for 14.1% of the total retail sales of consumer goods, up 2.2 percentage points year over year. As Shanghai's commerce and trade industry witnesses innovative development in new retail formats, and continuous transformation and upgrading of traditional commerce sectors, the city is gradually turning into an international consumer market and a new retail shopping metropolis of the world.

Investment Advantages

A Booming First-Store Economy

First-store economy refers to the phenomenon of leading brands or new trendy brands opening their first stores in a region and achieving best synergy of brand value and local resources. Shanghai leads the country in first-store economy thanks to its status as a regional hub and excellent business ecosystem. In 2019, it welcomed 986 first stores into the city, of which 2% were world's firsts and Asia's firsts. As a result, 55.3% of global retailers have now come to Shanghai. A booming first-store economy fuels Shanghai's initiative of building an internationally competitive brand of "Shanghai Shopping".

Transformation of Trade Activities and Traditional Retail Sectors

Thanks to the wide application of Internet, Big Data and other new technologies in commerce and trade, Shanghai has become a source of trade innovation and a test bed for new retail concepts in China. Model enterprises such as Starbucks Reserve Roastery, Hema's Robot.He Restaurant and Suning Xiaodian (neighborhood convenience store) have been incubated to explore opportunities in expanded consumption scenarios such as omni-channel, pan-retail, smart store and fresh produce.

As consumer market enters into a new round of upgrading, small-scale retailers are becoming more specialized in segmented market offerings whereas traditional commerce in Shanghai is demonstrating strong impetus to transform through deep O2O integration. Meanwhile, major commercial complexes are going digital with consumer behavior record & analysis and membership reward point redemption in order to accelerate the transition of traditional business districts to become intelligent ones.

Comprehensive Supporting Policies for Consumption

Shanghai has been actively conducting pilot programs for building itself into a global consumption center in response to national initiatives. A series of supporting policies on developing new business models, formats and modern supply chains as well as cultivating consumption of culture, healthcare and information related goods and services have been put in place, to fully capitalize on Shanghai's strong foundation of modern commerce and explore new consumption potential.

Night-time Economy: Introducing more business activities to allow multiple consumption scenarios in one place; improving commercial facilities to build 24-hour business pilot zones; and increasing urban capacity to create major nightlife consumption programs.

Duty Free/Tax Refund Economy: Expanding coverage of tax refund services with increased convenience for overseas tourists.

Platform Economy: Supporting platform businesses to enrich consumption scenarios and contents online, and promoting faster development of new business formats such as unmanned convenience stores and smart vending machines.

Brand Economy: Launching the "Shopping in Shanghai" App; advancing the upgrading of the Nanjing Road Pedestrian Street and the Lujiazui CBD; and pushing forward the initiative of "One Strategy and One Plan for One Brand" to revitalize time-honored brands.

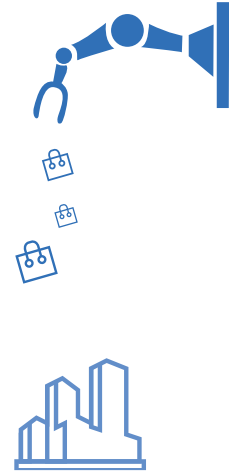
Debut Economy: Developing Huangpu, Jing'an, Pudong and Xuhui as demonstration districts for product world debuts, and supporting e-commerce players to build online debut platforms.



International Consumption Center



Global New Retail Shopping City



Recommendation on Where to Invest

There is a variety of full-fledged business districts and commercial complexes with strong vitality for business and economic development in Shanghai. At present, the commercial landscape here shows a “3+1” structure, with “3” being business centers at municipal, district and community levels and “1” being distinctive commercial streets as supplements. The city now has well-known commercial centers including East Nanjing Road, West Nanjing Road, Middle Huaihai Road, Xujiahui and Hongqiao Central Business District, along with 227 operating urban commercial complexes, of which 69 are shopping malls with a floor area of 100,000 m² or more. Investors can make selection from a wealth of these commercial platforms according to their target customers and company positioning.



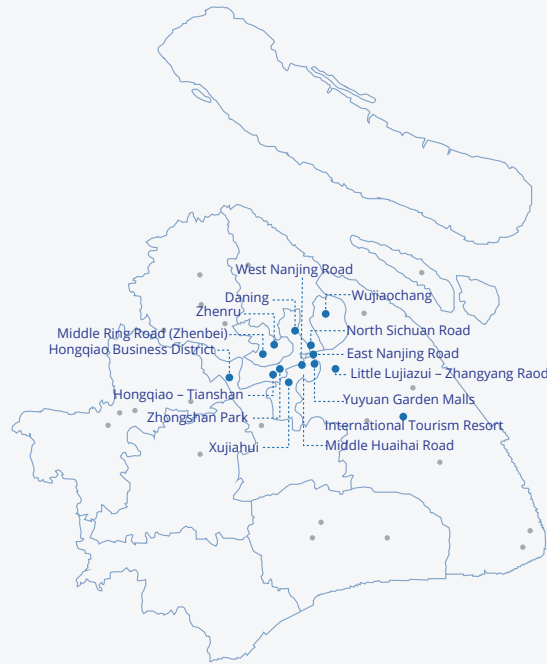
East Nanjing Road Commercial Zone



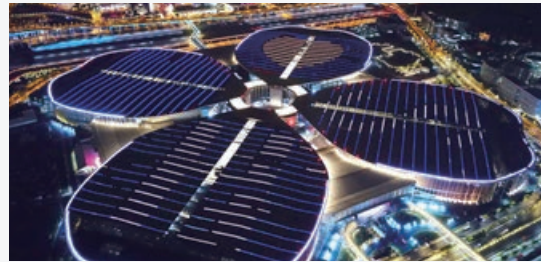
Known as “China’s No. 1 Commercial Street”, East Nanjing Road is the oldest commercial street in Shanghai, with 90% of the global high-end brands having flagship stores and specialty shops here as part of its 245,000 tenant cohort. The commercial zone connects to The Bund and enjoys almost 250 million visits per year. With the implementation of strategies such as the eastward expansion of the pedestrian street, the functional upgrading of shopping malls, and the vitality boost with the first-store economy, East Nanjing Road is taking big stride to become a world-class commercial street and the top choice of businesses for branding.

Leading Commercial Complexes: Shanghai No.1 Shopping Center, Shanghai Shimao Festival City, Raffles City Shanghai, Shanghai New World Daimaru Department Store

Contact: 86-21-33134800



Hongqiao Central Business District



As the “youngest CBD” in Shanghai, Hongqiao Central Business District has the Hongqiao Transportation Hub, the world’s largest transportation complex, and the National Exhibition and Convention Center, the world’s largest single-unit building and exhibition complex. With the goal of building a first-class international CBD and an open and sharing platform supporting Shanghai as an international trade center, the business district has launched a pilot program of “Instant Tax Refund at Purchase”, and implemented specific strategies and plans for premises and commercial buildings to attract and develop unicorns and industry champions in cross-border e-commerce and digital trade, so as to bring new investment opportunities to commercial businesses.

Supporting Platforms and Buildings with Unique Offerings: Hongqiao Import Commodity Exhibition and Trade Center, Hongqiao Overseas Trade Center, Yangtze River Delta E-Commerce Center, Hongqiao Hui (The Gate)

Contact: 86-21-34733382



Exemplary Case of Foreign Retailers in Shanghai

Retail Giant Costco

As the largest membership-only warehouse supermarket chain in the United States with more than 770 stores worldwide, retail giant Costco opened its first store in Chinese mainland in Minhang District, Shanghai in August 2019. Committed to serving its members with a cozy and convenient offline shopping experience, Costco draws in large crowds of consumers from day one with its paid membership model and great value-for-price products. Speaking of the company’s choice of location in China, Richard Zhang, SVP of Costco Asia, attributes the decision of making Shanghai its home to the concentration of Costco’s main consumers in East China, especially Shanghai. Betting on the promising prospects of the commerce and trade industries in Shanghai, Costco will expand its presence in the city by opening its second store in Chinese mainland in the Kangqiao Industrial Zone. In the future, Costco will explore O2O opportunities based on a successful offline business, and continue to help build Shanghai into a city of new retail for global shopping.

Industry Support

Industry Policy



Three-year Action Plan on Promoting the Shanghai Shopping Brand to Speed up Its Development as a Global Consumer Market (2018-2020) issued jointly by the General Offices of CPC Shanghai Municipal Committee and Shanghai Municipal People’s Government



Shanghai Digital Trade Development Action Plan (2019-2021) issued jointly by Shanghai Municipal Commission of Commerce and other eight departments



Guidance on Promoting the Development of Night-time Economy in Shanghai issued jointly by Shanghai Municipal Commission of Commerce and other eight departments



Implementation Plan for Further Supply Optimization to Drive Consumption Growth issued jointly by the General Offices of CPC Shanghai Municipal Committee and Shanghai Municipal People’s Government



Opinions on Shanghai’s Support for the Development of Shanghai Style Novelty Stores issued jointly by Shanghai Municipal Commission of Commerce and other seven departments

Convention & Exhibition

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



Industry Association



Shanghai E-Commerce Association (SECA)



Shanghai Cross-Border E-Commerce Association (SCEA)



Shanghai Chain Enterprise Association



Shanghai Commerce Enterprise Management Association

● Cultural and Creative Industries

The cultural and creative industries, emerged in the midst of economic globalization, are a rising business with creativity at its core. To build a successful “Shanghai Culture” brand, Shanghai has set a clear goal of developing “Two Centers and Two Capitals”, so as to actively cultivate new growth poles. Specifically, Shanghai aims to build itself into a global film & television creation and production center, an art trading center, a capital of art performance in Asia and a global capital of e-sports, an effort led by key industries such as film and television, art performance, Internet culture, e-sports, art trading, and creative design.

📍 Investment Advantages

🏢 A Variety of Industry Carriers

Cultural and creative parks are important carriers for the development of the cultural and creative industries. Shanghai has introduced the *Administrative Measures for Cultural and Creative Industry Parks* to establish a mechanism of dynamic management and market-oriented competition for the gathering of diverse businesses in the industry.

As of July 2019, Shanghai had certified 137 municipal-level cultural and creative parks, including 20 demonstration ones such as the Zhangjiang Cultural Industry Park and the National Base for International Cultural Trade (Shanghai). Together, those parks occupy a total floor area of about 6.87 million m², with more than 20,000 enterprises contributing RMB 550 billion in revenue. In addition, Shanghai has also shortlisted 10 municipal-level demonstration office buildings and 20 demonstration makerspaces for the cultural and creative industries.

🏢 Comprehensive Supporting Policies

Shanghai has galvanized resources towards cultural and creative enterprises to lower their burdens through the development of a consistent and open modern market for cultural offerings, providing enterprises in Shanghai with comprehensive policy support.

- **Developing a sound investment and financing system:** To improve the coordinated mechanism of “subsidy, loan, investment and financing guarantee” with reinforced private investment;
- **Building industry funds:** To guide the development of the cultural and creative industries with earmarked fiscal funds;
- **Protecting intellectual properties:** To support cultural and creative enterprises in terms of creation, utilization, protection and management of their copyrighted assets.

📍 Differentiated District-based Development of Cultural and Creative Industries

With a variety of cultural and creative spaces and supporting services available, Shanghai has cultivated unique cultural and creative industries in different districts. The highlighted features of each district are as follows:

Pudong New Area: Core functional zone for e-sports

Huangpu District: “Show Life”, a cluster of art performances + Jiangnan Innovation Yard, a project for culture and innovation

Jing'an District: Film and television + E-sports + Fashion

Xuhui District: AI + Art

Changning District: Development of Hongqiao fashion and creative industry cluster

Putuo District: Internet film and television

Hongkou District: Music industry base

Yangpu District: Cultural and creative spaces along the riverfront innovation belt

Baoshan District: Cultural innovation + Cruise ships

Minhang District: Industry clusters for international trade + Cyber information + Media & entertainment

Jiading District: Advertising + Industrial Design

Jinshan District: Optimized and upgraded eco-friendly printing industry

Songjiang District: Development of high-tech cinemas

Qingpu District: Development of World Crafts Industry Expo Park etc.

Fengxian District: Oriental Beauty Valley

Chongming District: Recreational tourism

📍 Recommendation on Where to Invest

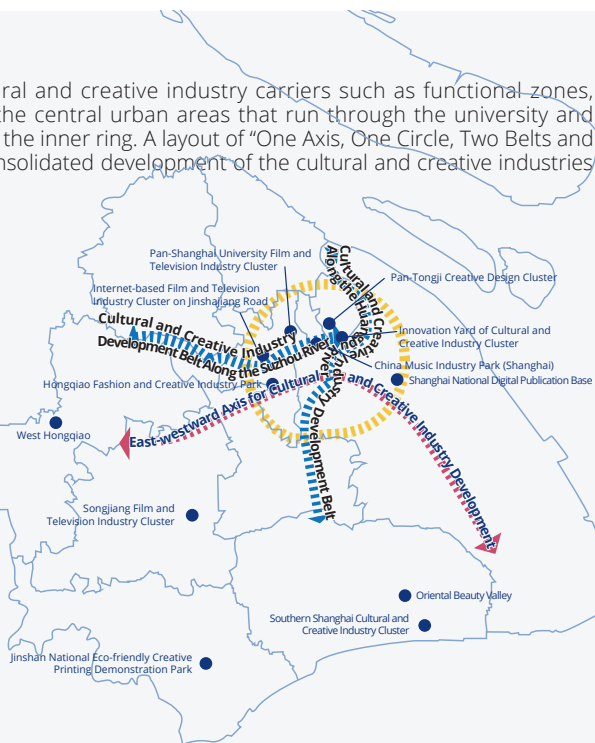
Shanghai boasts clearly-structured, complementary cultural and creative industry carriers such as functional zones, industry parks, office buildings and makerspaces across the central urban areas that run through the university and college cluster in the north, and along the Suzhou River and the inner ring. A layout of “One Axis, One Circle, Two Belts and Multiple Clusters” has gradually taken shape to facilitate consolidated development of the cultural and creative industries by merging industry and urban functions.

One Axis: An east-westward axis for cultural and creative industry development, focusing on building Hongqiao expo industry park, design industry cluster on Changping Road and art performance zone surrounding People's Square.

One Circle: An economic circle along and between the Middle and Outer Ring Roads, pushing forward the development of the City of Elite, the Yangtze Software Park and the Surpass Space of Creativity by making good use of closely gathered legacy buildings.

Two Belts: The cultural and creative development belts along the Huangpu River and the Suzhou River, further enhancing the functions of modern lifestyle, cultural exhibition, creative design, leisure and tourism of the West Bund Media & Cultural Corridor in Xuhui District and the Shanghai Expo Qiantan Cultural Park in Pudong New Area.

Multiple Clusters: Drawing on the advancement of commercial subcenters, distinctive towns and cultural tourism zones to promote the development of the pan-Tongji creative design cluster, the Innovation Yard of cultural and creative industry cluster, and the Internet-based film industry cluster on Jinshajiang Road.



🏢 Shanghai Zhangjiang Cultural Industry Park



Listed in the first batch of national cultural industry demonstration bases, Shanghai Zhangjiang Cultural Industry Park has gradually become one of the most well-known and integrated cultural and creative industry parks in China. The park, located within the Zhangjiang High-tech Park, has clear advantages in combining cultural elements with technology, innovation, finance and trade, and has incubated and cultivated companies in different sectors across the industry chain such as digital publishing, online gaming, netcasting, online education, equipment for creative production, film, television and animation.

Leading Companies: Shengqu Games, China Literature, Hujiang, Hippo Animation, BroadMesse International

Contact: 86-21-50801818



🏢 National Base for International Cultural Trade (Shanghai)



Established in 2011 as China's first one of its kind, the National Base for International Cultural Trade (Shanghai) has gathered more than 1,300 cultural and creative enterprises with a total investment exceeding RMB 47 billion. Located in the Waigaoqiao Free Trade Zone, the base enjoys advantageous location and a wealth of business supporting facilities covering 13,374 m² of land. It is dedicated to providing domestic cultural industry players with comprehensive solutions, including import and export agency service, product exhibition, equipment rental, business consulting, copyright exchange, artiste management, film and television post-production and planning, and creative design.

Contact: 86-21-58697777



Exemplary Case of Cultural and Creative Companies in Shanghai

BroadMesse International

Founded in 2005 as the Asia-Pacific headquarters to the Germany-based BroadMesse International, BroadMesse International Shanghai is a global leader in the exhibition industry that combines high tech with cultural expertise. With extensive global experience in exhibition, BroadMesse has embraced a development strategy featuring R&D, creative design and international operation, serving clients from all the countries along the Belt and Road, and in the Asia-Pacific Economic Cooperation organization and the Shanghai Cooperation Organization.

In recent years, BroadMesse has joined hands with Fudan University and Tongji University from China, Heinrich Heine University Düsseldorf from Germany and Stanford University from the US, among others, in extensive R&D collaboration and establishment of practice bases for teaching purposes. With a focus on the R&D, interdisciplinary application and fusion of eight areas including AI, interactive experience, big data and cloud computing, BroadMesse is working to create an international platform with its prowess in technology and innovation to support Chinese culture and brands in their worldwide expansion.



Industry Support

Industry Policy



Measures for Implementing Financial Support Policies to Promote the Development of Cultural and Creative Industries in Shanghai issued jointly by Shanghai Cultural and Creative Industry Leading Group Office and Shanghai Municipal Finance Bureau



Administrative Measures for Cultural and Creative Industry Parks in Shanghai issued jointly by Shanghai Cultural and Creative Industry Leading Group Office and other departments



Opinions on Accelerating the Innovative Development of Cultural and Creative Industries in Shanghai issued jointly by CPC Shanghai Municipal Committee and Shanghai Municipal People's Government



Three-Year Action Plan on Increasing the Brand Visibility of Shanghai Culture to Accelerate the Establishment of Shanghai as an International Cultural Metropolis (2018-2020) issued jointly by the General Offices of CPC Shanghai Municipal Committee and Shanghai Municipal People's Government

Convention & Exhibition



Shanghai International Cultural Creative Industry Expo

Industry Association



Shanghai Creative Industry Association (SCIA)



Shanghai Creative Production Industry Association (SCPPIA)



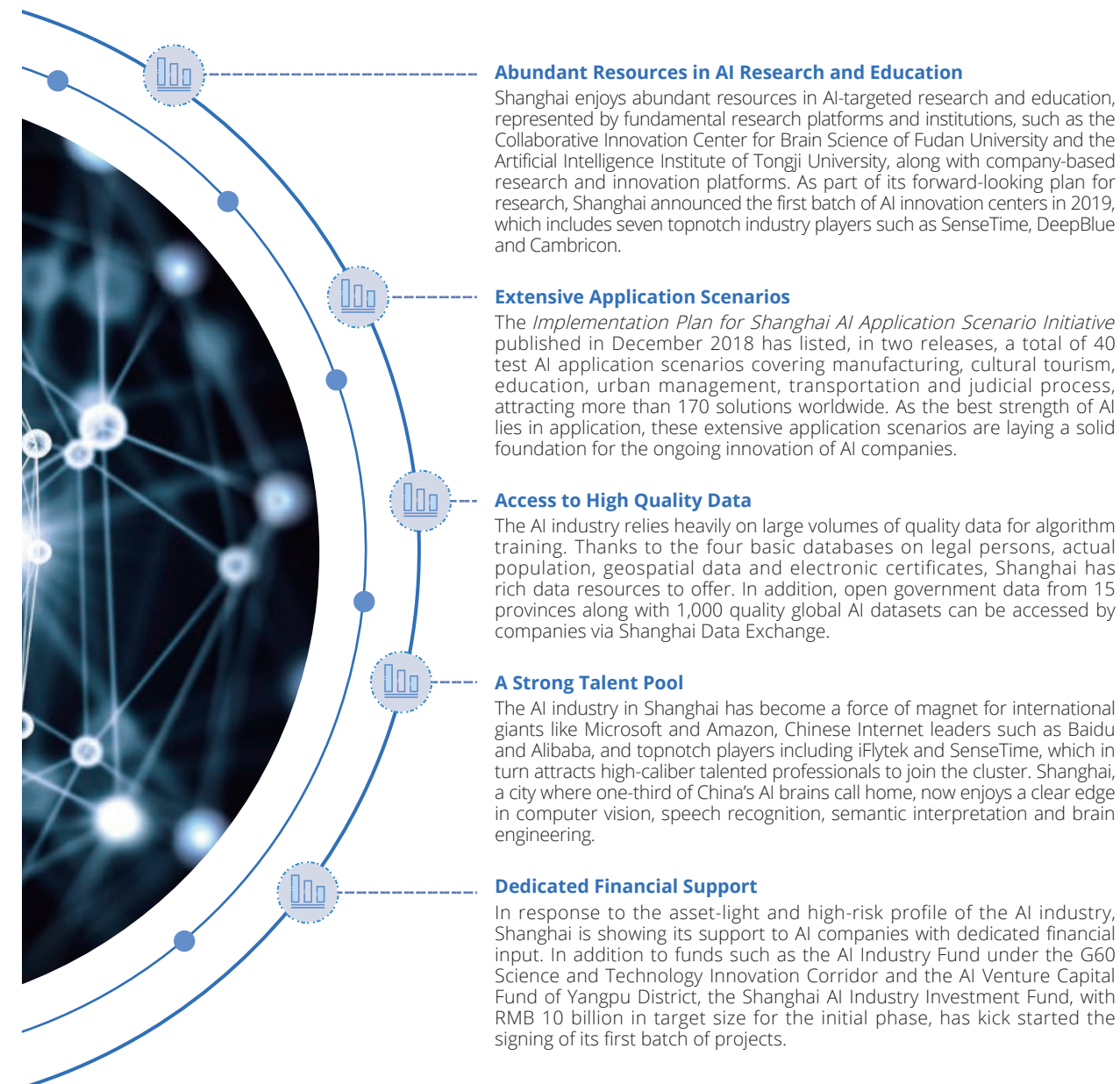
Shanghai Convention & Exhibition Industries Association (SCEIA)

Artificial Intelligence (AI)



As one of the top regions in AI, Shanghai is equipped with abundant AI-supporting facilities, a complete industry chain, mature technologies and proven business models, playing a significant role in leading the AI development of China. As the AI industry steers onto the fast track for growth, Shanghai is home to over 1,100 core AI companies and over 3,000 pan-AI companies, which reached over RMB 100 billion in industry scale in 2019, leading the country in intelligent driving and robotics.

Investment Advantages



Recommendation on Where to Invest

The key investments in the AI industry of Shanghai are mostly located in Zhangjiang area and Lin-gang Special Area of Pudong New Area, West Bund of Xuhui District, Taopu area of Putuo District and Maqiao area of Minhang District, which form an inverted Y shape when plotted on a map. Investors interested in applying AI in finance, healthcare, transportation and other areas can find their homes in the various industry clusters, each with their own niches, such as the AI innovation belt that stretches from West Bund of Xuhui to Zizhu area of Minhang via Caohejing, the Beiyang AI Town of Huajing in Xuhui, the Zhangjiang-Lingang AI innovation area, and the Dongjing AI Industry Base of Songjiang District. Zhangjiang Alsland, AI Space on West Bund, Maqiao AI Innovation Experimental Zone and other specialized industry parks can be their specific investment destination.

Zhangjiang Alsland



As the first demonstration park for the full commercial application scenarios of 5G + AI, Zhangjiang Alsland is poised to become a new industry landmark for AI application, gathering diverse AI companies and talents in the highest diversity. As many topnotch industry players gravitate to the park, 22 application scenarios for an intelligent future have been set up. Research institutes such as the Microsoft AI & IoT Insider Labs and the Shanghai Research Institute for Intelligent Autonomous Systems of Tongji University can also be found here.

Leading Projects: IBM China Development Lab, Greater China Regional Headquarters of Infineon Technologies, Alibaba Innovation Center

Contact: 86-21-68796879



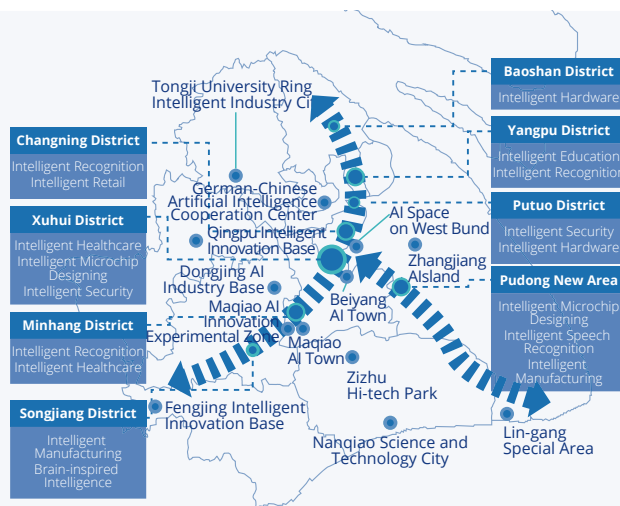
AI Space on West Bund



With a total floor area of 1.2 million m², the AI Space on West Bund along the Huangpu River is a new landmark in the national AI highland. The completed 200-meter-high flagship AI Tower has become a hub for leading international AI companies and research facilities by providing an integrated AI-enabled platform that features headquarters offices, international exchange, best practice demonstration and application, AI exhibition and experience, and technology incubation and commercialization.

Leading Companies: Microsoft Research Asia, Amazon, China Central Television, Tencent, Alibaba, NetEase

Contact: 86-21-64573609



By tapping into the geographical advantages of the YRD region, AI companies in Shanghai are reaping growing clustering benefits with increased access to abundant capital and talent of high caliber, which will facilitate the growth of both the whole industry and individual players. Since the tech-focused STAR market run by the Shanghai Stock Exchange opened for business, active capital flow has created a positive impact on AI startups in terms of technology upgrading, user acquisition and market expansion. As the clustering effect forms across the entire value chain, the AI industry in Shanghai is set to grow stronger.

Exemplary Case of AI Companies in Shanghai

Microsoft AI & IoT Insider Lab

Established in partnership with the Zhangjiang Group, the AI & IoT Insider Lab in Shanghai is one of Microsoft's global R&D centers aiming to boost the innovation and industrialization of AI and IoT solutions and applications. It is the first of its kind in the Asia-Pacific region and the largest such lab run by Microsoft Corporation. "China has the world's largest IoT market. The AI and IoT industries have great potential in China," said Roan Kang, vice president of Microsoft China.

Faced with the vigorous development trend of AI technology, Microsoft has been making full use of its brand, service, technology and industry value chain by tapping into the abundant scientific research resources, clustering innovation factors and full-fledged supporting services in Shanghai. By the end of November 2019, a total of 60 enterprises had been authorized as resident members of the Microsoft AI & IoT Insider Lab, accelerating their AI products and solutions application thanks to the lab's full-range services from hardware and software support to cloud services and ecosystem support. The lab plans to attract more members from a wider range of regions and industries, and drive the transformation and upgrading of traditional industries through its advanced AI technology and deep integration with the innovation and industry resources of Zhangjiang Science City.



Industry Support

Industry Policy



Implementation Opinions on Promoting the Development of a New Generation of AI in Shanghai issued by the General Office of Shanghai Municipal People's Government



Detailed Rules of the Shanghai Municipal Government on Special Funds for AI Innovation Projects issued by Shanghai Municipal Commission of Economy and Informatization



Action Plan on Building Shanghai into an AI Highland and Creating First-Class Innovation Ecosystem (2019-2021) issued by Shanghai Municipal Commission of Economy and Informatization



Implementation Measures for Accelerating the High-quality Development of AI Industry in Shanghai issued by Shanghai Municipal Commission of Economy and Informatization



Measures of the Lin-gang Special Area of SHFTZ on Clustering Development of AI Industry issued by the Administrative Committee of the Lin-gang Special Area

Convention & Exhibition



World Artificial Intelligence Conference (WAIC)



Shanghai International Artificial Intelligence Exhibition (AIE)



Shanghai Artificial Intelligence Development Alliance (SAIA)



Shanghai Artificial Intelligence Technology Association (SAITA)



Shanghai Society for Neuroscience (SSN)

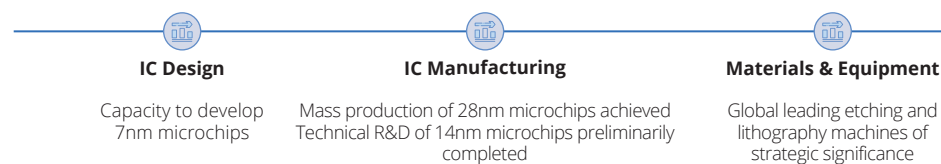
● Integrated Circuits (IC)

Shanghai currently has a comprehensive IC industry chain that brings together design, manufacturing, packaging and testing, materials, equipment, supporting facilities and services, making the city one of China's top microchip manufacturing centers in terms of industry concentration and comprehensive technical capabilities. In 2019, with an annual output of 20.76 billion pieces, the value of the IC industry in the city increased to over RMB 170 billion, accounting for about 22% of China's total, and is expected to reach RMB 200 billion in 2020 due to an improving industry allocation.

● Investment Advantages

🏢 Solid Industry Base – Driving Innovation Across the Industry Chain

Shanghai, with a solid IC industry foundation, has made successive breakthroughs in major technological fields of the IC industry in recent years and is actively driving innovation across the whole IC industry chain.



🏢 Strong Innovation Capacity – Supported by Multiple Platforms

R&D Platforms – Professional Training Through a Joint Mechanism of Industry and Academic Research

Shanghai Industrial μTechnology Research Institute (SITRI) under Shanghai Institute of Microsystem and Information Technology (SIMIT), Chinese Academy of Sciences (CAS)
Shanghai IC R&D Center (ICRD)
Shanghai Advanced Research Institute (SARI), CAS



Public Service Platforms – Giving Impetus to Industry Upgrading

- National Integrated Circuit Innovation Center
- National Integrated Circuit “Xinhua” Innovation and Entrepreneurship Base (Zhangjiang)
- National Innovation Platform of Industry & Education Integration for Integrated Circuits
- Shanghai R&D and Achievement Transformation Platform for Integrated Circuits

Talent Pool

As of 2018, the number of IC industry practitioners in Shanghai had exceeded 170,000, accounting for 40% of the total workforce in this sector in China. Shanghai has endeavored to provide an ample supply of high-caliber professionals and technical talent for the IC industry through prestigious universities and R&D institutes including Fudan University, Shanghai Jiao Tong University and Tongji University.

Favorable Policies

A series of supportive policies have been issued in Shanghai to promote the development of its IC industry, including those for major project construction, core technology and product R&D, reduction of corporate tax, fees and cost, and large-scale development.

Funding Support

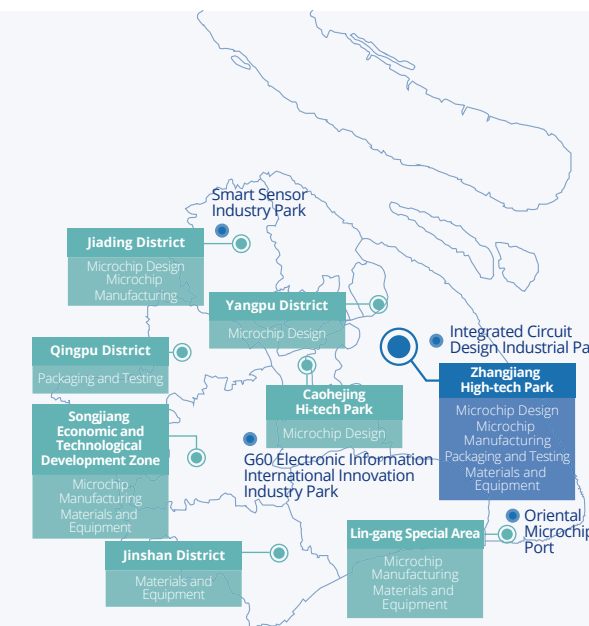
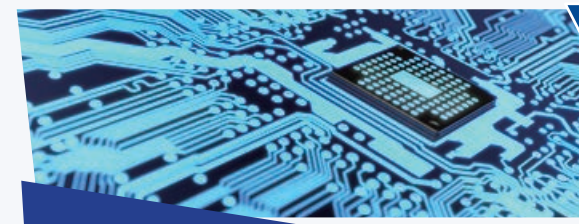
- China IC Industry Investment Fund
- Shanghai IC Industry Investment Fund
- Shanghai IC Equipment & Materials Fund
- Zhangjiang Hi-tech Innovation Fund



There is an ever-increasing demand for microchips in the major downstream sectors of the IC industry, including consumer electronics, computers, network communications, and IoT. Meanwhile, the development of emerging technologies, such as unmanned vehicle, AI, 5G and IoT, requires new breakthroughs in IC technology. With increasing R&D investment and fiercer competition among key market players, the IC industry is expected to maintain a sustained growth.

📍 Recommendation on Where to Invest

A “one-center and multi-polar” spatial structure has taken shape in the IC industry in Shanghai, with Zhangjiang High-tech Park at the core, and supplemented by Caohejing Hi-tech Park in Xuhui District, Songjiang Economic and Technological Development Zone, as well as other areas including Yangpu District, Jiading District, Qingpu District, Jinshan District and Lin-gang Special Area. This synergistic development, along with specialized industry parks including Integrated Circuit Design Industrial Park, Smart Sensor Industry Park, Oriental Microchip Port, G60 Electronic Information International Innovation Industry Park, has provided investors with abundant opportunities.



🏢 Zhangjiang High-tech Park

Zhangjiang High-tech Park, known as the “Silicon Valley of China”, is China's largest IC industry park featuring the highest comprehensive technology level and the most complete industry chain in the country. It is now home to an array of leading enterprises and start-ups active in IC design, microchip manufacturing, packaging and testing, materials and equipment. Six of the global top ten microchip design companies have had their regional headquarters or R&D centers built in the park, and among the top ten in microchip design in China, three have been headquartered and another three set up branches there. Enterprises resident in the park boast more than 100 advanced products in microchip design.

Leading Companies: Semiconductor Manufacturing International, Huali Microelectronics, Huahong Group

Contact: 86-21-68796879

🏢 Shanghai Caohejing Hi-tech Park

Caohejing Hi-tech Park is a state-level economic and technological development zone, a high-tech industry zone, and a national export processing zone approved by the State Council of China. With electronic information as one of its pillar industries, the park has developed a whole IC industry chain covering IC design, manufacturing, packaging and testing, special equipment and production materials.

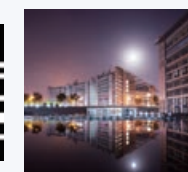
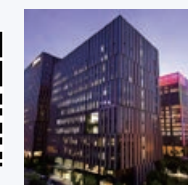
Leading Companies: Advanced Semiconductor, BCD Semiconductor, Trident Multimedia Technologies, Oki Sensor Device, Air Liquide

Contact: 86-21-64859900

🏢 Zizhu National Hi-tech Industrial Development Park

As a national high-tech park and a major IC industry base in Shanghai, Zizhu Hi-tech Park actively supports the development of information-based industries and the transformation of innovation achievements, and continuously promotes industry development with new models. Now the park has become a home base for a cluster of globally leading IT and software enterprises and well-known R&D companies including Intel, Microsoft, Infosys, SanDisk Semiconductor, Neusoft, Chinasoft International, Wicresoft and BCD Micro-electronics.

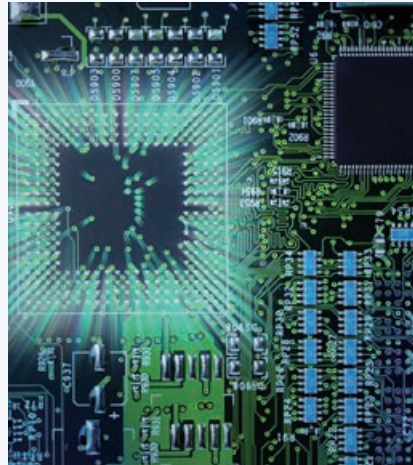
Contact: 86-21-61212288



Exemplary Case of IC Companies in Shanghai

Heraeus Electronics Innovation Center in Shanghai

The Germany-headquartered Heraeus is a globally leading technology group with a business scope covering environmental protection, energy, electronics, health, mobility and industrial applications, while Heraeus Electronics, a subsidiary company, is an expert of materials and matched materials solutions for electronics packaging. In October 2018, Heraeus further strengthened its presence in China by creating the Heraeus Electronics Innovation Center for R&D and testing of electronic material systems, a move following the incorporation of its Greater China Headquarters in Shanghai. The Innovation Center boasts advanced equipment that meets the needs of modern electronics industry, a test system that can perform durability tests and test processes that have no limit of complexity, thus being able to provide chip assembly and component welding and testing services. The establishment of the Center reflects Heraeus' continued optimism for Chinese market including Shanghai, and its intention of investing more R&D resources here in the future. The rapidly growing Chinese market contributed 40% of Heraeus Electronics' global revenue, and Heraeus will continue to increase investment in China, as noted by Mr. Stietz, President of Global Business Unit, Heraeus Electronics.



Industry Support

Industry Policy



Several Policies on Further Encouraging the Development of Software Industry and Integrated Circuit Industry in Shanghai issued by Shanghai Municipal People's Government



Special Reward Measures for Designers and Core Teams of Software and Integrated Circuit Enterprises in Shanghai issued jointly by Shanghai Municipal Commission of Economy and Informatization and Shanghai Municipal Finance Bureau



Notice on Issues Concerning Income Tax Policies for Integrated Circuit Manufacturers issued jointly by the Ministry of Finance, the State Taxation Administration and other ministries and commissions



Several Measures for the Development of Integrated Circuit Industry Clusters in Lin-gang Special Area of China (Shanghai) Pilot Free Trade Zone issued by the Administrative Committee of the Lin-gang Special Area

Convention & Exhibition



China Semiconductor Technology International Conference (CSTIC)

Industry Association



Shanghai Integrated Circuit Industry Association (SICIA)



Shanghai Optoelectronics Trade Association (SOTA)



Shanghai Integrated Circuit Technology and Industry Promotion Center (ICC)

Biopharmaceuticals

Regarded as a pillar of the strategic emerging industries in Shanghai, the biopharmaceutical industry enjoys prioritized development in the city. In 2019, its industry value totaled RMB 400 billion, with a year-on-year increase of 7.3% in gross output. Eight of the world's Top Ten pharmaceutical companies have set up R&D centers in Shanghai, and three of the four global CAR-T giants have presence in Zhangjiang. Shanghai has been committed to building itself into a globally influential innovation highland of biomedical industry, becoming a stronghold for R&D and production of premium biopharmaceutical products, as well as R&D outsourcing services in the Asia-Pacific region.

Investment Advantages

A Cluster of Essential Elements for Innovation

Platform Support

Shanghai is home to a multitude of the world's top biomedical institutions, including research institutes, universities and leading company-based R&D centers, along with functional platforms which underpin the industry chain innovation, product R&D and transformation, and entrepreneurship in general.

Great Achievements

Shanghai has achieved outstanding results in biomedical innovation. By the end of 2019, it had 18,261 domestic biopharmaceutical patents and 1,472 clinical trials of drugs approved. The approval rate for clinical application of new drugs from companies based in Zhangjiang is three times of the global average.

Active Capital

Thanks to abundant PE/VC investment in the industry, there were 179 financing events of 645 pharmaceutical companies with a total financing amount of RMB 14.8 billion in 2019.

Talent Pool

Relying on industry platforms such as the Zhangjiang Pharma Valley, Shanghai has been pooling a crowd of biopharmaceutical professionals. As of the end of 2019, Shanghai had 981 national-level and 410 municipal-level talented professionals in this field.

Government Policy Support



Convenient Customs Clearance

A normal working mechanism has been established to facilitate customs clearance of biomaterials for R&D purpose of biopharmaceutical companies, and a comprehensive evaluation method adopted to classify and manage biomaterials for improved efficiency of customs clearance.



Marketing Authorization Holder (MAH) System

The MAH system is a management model that separates drug marketing authorization from production authorization. As of the end of October 2019, 54 applicants in Shanghai had submitted MAH pilot applications for 131 drugs, 31 of which belonged to Class-1 innovative drugs that had not been marketed in China and abroad.

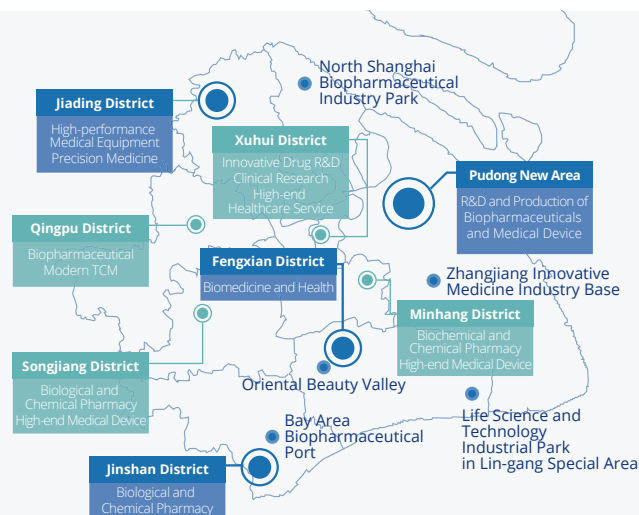


Medical Device Registrant System

Eligible medical device registration applicants are entitled to apply for a registration certificate, and then entrust it to a medical device manufacturer with qualification and production capacity, thus disconnecting product registration and production permission.

Recommendation on Where to Invest

A relatively decentralized pattern of “1 + 3 + X” for biomedical investment has taken shape in Shanghai, with Pudong New Area as the core, and Fengxian District, Jinshan District and Jiading District following closely. There are abundant investment opportunities available in industry parks including Zhangjiang Innovative Medicine Industry Base, Bay Area Biopharmaceutical Port, Life Science and Technology Industrial Park in Lin-gang Special Area, Oriental Beauty Valley and North Shanghai Biopharmaceutical Industry Park.



Zhangjiang Biotech and Pharmaceutical Industry Base



The national-level Zhangjiang Biotech and Pharmaceutical Industry Base, reputed as “Zhangjiang Pharma Valley”, is a powerhouse of biomedical innovation in China. The Base is currently home to more than 600 innovation-driven life science companies with over 400 drugs in development (including over 130 drugs undergoing clinical studies), and 100+ innovation service platforms to meet the needs from drug R&D to marketing.

Contact: 86-21-68796879



Zhangjiang-Jinshan Biotech and Pharmaceutical Park



Located within the Jinshan Industrial Zone, Zhangjiang-Jinshan Biotech and Pharmaceutical Park is a biomedical industry base and a technology-driven trade and innovation base at the national level. It is a platform for the transformation of the R&D and innovation achievements developed by the high-end green biomedical companies in Zhangjiang. Home to 40+ biopharmaceutical companies, the Park has formed three sub-parks, namely the Jinshan Innovation Park that focuses on the incubation of small and micro innovative pharmaceutical companies, the Jinshan Precision Park that is led by the CAR-T-based precision testing industry and the Jinshan Manufacturing Park that pivots around pharmaceutical preparations.

Contact: 86-21-57272225



Driven by profound changes such as faster regulatory approval and relaxed market access, China, one of the world's largest biopharmaceutical and medical device markets, has become an important playground for biomedical companies to launch innovative products. Given the unique market characteristics of the Chinese medical industry in its rapid development, foreign-funded biopharmaceutical companies need to develop a local-specific strategy of business expansion and innovative drugs launch in China that takes into the four key factors into account, namely the market access and healthcare reimbursement restrictions, the digital ecosystem, the regulatory environment, and the rapidly changing medical environment.

Exemplary Case of Biopharmaceutical Companies in Shanghai

Roche Innovation Center Shanghai

As the first multinational pharmaceutical company with a complete value chain in China, Roche, by taking full advantage of Shanghai's favorable business environment and aggregated innovation resources, invested RMB 863 million in 2015 in the upgrading of its innovation center in Shanghai. As Dr. Severin Schwan, CEO of Roche, said, the company is proud of its role as a positive player in and for the development of the healthcare industry in China. Attaching great importance to China in Roche's global strategy, the company is committed to making Shanghai its third-largest strategic center after Basel, Switzerland and San Francisco, the US.

The center, located in the Roche Park of Zhangjiang High-tech Park, was completed in October 2019. It occupies a total floor area of 26,000 m² with 220 modular work areas, world-leading research facilities, and about 150 research staff. The center focuses on research and early development of innovative medicines in immunity, inflammation and infectious diseases, and it also serves as Roche's R&D center for hepatitis B.



Industry Support

Industry Policy



Implementation Opinions of the General Office of Shanghai Municipal People's Government on Promoting the Healthy Development of the Biopharmaceutical Industry in the City issued by the General Office of Shanghai Municipal People's Government



Action Plan on Promoting Quality Development of the Biopharmaceutical Industry in Shanghai (2018-2020) issued by the General Office of Shanghai Municipal People's Government



Implementation Plan for Piloting the Medical Device Registrant System within the China (Shanghai) Pilot Free Trade Zone issued by Shanghai Municipal Food and Drug Supervision Administration



Measures for the Clustering Development of the Biopharmaceutical Industry in the Lin-gang Special Area of the China (Shanghai) Pilot Free Trade Zone issued by the Administrative Committee of the Lin-gang Special Area

Convention & Exhibition



Shanghai International Biotechnology and Laboratory Equipment Exhibition



bioLIVE China

Industry Association



Shanghai Biopharmaceuticals Industry Association (SBIA)



Shanghai Medical Instrument Trade Association (SMITA)



Shanghai Pharmaceutical Profession Association (SPPA)

● High-end Energy Equipment



High-end energy equipment refers to those in the energy equipment industry that are tech-intensive and mutually reinforced with high added value, enormous growth potential, and strong driving power. In 2017, the Shanghai government released the 13th Five-Year Plan of Shanghai for Energy Development to lay out up-market equipment industries such as wind power generation, solar power generation and smart grid. In recent years, Shanghai, by giving full play to the driving role of technology innovation, has achieved key technological breakthroughs in equipment segments for clean and efficient coal/gas-fired power generation, nuclear power, wind power and energy storage, in a bid to actively build itself into an innovation and manufacturing base for quality energy equipment to serve the national strategies.

● Investment Advantages

Sound Industry Chains

In the fields of nuclear power, energy storage and smart grid, Shanghai enjoys solid industry foundations and complete value chains. The city has established the most integral and systematic industry chain, for example, for the nuclear power industry in China, gathering a number of key enterprises across the sectors of design, construction, verification and equipment manufacturing.

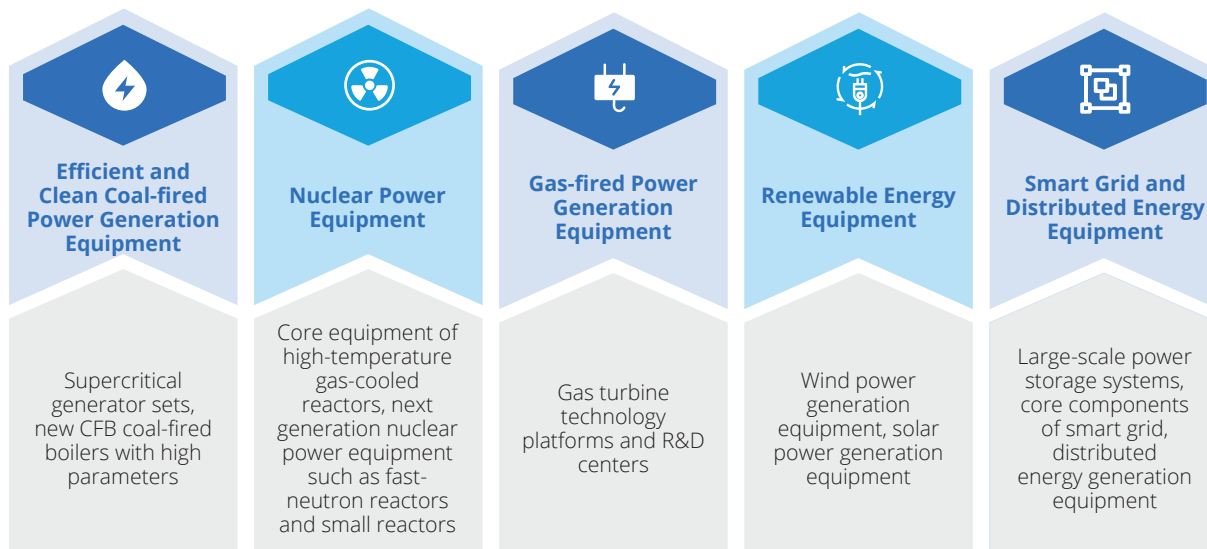
A Cluster of Technology Innovation Resources

With over 30 technological innovation carriers such as the National R&D (Experiment) Center for User-end Electrical Apparatus of Smart Energy Grid and the Shanghai Institute of Technical Physics of the Chinese Academy of Sciences, Shanghai is well poised to help enterprises in the tech-driven high-end energy equipment industries achieve breakthroughs and innovations in core technological areas.

Comprehensive Supporting Policies

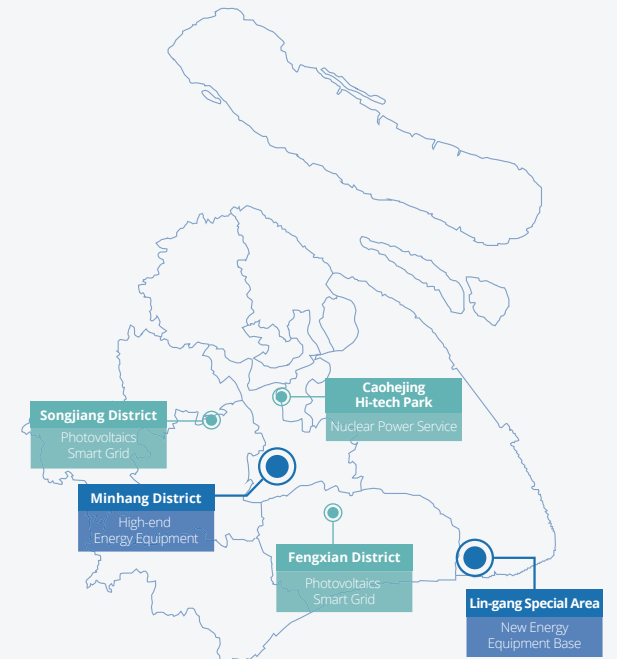
To facilitate the sound development of the high-end energy equipment industries, Shanghai has issued extensive, strong supporting policies, including creation of dedicated funds, tax incentives, increased financial support and establishment of mechanisms for industry-university-research cooperation.

● Key Sectors of High-end Energy Equipment



● Recommendation on Where to Invest

Shanghai has been dedicated to creating an industry landscape of "2+X" for its high-end energy equipment industries, with a focus on Pudong New Area and Minhang District. Specifically, from the perspective of industry positioning, the Lin-gang Special Area centers on building new energy equipment bases for the industries of efficient and clean coal-fired power generation equipment as well as nuclear power equipment, and Minhang District is positioned as a base for industries of high-end energy equipment, while Songjiang District and Fengxian District mainly concentrate on developing industries of photovoltaics and smart grid.



● Lingang Industrial Area

The Lingang Industrial Area is located in the southeast corner of Shanghai, where the Belt and Road converges. With new energy equipment as one of the seven pillar industries, it focuses on developing nuclear power, wind power, clean thermal power, smart grid and related supporting industries. It houses advanced facilities such as the independently developed 6 MW offshore wind turbines – the largest in China in terms of capacity, the first domestically produced AP1000 reactor pressure vessel in the world, "ice storage" energy centers and the first set of 100% domestically manufactured internals for reactors of 1,000 MW nuclear power plants, among others, enjoying strong growth momentum.

Leading Companies: Siemens, Shanghai Kaishan Energy Equipment, Shanghai Huayi Wind Energy Electric
Contact: 86-21-38298886



● Songjiang Economic and Technological Development Zone

As an important space carrier for the development of Shanghai's manufacturing industry, it has gathered a cluster of outstanding enterprises in fields of smart grid, wind power and new energy materials, represented by Chint Electric and CEEG, and established the Songjiang New Energy Industry Strategic Alliance.

Contact: 86-21-37031111



● Shanghai Comprehensive Industrial Development Zone

The Shanghai Comprehensive Industrial Development Zone, located at the northern end of Fengxian District, is one of the nine municipal industrial zones in Shanghai. Building on the Industry Base for Power Transmission and Distribution under the National Torch Program, the Zone centers on development of areas of extra-high voltage (ultra-high voltage) transmission and distribution, power storage, smart substation and intelligent distribution network, forming a complete industry chain and innovation chain of the smart grid industry.

Contact: 86-21-33655655



Exemplary Case of High-end Energy Equipment Producers in Shanghai

Siemens Gamesa

Founded in 1847, Siemens AG is a world leading technology company in electrification, automation and digitization with business footprints in over 200 countries, and one of the largest foreign investors in China. In 2009, Siemens Gamesa (formerly Siemens Wind Power) was registered and established in the Lingang Special Area as the first wind-power turbine blade producer in the Asia-Pacific region to capitalize on China's wind-power market and the superior location of Lingang. In November 2016, the production capacity of the facility climbed to 1,200 MW after its phase II expansion was ready for operation. As turbine blades become longer following the unit capacity expansion of offshore wind-power turbines, Siemens Gamesa will closely follow market trends to introduce the latest blade and production technology to its Lingang facility and make greater contribution to environment improvement and green house gas emission cut in China and beyond.



Industry Support

Industry Policy



Detailed Rules of the Shanghai Municipal Government on Implementation of Special Support for the Development of High-end Intelligent Equipment First of Its Kind issued jointly by Shanghai Municipal Commission of Economy and Informatization and Shanghai Municipal Finance Bureau



13th Five-Year Plan of Shanghai for Energy Development issued by Shanghai Municipal People's Government



13th Five-Year Plan of Shanghai for Promoting the Development of High-end Equipment Manufacturing Industry issued by Shanghai Municipal Commission of Economy and Informatization

Convention & Exhibition



International PV Power Generation and Smart Energy Exhibition & Conference (SNEC)



China International Industry Fair Energy Show



Shanghai New Energy Industry Association (SNEIA)

Industry Association

New Materials



Since the beginning of the 13th Five-Year Plan period, Shanghai's new material industry has enjoyed steady development and continuously increased industry agglomeration. It supports the development of auxiliary materials for major projects and key industries as well as cutting-edge new materials, while encouraging coordination along the whole industry chain for breakthroughs in market application of important basic materials. At present, the number of new material enterprises above designated size in the city has reached 545. In 2019, new material-related total output in Shanghai increased by 5.7%, the second highest among Shanghai's strategic emerging industries, and accounted for nearly a quarter of the total output of all such industries.

Investment Advantages

A Complete Industry Chain

Advanced macromolecular materials and high-end metallic structural materials are the two focused areas of Shanghai's new material industry. The number of companies specialized in these two segments represents about 70% of that of all enterprises in this industry. The city now owns a complete industry chain with upstream and downstream clusters for the development of cutting-edge new materials, key strategic materials and advanced basic materials.

Cutting-edge materials

2nd generation high-temperature superconductors, graphene, 3D printing materials, intelligent fiber

Key strategic materials

Materials for integrated circuits, new generation biomedical materials, advanced ceramics, synthetic crystals

Advanced basic materials

Advanced steel, petrochemical materials



Abundant Resources for Research and Innovation

Shanghai boasts abundant resources for research and innovation in new materials. Research institutions, colleges and universities collaborate intensively with enterprises in experimental research and application development on new frontiers, making Shanghai an important base for new material research and innovation.

6 Higher Education Institutions

- School of Materials Science and Engineering, Shanghai Jiao Tong University
- Department of Materials Science, Fudan University
- School of Materials Science and Engineering, Tongji University
-

6 Research Institutes

- Shanghai Institute of Organic Chemistry, Chinese Academy of Sciences
- Shanghai Research Institute of Chemical Industry
- Shanghai Research Institute of Materials
-

28 Supporting Platforms

- National Industrial Technology Basic Public Service Platform
- Shanghai Industrial Technology Center of Graphene
-

Comprehensive Supporting Policies

Shanghai's Unique "First Batch" Policy

- For new materials that have technologically leading advantage or can introduce competition in a monopolistic market but have yet to achieve significant market performance, the sales of its first batch is supported by means of subsidies from special supporting funds.
- 14 such new material projects received support in 2018.

R&D and Innovation of Key Basic Materials under Shanghai's Initiative for Strengthening Industrial Base

- Supporting R&D and innovation activities of key basic materials as well as the first batch demonstrative use of key new materials in the form of special funds.
- 9 such new material projects received support in 2017 and 2018 under this initiative.



Recommendation on Where to Invest

The new material industry in Shanghai exhibits a “3+X” layout. “3” represents Shanghai Chemical Industrial Zone, Baoshan District and Jinshan District, which are home to the majority of new material enterprises and over 140 of them are regional key players. “X” represents industrial parks in Songjiang District, Jiading District, Fengxian District, Pudong New Area and Qingpu District. The city hosts a number of specialized industry parks focusing on the development of new materials, such as the Carbon Valley Green Bay Industry Park, Super Energy New Materials Sci-Tech Innovation Park, and Fengxian Chemical New Materials Industry Park.

Shanghai Jinshan No.2 Industrial Park

As one of the core bases of new material industry in Shanghai, Jinshan No.2 Industrial Park focuses on the development of new materials for display, aerospace, biomedicine, energy conservation and environmental protection. The new material industry, being one of the four key clusters in the park's development roadmap, has gathered abundant upstream and downstream industry resources. Relying on a solid industry foundation and public service platforms such as the Innovation Research Institute for Carbon Fiber Composite Material, the Park facilitates the industry to extend its footprint upstream and to new frontiers while developing capability in the carbon fiber composite sector, with a view to building a national R&D and industrialization demonstration base with global competitiveness.

Contact: 86-21-37215708

Shanghai Baoshan Urban Industrial Park

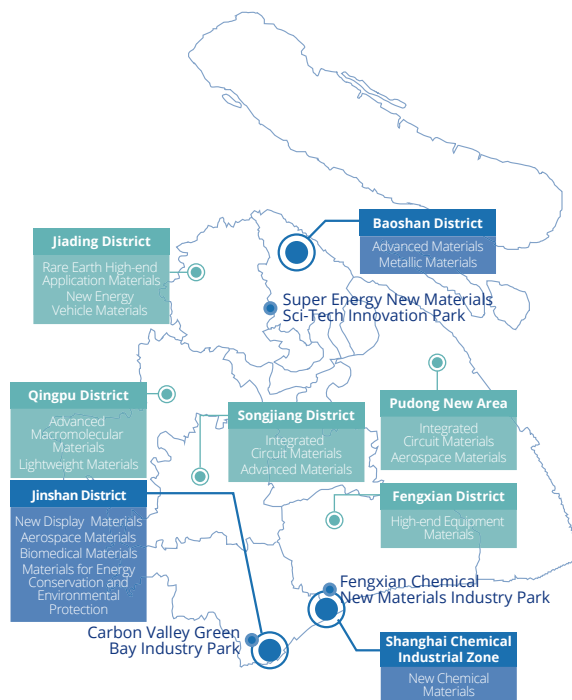
As a component of Zhangjiang National Innovation Demonstration Zone, Baoshan Urban Industrial Park boasts strong industry foundation in new metals and functional materials. Capitalizing on resources such as Shanghai High-temperature Superconductor Industry Base and Shanghai Industrial Technology Center of Graphene, the Park gives full play to its first-mover advantage in cutting-edge fields including supercarbon, superconductor and supersilicon to cultivate new material industry cluster with superior innovation capacity.

Contact: 86-21-36162282 (Day) 86-21-36161522 (Night)

Shanghai Chemical Industrial Zone

Shanghai Chemical Industrial Zone is a national economic and technological development zone and an important platform for Shanghai's chemical industry. Supported by the New Material Innovation Center of Shanghai International Chemical Industry in its territory, the Industrial Zone conducts R&D and in achievement commercialization in high-performance resins, new energy battery materials and other frontiers in the chemical and new material industries. It aims to become a national key industry platform for new materials and a source of innovation.

Contact: 86-21-67126666



The new material industry forms the foundation for the development of advanced manufacturing, new generation information technology and biopharmaceuticals. As China quickens its pace in making industrial application of new materials, there is strong demand for shaping advanced basic materials, key strategic materials and cutting-edge new materials into actual lines of products, which presents new opportunities to relevant enterprises.

Exemplary Case of New Material Companies in Shanghai

BASF (China) Co., Ltd.

The German group BASF is one of the world's largest chemical plants as well as the largest foreign-invested chemical enterprise in China. Following the construction of its innovation campus in Pudong New Area in 1994, BASF re-located its Greater China headquarters to Shanghai in 2004. As BASF's research hub serving both the Asia-Pacific and the global markets, the Innovation Campus Shanghai is known for developing innovative industry-leading products, from new polymer dispersion to sustainable coating. Confident in China's economic outlook, BASF doubled down on regional R&D with the third-stage expansion of its innovation campus in March 2019. With an investment of EUR 34 million, the new research facilities to be located within the campus will include the Automotive Application Center and the Process Catalysis Research & Development Center for Asia Pacific.



According to Dr. Stephan Kothrade, President of BASF Greater China, nearly EUR 180 million has been spent on Innovation Campus Shanghai since 2012. By 2030, China will produce 50% of the world's chemical products. Therefore, as a world-leading chemical company, BASF is determined to avail of this opportunity by deploying R&D and production networks in Shanghai. As its investment in Shanghai and the construction of R&D centers gain speed, BASF is poised to set a good example of industry-oriented innovation hub to empower sustainable growth and quality of life with its innovative products.

Industry Support

Industry Policy



Measures Supporting the First Batch of New Materials in Shanghai (Trial) issued jointly by Shanghai Municipal Commission of Economy and Informatization and Shanghai Municipal Finance Bureau



13th Five-Year Plan of Shanghai for Promoting the Development of New Materials issued by Shanghai Municipal Commission of Economy and Informatization



13th Five-Year Plan of Shanghai for Promoting Technology Innovation of the Material Sector issued by the Ministry of Science and Technology

Convention & Exhibition



New Material Industry Show of China International Industry Fair

Industry Association



Nonferrous Metals Society of Shanghai (NMS)



Shanghai Polyurethane Industry Association (SPUIA)



Shanghai Society for Advanced Materials (SSAM)



Shanghai Association of Rare Earth (SARE)

● New Energy Vehicles (NEVs)

In the national automotive landscape, Shanghai holds a key position, leading China in market size, technology innovation and industry convergence, evidenced by the fact that one in every ten vehicles produced and sold in the country come from Shanghai. In 2019, with a 29.6% growth in the total output value of NEVs, Shanghai reached approximately 300,000 in NEV ownership by the end of the year, ranking No.1 in China. By the end of November 2019, 48,760 public charging poles and 39,764 special-purpose charging facilities had been put in place, which can effectively meet the fast-growing need for NEV charging.

Investment Advantages

Solid Industry Foundation with Complete Industry Chain in Key Areas

As the automotive industry in Shanghai is clustering with manufacturing at the core and shifting to the high end of the value chain, key areas such as Jiading District and the Lin-gang Special Area are attracting a large number of companies across the entire industry chain, establishing a complete automotive ecosystem that features comprehensive functions with full industry coverage.

The Lin-gang Special Area is working on creating an industry cluster by introducing projects across the full industry chain of intelligent connected NEVs.

The Shanghai International Automobile City is constantly expanding from having mostly OEMs and spare part manufacturers to bring in a fully-fledged automobile ecosystem that connects the entire industry chain.



As an important type of NEVs with superior performance in reducing energy consumption, emission and costs, plug-in hybrid electric vehicles are paving the way for the technology upgrading of batteries, motors and electronic control solutions, in support of the mass production of pure electric vehicles. As of now, with the range issue unresolved for pure electric vehicles, the low-cost plug-in hybrids are expected to become the industry's new favorite over the next five to ten years.

Industry Upgrading Driven by Innovation and Functional Platforms

Shanghai is home to a host of functional automotive platforms with industry-leading influence and strong regional driving force. By tapping into local universities, research institutes and innovation hubs, Shanghai has been encouraging the flow of capital, resources, talents and other elements into the innovation-driven industry upgrading of the automotive sector, aiming to create itself into an automotive innovation powerhouse.

Functional Automotive Platforms (Non-exhaustive)

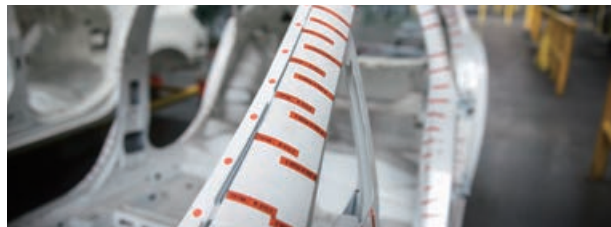
National Intelligent Connected Vehicle (Shanghai) Pilot Zone

National Intelligent Connected Vehicle Measurement and Testing Center

National Fuel Cell Vehicle and Powertrain System Engineering Research Center

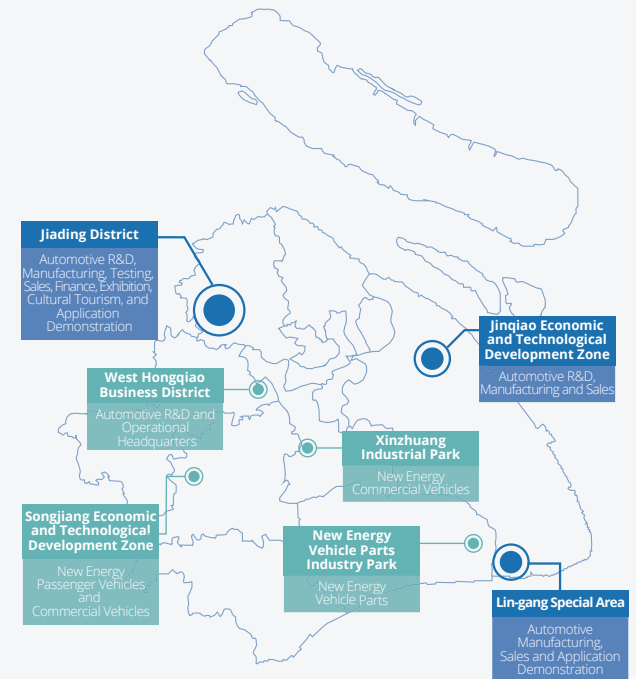
National Engineering Laboratory for Automotive Electronic Control Technology

Shanghai New Energy Vehicle Public Data Collection and Monitoring Center



Recommendation on Where to Invest

With most NEV investments flowing into Jiading District and Pudong New Area, a “1+2” investment landscape has formed, featuring the Shanghai International Automobile City in Jiading, and the Shanghai Jinqiao Economic and Technological Development Zone and the Lin-gang Special Area in Pudong. In addition, ample investment opportunities are available in the Songjiang Economic and Technological Development Zone, Xinzhuang Industrial Park in Minhang District, West Hongqiao Business District in Qingpu District and the NEV Spare Part Industry Park in Fengxian District.



Shanghai International Automobile City

The approximately 100-km² Shanghai International Automobile City is China's largest automotive cluster, with the most advanced R&D and the most comprehensive industry chain, including over 200 OEMs and spare part manufacturers such as SAIC Volkswagen and Delphi Packard Electric Systems. With a focus on cutting-edge segments such as high-performance, long-range electric vehicles, intelligent connected vehicles and hydrogen fuel cell vehicles, it aims to build itself into a world-class automobile hub by creating a complete innovation ecosystem, and joining hands with R&D platforms such as the School of Automotive Studies of Tongji University and the Shanghai Automotive Wind Tunnel Center.

Contact: 86-21-69550300



Shanghai Jinqiao Economic and Technological Development Zone

Focusing on the integration of NEV + intelligent driving, the Shanghai Jinqiao Economic and Technological Development Zone is promoting the transformation of upstream and downstream automobile companies, exemplified by SAIC General Motors, into high-end and intelligent vehicle players. With the completion of projects including the ZXNE-KIclear NEV, the National Engineering Laboratory for Electric Vehicles and the Pan Asia Technical Automotive Center, Jinqiao is on its way to becoming one of the most competitive NEV industry bases in the world.

Contact: 86-21-50304605



Lin-gang Special Area

Home to an automotive cluster of OEMs and spare part makers, the Lin-gang Special Area enjoys an increasing clout in the intelligent NEV sector, as more participants re-locate here. Over ten top companies including SAIC, Mercedes-Benz and Yanfeng KSS are now calling Lin-gang home, along with global electric vehicle giant Tesla which has built its Gigafactory 3 here. In September 2019, Lin-gang signed 24 key projects in the sector of intelligent NEVs, with a total investment of nearly RMB 8 billion. Step by step, a world-class NEV industry cluster is taking shape on this land.

Contact: 86-21-38298886



Exemplary Case of NEV Companies in Shanghai

Tesla



Tesla, an international new energy vehicle giant, officially landed in Shanghai by building its Gigafactory 3 in the Lin-gang Special Area. Integrating functions of R&D, manufacturing and sales, the Gigafactory is the largest foreign-invested auto manufacturing project in Shanghai so far with an estimated investment of RMB 50 billion. It is expected to reach an annual production capacity of 500,000 electric vehicles after full completion. In January 2020, the factory delivered its first Made-in-China Model 3 vehicles and started the Model Y project.

The fact that the Gigafactory could go from contract signing to groundbreaking in less than half a year, and from that to completion and deliveries in one year was nothing short of a miracle. All this cannot be achieved without the continuous efforts of reform and the creation of an excellent business environment by the Shanghai government. Tesla CEO Elon Musk praised the stunning "Shanghai speed" several times on the factory groundbreaking and vehicle delivery ceremonies, and spoke highly of Shanghai's good business environment and the city's determination and action to open to the outside world.

Industry Support

Industry Policy



Implementation Measures for Encouraging the Purchase and Use of New Energy Vehicles in Shanghai issued jointly by Shanghai Municipal Development and Reform Commission and other six departments



Management Measures for Intelligent Connected Vehicle Road Test in Shanghai (Trial) issued jointly by Shanghai Municipal Commission of Economy and Informatization, Municipal Public Security Bureau and Municipal Transportation Commission



Announcement on Reducing Import Tariffs on Automotive Vehicles and Parts issued by Customs Tariff Commission of the State Council



Decision on Amending the Provisions on the Access Administration of New Energy Vehicle Manufacturers and Products (Consultation Draft) issued by the Ministry of Industry and Information Technology

Convention & Exhibition



Shanghai International New Energy Automotive Technology Exhibition (EVTECH EXPO)



Shanghai International New Energy Vehicle Industry Expo



AMTS Shanghai International Automobile Manufacturing Technology & Material Show

Industry Association



Shanghai Automotive Trade Association (SATA)



Shanghai Society of Automotive Engineers (SAE-S)

Chapter III Districts and Functional Zones for Investment



Districts and Investment Highlights

● Pudong New Area

01. District Overview

Located on the east bank of the Huangpu River, the Pudong New Area covers an area of 1,210 km². As one of the most important bridgeheads for China's opening-up, it is home to the country's first pilot free trade zone, as well as over 35,000 foreign-invested companies, including more than 320 RHQs of MNCs.

As a result of continued rapid economic growth, an industry structure centered on service-oriented economy and a development pattern driven by innovation have taken shape in Pudong. It has now become an important growth pole for Shanghai's rapid economic development, and a key player in the city's "Five-center" Initiative.

02. Investment Highlight

Six Tech-intensive Industries	Six Service Economy	X Emerging Industries
<ul style="list-style-type: none">• "Made-in-China" microchips• Innovative drugs• Aircraft manufacturing• Smart manufacturing• Vehicles of future• Big data	<ul style="list-style-type: none">• Asset management• Financial leasing• Bulk commodities• Headquarters• Cultural creativity• Professional services	<ul style="list-style-type: none">• Marine equipment• Cruise building• Duty-free economy• Cross-board e-commerce• Robotics• Parallel imports of automobiles• Night-time economy•

03. Policy Support

- 01
- Municipal-level Economic Regulation Authority
- Including the right to approve the household registration of domestic and returned overseas professionals
- 02
- High Rewards to Financial Institutions
- Reward for incorporation, talent attraction and comprehensive contribution
- 03
- Support and Rewards to Headquarters
- Available for headquarters, such as RHQs of MNCs, large enterprise headquarters, operational headquarters, territorial headquarters, and high-growth headquarters
- 04
- Support and Rewards to Advanced Manufacturing Industries
- Available for players in industries such as six technology-intensive industries – new-generation information technology, high-end equipment, new materials, new energy, and energy conservation and environmental protection
- 05
- Comprehensive Contribution Rewards to Professional Service Enterprises
- Available for businesses providing professional services including legal services, accounting and auditing, IPR services, human resource services, and science and technology intermediary services
- 06
- Rewards for Scientific Research
- Available for key research projects, R&D institutions of businesses, and tech startups
- 07
- Convenient Services to Foreign Professionals
- Including convenient transportation, high-end education and medical services, application for permanent residence permit, talent development programs for unicorns, and housing

Key Functional Zone	Industry Positioning
Lujiazui Financial City	Finance, shipping, trade
Jinqiao Economic and Technological Development Zone	Advanced manufacturing, producer services
Zhangjiang Science City	Integrated circuits, biopharmaceuticals, artificial intelligence
Comprehensive Bonded Zone	International trade, shipping logistics, financial services
International Tourism Resort	Cultural tourism
Lin-gang Special Area of SHFTZ	Advanced manufacturing, high-end service industry

04. Commercial Facility

Lujiazui Finance and Trade Zone

Key Buildings: Shanghai Tower, Shanghai World Financial Center, Shanghai Jinmao Tower, Shanghai International Finance Center

Rent Reference: RMB 5–18/m²/day

Zhangjiang Science City

Key Zones: Zhangjiang Biotech and Pharmaceutical Industrial Base, Pudong Kangqiao Industrial Zone, Pudong Software Park, Integrated Circuit Design Industrial Park, International Medical zone, Zhangjiang Alsland, Zhangjiang Middle District

Rent Reference: RMB 2.5–7/m²/day

Jinqiao Economic and Technological Development Zone

Key Sites: City of Elite, Jinding Area, Jinmin Park, Jinqiao Intelligent Valley, Office Park II, Youdo Campus

Rent Reference: RMB 2.5–6/m²/day

China (Shanghai) Pilot Free Trade Zone

Key Zones: Waigaoqiao Free Trade Zone, Waigaoqiao Bonded Logistics Park, Yangshan Special Comprehensive Bonded Zone, Pudong Airport Comprehensive Free Trade Zone

Rent Reference: RMB 2.5–4/m²/day

International Tourism Resort

Key Hotels: Shanghai Disneyland Hotel, Shanghai Marriott Hotel Kangqiao, Melia Shanghai Parkside

● Huangpu District

01.District Overview

Located on the west bank of the Huangpu River, Huangpu District covers an area of 20.52 km². Renowned as the "heart, window and business card" of the city, the District is Shanghai's economic, administrative and cultural center.

Huangpu District boasts a well-developed service industry which accounts for over 98% of its economy and a high degree of foreign trade dependence with foreign-funded economy reaching 43% of its total. Being home to many financial factor markets and institutions and RHQs of MNCs, the District is experiencing booming development in cultural creativity and entertainment industries. New investment opportunities are also seen in the fields of healthcare and sci-tech innovation.

02. Investment Highlight

High-end Services	Emerging Sectors
<ul style="list-style-type: none">• Foreign-funded or holding companies of securities, funds and futures• Accounting, consulting, legal, human resources and other professional services and relevant innovative institutions• RHQs of large-scale trade and chain brands and their operation, sales and investment centers, trade organizations and promotion agencies• Cultural creativity and fashion	<ul style="list-style-type: none">• Healthcare• Fintech• Artificial intelligence

03. Policy Support

- 01
- Encouraging MNCs to Set up RHQs
- Granting a recognized RHQs institution or an institution that serves the function of RHQs with subsidies of 30% of its rent for three years, according to a benchmark rent of RMB 5/m²/day for a 1,000 m² office; Rewarding such institution with a lump sum of RMB 2 million, given that its annual turnover reaches RMB 500 million and is less than RMB 1 billion from the time of recognition
- 02
- Vigorously Developing the Brand Economy
- Providing support to well-known brand enterprises that have established brand chain headquarters in the District, actively explored the Shanghai market and beyond in China, increased the number of business branches and established new sales channels such as e-commerce platforms
- 03
- Promoting the Development of Fashion Industry
- Supporting functional institutions that carry out fashion operations and activities in key commercial areas in the District; Encouraging fashion shows and relevant activities, comprehensive fashion services, fashion media, and fashion consumption platforms
- 04
- Promoting the Development of Cultural and Creative Industries
- Supporting various functional events that enhance the influence of the cultural and creative industries such as summits, forums, trade fairs, exhibitions, competitions, and press conferences
- 05
- "Eighteen Guidelines for Bund Finance"
- Functioning as the core functional area for building Shanghai into a global financial hub, and actively building itself into a global asset management center, capital operation center and professional financial service center
- 06
- Policy of Dedicated Apartments for High-end Service Professionals
- Providing dedicated apartments to professionals from companies that conform to the District's high-end service industry talent development pattern or contribute to the development of sci-tech innovation centers

Key Functional Zone	Function Positioning
Bund Financial Agglomeration Belt	Global asset management center, capital operation center, fintech center, financial service center, RMB asset pricing and payment & clearing center
East Nanjing Road–People's Square Cluster	World-class commercial district, world-leading cultural and performing arts cluster
Middle Huaihai Road–Xintiandi Cluster	World-class business district, international high-end business district
South Bund–Yu Garden Cluster	Central activity area, cultural tourism area, international gold & jewelry commercial and trade area
Dapuqiao–Expo Puxi Park Cluster	Sci-tech innovation and cultural and creative industry cluster

04. Commercial Facility

Bund Financial Agglomeration Belt

Key Buildings: Bund Center, Bund Finance Center (BFC), SOHO Bund Rent

Rent Reference: RMB 8–15/m²/day

East Nanjing Road–People's Square Cluster

Key Buildings: Raffles City, Novel Plaza, Central Plaza

Rent Reference: RMB 8–13/m²/day

Middle Huaihai Road–Xintiandi Cluster

Key Buildings: China Overseas International Center, Lansheng Building, Platinum Xintiandi

Rent Reference: RMB 9–15/m²/day

South Bund–Yu Garden Cluster

Key Zones: Cool Docks

Rent Reference: RMB 6–10/m²/day

Dapuqiao–Expo Puxi Park Cluster

Key Zones: Bridge No.8 Creative Industrial Zone

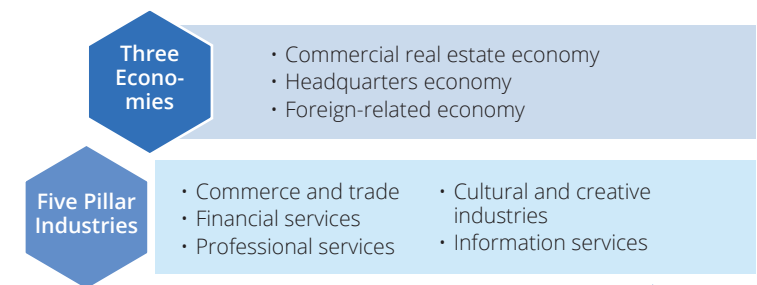
Rent Reference: RMB 6–8/m²/day

● Jing'an District

01. District Overview

Located in downtown Shanghai with an area of 37 km², Jing'an District serves as an important window for Shanghai to the outside world. By boosting a commercial real estate economy, Jing'an has gathered many industry leaders from both China and abroad and the regional headquarters of multinational companies. It is the only administrative district in Shanghai where foreign-invested companies contribute to over 50% of the local economy.

02. Investment Highlight



03. Policy Support

- 01 Implementing the Global Service Provider Plan**
Developing a high-end professional service economy by attracting global service providers of high capacity
- 02 Encouraging the Gathering of Headquarters**
Issuing supportive policies on retrofitting, rental, upgrading and patent subsidies as well as dedicated apartments with the Dedicated Fund for Headquarters Economic Development of Jing'an District
- 03 Driving the Development of Big Data Industry**
Releasing 17 supportive measures for enhancement of company capacity, introduction and cultivation of talents, etc. through the Dedicated Fund for Big Data Development of Jing'an District
- 04 Promoting the Development of Human Resources Industry**
Setting up the Dedicated Fund for Human Resources Development of Jing'an District to provide subsidies for 16 items, including rental, retrofitting, R&D, public offering, overseas expansion, and exhibition and convention
- 05 Encouraging the Development of Cultural and Creative Industries**
Setting up the Dedicated Fund for Film Industry Development of Jing'an District to provide funding and talent support for settled cultural and creative companies, and support e-sports companies in improving their originality and organizing or participating in e-sports competitions, so as to carve out a niche in e-sports industry

Key Functional Zone	Function Positioning
High-end commercial clusters along West Nanjing Road	A boutique block in a world-class CBD
Start-up clusters for culture and leisure along the Suzhou River	A metropolitan center that rivals the central activity zone of an international city
Dual-function clusters for city and industry integration flanking the Middle Ring Road	A best example of dual-function area for city and industry integration with a focus on film and TV production as well as big data

04. Commercial Facility

High-end Commercial Clusters Along West Nanjing Road

Key Buildings: Plaza 66, Westgate Mall, CITIC Square, Ocean Plaza, Jing'an Kerry Center

Rent Reference: RMB 5–15/m²/day

Start-up Clusters for Culture and Leisure Along the Suzhou River

Key Buildings: Jing'an International Center, COFCO Plaza, Financial Street Rongtai Center, Kerry Everbright City

Rent Reference: RMB 3–6/m²/day

Dual-function Clusters for city and industry integration Flanking the Middle Ring Road

Key Buildings: Daning Music Plaza, Daning Business Center, Wanxiang Daning Center, Shanghai Greenland Central Plaza

Rent Reference: RMB 2–5/m²/day

Shibei Hi-tech Park

Industry Positioning: Production-oriented service sectors that include R&D and design, service outsourcing and company headquarters

Rent Reference: RMB 2–4/m²/day

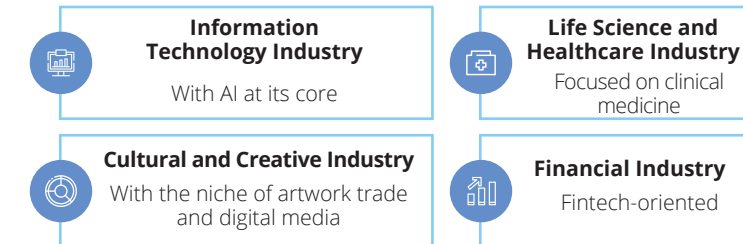
● Xuhui District

01. District Overview

Located in the southwest of downtown Shanghai with an area of 54.93 km², Xuhui District is Shanghai's portal to southern Chinese provinces and cities via land transportation.

Abundant in all types of resources, particularly with plentiful international education and healthcare facilities, Xuhui houses a wealth of cultural faculties and establishments, along with over ten top research institutes.

02. Investment Highlight



03. Policy Support

- Headquarters Economy**
RHQs of MNCs, headquarters institutions, R&D centers and trade headquarters that have recently re-located or been identified will be eligible for:
 - A monetary reward of up to RMB 5 million;
 - An office subsidy of up to RMB 6 million for at most three consecutive years;
 - Comprehensive support of up to five years.A subsidy for establishment of up to RMB 10 million will be given to financial institute headquarters and functional financial institutes that have recently re-located to the District.
- R&D Institute**
A subsidy of up to 30% of total company investments, capped at RMB 3 million, will be granted to leading companies from home and abroad which have set up R&D institutes in the District.
- Managerial Talent**
Exceptional operational and managerial professionals and teams from key industries will be eligible for a reward of up to RMB 500,000.
- Dedicated Apartment**
Dedicated apartments and rental agency services will be available to meet the housing need of professionals.
- Children Education**
Quality education resources will be prioritized to meet the needs of innovation and entrepreneurship professionals for children education in a hassle-free process.

Key Functional Zone	Function Positioning
Xujiahui	An international CBD
Hengshan Road–Fuxing Road	A historical preservation area
Caohejing Hi-tech Park	A multifunctional technology park
Xuhui West Bund	A charming international waterfront area
Fenglin	A life science and healthcare cluster
Xuhui Midtown	An integrated development area
Huajing	An extended urban functional area

04. Commercial Facility

Xujiahui International CBD

Key Buildings: Grand Gateway Shanghai, Urban Development International Tower, Metro Tower, CCI International Plaza

Rent Reference: RMB 5–10/m²/day

Hengshan Road–Fuxing Road Historical Preservation Area

Key Buildings: IAPM, Huaihai International Plaza, Century Business Plaza, K.Wah Center, Real Tower

Rent Reference: RMB 9–16/m²/day

West Bund Cultural and Financial Cluster

Key Buildings: Poly West Bund Center, CES West Bund Center, Shanghai Greenland Center, Greenland West Bund International Center

Rent Reference: RMB 6–8/m²/day

Caohejing Hi-tech Park

Industry Positioning: Electronic information, new materials, high-end equipment, biopharmaceuticals renewable energy, automotive R&D, modern services

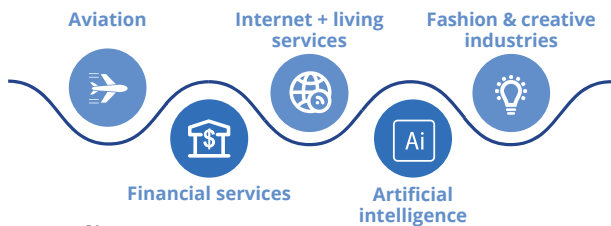
Rent Reference: RMB 3–6/m²/day

● Changning District

01. District Overview

Covering an area of 38.3 km², Changning District, which locates in close adjacency to the Hongqiao Integrated Transportation Hub, is home to Shanghai's first CBD for foreign enterprises and a major contributor to Shanghai as an international trade center. As one of the most international downtown areas in this city, Changning currently hosts 27 consulates, more than 120 diplomat residences, and about 70,000 expats from 150 countries and regions.

02. Investment Highlight



03. Policy Support

Loosened Access Restrictions

Efforts have been made to seek institutional innovation in the development of a cross-industry approval system and new procedures for “Internet +” living services and other related industries in terms of operation qualification, administrative permit and business license, so as to loosen the restrictions on administrative approval and lower the market access threshold.

Support for Key Enterprises

Financial support will be provided to companies with independent creative design capabilities and intellectual property rights of fashion products which have set up headquarters, RHQs or business centers in the District, as well as newly introduced fashion creative companies which have developed rapidly and contributed significantly to the regional economy.

Eased Regulations

Fashion and creative enterprises are allowed to use expressions like “fashion” and “creative” in corporate name and file business scope at their own discretion, along with loosened restrictions on premise registration.

Top-notch Talent Attraction

- Establishment of a Top-notch AI Talent Fund, with an initial amount of RMB 5 million;
- A one-off incentive fund for enterprises which employ high-level innovation professionals, and for top-notch talent who start a business in Changning;
- Subsidies for AI enterprises which recruit interns from top international or Chinese universities.

AI-focused Activities

Supportive subsidies will be granted to Changning-based AI enterprises which host professional forums or other high-end exchange activities in the District according to their actual costs for the events.

Key Functional Zone	Function/Industry Positioning
Hongqiao Economic and Technological Development Zone	Exhibition & trade fair, foreign trade center, modern services
Hongqiao Airport Business Park	Air transport, aviation-related industries
Hongqiao Fashion and Creative Industry Park	Fashion & creative industries
Yuyuan Road, Xinhua Road and Hengshan Road–Fuxing Road	A historical and cultural conservation area

04. Commercial Facility

Hongqiao–Gubei Commercial District

Key Buildings: SOHO Gubei, Dawning Center, Gubei Fortune Center
Rent Reference: RMB 2–7/m²/day

Zhongshan Park Commercial Zone

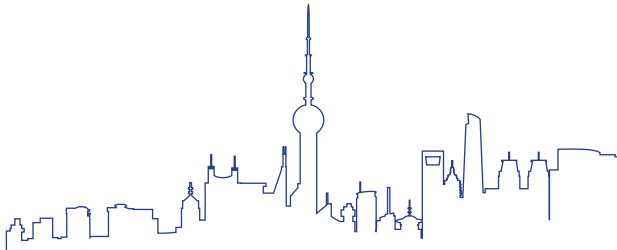
Key Buildings: Zhaofeng Plaza, Raffles City Changning, SOHO Tianshan Plaza
Rent Reference: RMB 3–6/m²/day

Shanghai Hongqiao Airport Business Park

Function Positioning: An international air transport hub, a headquarters base for global airlines, a high-end service industry cluster, a national business jet base, a low-carbon development area

Shanghai Multimedia Park

Industry Positioning: Digital cultural and creative industries covering multimedia display & exhibition, animated cartoon, film & TV production, digital entertainment
Rent Reference: RMB 4–5/m²/day



● Putuo District

01. District Overview

Putuo District, with an area of 55.53 km², is conveniently located in the northwest of Shanghai, making it an important land gateway connecting the YRD region and other provinces in China. Putuo boasts huge potential for development as it ranks No. 1 among all downtown districts in Shanghai in terms of available land and total volume of buildings.

02. Investment Highlight

Intelligent software	R&D services	Technology-targeted finance
<ul style="list-style-type: none">• Information services• Artificial intelligence• Robotics• Digital content	<ul style="list-style-type: none">• Multiple R&D service platforms	<ul style="list-style-type: none">• Financial leasing• Asset management• Equity investment• Consumer finance• Payment services

03. Policy Support

Head-quarters Economy

A one-off subsidy of up to RMB 1 million will be provided to multinational companies which have established headquarters with an investment nature or managerial RHQs in Putuo, in addition to the financial support provided by the municipal and district governments in accordance with relevant regulations of Shanghai, and a lump sum subsidy of up to RMB 500,000 to headquarters newly recognized by the Putuo government.

MSME Support

- An eligible MSME, upon its on-time loan payment to a bank, is entitled to an interest subsidy of more than 50% for the floating part above the benchmark interest rate;
- Those warranted through the Shanghai Municipal Administration Center for Policy Financing Guarantee Funds for MSMEs will be given a subsidy of more than 50% of the guarantee fee;
- A reward of up to RMB 800,000 is available to accredited platforms and organizations with remarkable performance.

Talent Recruitment

- An incentive of up to RMB 5 million will be given to enterprises which introduce and train high-caliber talents from China and abroad;
- Dedicated apartments, rent allowance and preferential policies for medical care and children education are provided to address the needs of professionals.

Technology Innovation

- A subsidy of up to RMB 2 million will be granted to nationally or municipally-accredited public R&D platforms;
- A maximum reward of RMB 1.5 million and 1 million respectively to enterprises accredited as a state or municipal-level technical center;
- An incentive of up to RMB 1 million to those recognized as an innovation “Little Giant” at the district level;
- A reward of up to RMB 2 million to makerspaces at the national or municipal levels.

Financial Development

A newly introduced financial enterprise is entitled to a subsidy for establishment of up to RMB 15 million and an office subsidy.

Key Functional Zone	Function/Industry Positioning
The northern wing area: A model zone for urban transformation	Taopu Smart City: An AI industry cluster and an international innovation zone represented by China-Israel (Shanghai) Innovation Park Shanghai Zhenru Sub-center: a public activity hub serving the whole YRD region
The southern riverside area: A vital business zone	Shanghai Technology-targeted Finance Industry Cluster Changshou Business Area International Innovation Center of Tsinghua University Shanghai
Wuning Road Innovation Axis	A cluster of innovation elements that supports sci-tech achievement transformation and innovation-driven economic development

04. Commercial Facility

Shanghai Universal Software Park

Industry Positioning: Big data and Internet +, intelligent manufacturing and robotics, animated cartoon, games, film & TV, technology-targeted finance
Rent Reference: RMB 2.5–5/m²/day

Shanghai Futurity Hi-tech Industry Park

Industry Positioning: High-tech electrical appliances, advanced manufacturing, cutting-edge electronics, intelligent manufacturing, new materials, new culture
Rent Reference: RMB 1.8–3.5/m²/day

Shanghai Technology-targeted Finance Industry Cluster

Industry Positioning: Technology-targeted finance, international education, Internet+, intelligent technology
Key Buildings: Shanghai Global Harbor, Changfeng Tower, East China Normal University Sci-Tech Park, Chenfeng Tower, Shanghai Convention & Exhibition Center of International Sourcing, Red Star World Trade Building, Zhetie Greentown, Prona Plaza, South Garden of Jinhuan Business Garden
Rent Reference: RMB 3–9/m²/day

Shanghai Zhenru Sub-center

Industry Positioning: Technology-targeted finance, intelligent software, R&D services, a public activity hub serving the whole YRD region
Key Buildings: Xingguangyao Square, Pinzun International Plaza, Upper West Shanghai, Tianhui Plaza
Rent Reference: RMB 4–7/m²/day

M50 Art Space

Industry Positioning: Cultural creativity
Rent Reference: RMB 6–7/m²/day

● Hongkou District

01. District Overview

Located in the northeast of downtown Shanghai with an area of 23.4 km², Hongkou District has been an important gathering place for shipping, trade and commodities since the opening of Shanghai as a commercial port.

Hongkou aims to become an important functional area in support of Shanghai as an international financial hub and shipping center, a creative entrepreneurial zone of influence, an accessible and diversified area for Shanghai's cultural heritage development and a high-quality urban area for people to live, work and travel.

02. Investment Highlight

Two Leading Industries	Four Major Industries	X Distinctive Industries
<ul style="list-style-type: none">Financial servicesShipping services	<ul style="list-style-type: none">Modern commerce and tradeCultural creativityProfessional servicesInformation services	<ul style="list-style-type: none">Energy conservation and environmental protectionHealthcareNew materials

03. Policy Support

01 Promoting the Gathering and Development of Modern Business Enterprises

Newly introduced modern business enterprises are eligible for a one-time investment reward no higher than 2% of the paid-in registered capital within two years, capped at RMB 1 million;

Newly introduced functional institutions for modern business, based on their levels – international, national, and provincial/ministerial and below, will be rewarded with RMB 1.5 million, 800,000 and 500,000 respectively.

02 Providing Subsidies and Incentives to Headquarters Institutions

Rewarding newly-introduced headquarters institutions with a subsidy for establishment up to RMB 30 million.

03 Supporting the Gathering of Talents for Headquarters Institutions

Providing settling-in allowance and housing/rental subsidies; making them the preferred recipients of rewards for a given number of years; and providing comprehensive services regarding visa application, foreigner's employment permit and talent attraction.

04 Encouraging Financial Service Enterprises to Settle In

Newly introduced financial service institutions and financial holding groups are eligible for one-time investment rewards at 5% and 3% of their paid-in registered capitals within two years, capped at RMB 15 million and 10 million respectively; and support will also be given to enterprises in the field of Internet finance.

05 Stimulating Functional Financial Institutions to Settle In

Newly introduced functional financial institutions, based on their levels – international, national, and provincial/ministerial and below, will be rewarded with RMB 1.5 million, 800,000 and 500,000 respectively.

06 Gathering Key Shipping Service Providers and Supporting Enterprises

A one-time investment reward at 5% of the paid-in registered capital within two years, up to RMB 15 million, will be provided.

Key Functional Zone	Industry Positioning
South Functional Zone	Shipping, financial services
Middle Functional Zone	Modern commerce and trade, cultural creativity
North Functional Zone	Information and professional services

04. Commercial Facility

South Functional Area – The North Bund Shipping and Finance Center

Key Buildings: Sinar Mas Plaza, Raffles City the Bund, Shanghai Yifang Center, Landmark Center Shanghai

Rent Reference: RMB 8–12/m²/day

Middle Functional Area – Integrated Development Area for Business, Travel, Culture and Sports

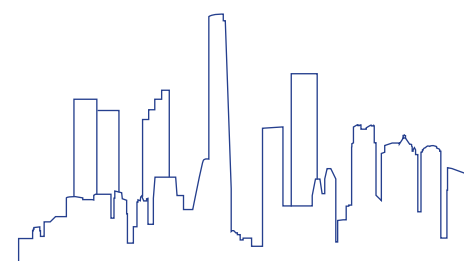
Key Zones: Shanghai Music Valley

Rent Reference: RMB 4–5/m²/day

North Functional Area – Technology Innovation Belt along the Northern Part of the Middle Ring Road

Leading Parks: Innovation Galaxy Hongkou, Shanghai Shinovation Center

Rent Reference: RMB 5–6.5/m²/day



● Yangpu District

01. District Overview

Located in the northeast of downtown Shanghai, Yangpu is the largest and most populous central district with a total area of 60.61 km².

Yangpu is one of the birthplaces of China's modern industrial civilization, boasting profound historical and cultural heritage represented by century-long higher education, industry development and urban governance. Capitalizing on its superior scientific and educational resources, Yangpu is making “innovation” its branding strategy.

02. Investment Highlight

Emphasizing the Development of	Accelerating the Development of	Nurturing the Development of
<ul style="list-style-type: none">Modern design servicesR&D services for smart manufacturingAI and big data	<ul style="list-style-type: none">Beidou navigation satellite systemOnline educationTechnology-targeted financeInformation technologyE-commerce	<ul style="list-style-type: none">Technology servicesCultural creativitySports and healthRenewable energy and energy conservation & environmental protection

Key Functional Zone	Function/Industry Positioning
West Core Zone	An innovation economic corridor, a demonstration zone for public innovation
Middle Upgrading Zone	An area of residential function with rising industry clusters featuring tech parks
East Strategic Zone	A world-class development area for entrepreneurship and innovation focusing on technology innovation, cultural creativity and technology-targeted finance

03. Policy Support

01 Rewards for Headquarters and R&D Centers

- Headquarters approved can receive a reward of up to RMB 5 million;
- Enterprises setting up domestic/overseas technology centers will be given up to RMB 1 million dedicated grants, and an additional grant at 20% of the R&D expenses super deducted, up to RMB 2 million;
- R&D centers such as laboratories and talent development bases developed by MNCs and leading foreign research institutes jointly with local universities, research institutes and enterprises will be given support similar to that in the headquarters policy.

02 Office Subsidy for Headquarters

RHQs office rental in Yangpu will be subsidized for three consecutive years up to RMB 5 million; and building or purchasing office spaces is eligible for a subsidy of up to RMB 10 million.

03 Executive Incentive

Senior management members of RHQs who purchase an estate in Yangpu are eligible for a housing subsidy up to RMB 1 million.

04 Policy for Talent Recruitment

Convenient services will be provided for foreign professionals who engage in entrepreneurial or innovation activities in Yangpu regarding application of Port Visa, permanent residence and Student Visa, and for changing current visa to Introduced Talent Visa (R-visa).

05 Tenant Enterprise Allowance

Rental allowance up to three years will be given to enterprises settling in the accredited innovation bases for AI and big data which cover a total area of 30,000 m².

06 Industry Policy for AI & Big Data

A one-time reward up to RMB 5 million will be given to newly-introduced AI and big data enterprises, or to the operating companies of those venture-financed enterprises established in Yangpu for less than three years according to their total investment obtained.

07 Industry Policy for Fintech

Institutional investors will be rewarded with up to RMB 12 million when they meet Yangpu's paid-in capital target for non-listed fintech companies, or when the fintech enterprises they invest choose to settle in the District.

04. Commercial Facility

West Core Area

Key Buildings: Innov Center, Kaidi Cube Edifice, Yangpu Innovation and Entrepreneurship International Center, HOPSON ONE, Guohua Plaza, The Springs Center

Key Parks: Knowledge & Innovation Community, Fudan University Science Park, National Science and Technology Park of Tongji University

Rent Reference: RMB 3–6/m²/day

Middle Upgrading Area

Key Parks: Changyang Campus, Fudan Software Park

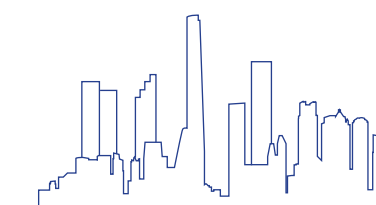
Rent Reference: RMB 3–5/m²/day

East Strategic Area

Key Buildings: EBA Center, Poly Greenland Plaza, Oriental Fisherman's Wharf

Key Parks: USST National Science Park, Shanghai Intellectual Property Park, National Science and Technology Park of Shanghai Ocean University

Rent Reference: RMB 2–6/m²/Day



Baoshan District

01. District Overview

As the gateway to the northern part of Shanghai with an area of 293.7 km², Baoshan District is the origin of China's independent port opening in modern times and an important time-honored industrial base. Boasting the Wusongkou International Cruise Terminal, a port biggest in Asia and the fourth largest in the world, Baoshan aims to become an international cruise hub. It also endeavors to build itself into a base of smart and intelligent manufacturing by focusing on the development of Shanghai Industrial Park of Robotics, which features a full-fledged robotic and intelligent hardware industry chain.

02. Investment Highlight

Five RMB 100 Billion-worth Industries

- Cruise economy
- Robotics & smart manufacturing
- New materials
- Construction technology
- Platform economy

Five RMB 10 Billion-worth Industries

- AI and next-generation IT
- Healthcare and biopharmaceuticals
- Cultural creativity
- Energy conservation and environmental protection
- Modern logistics

03. Policy Support

- 01
- Building a Headquarters Base of Cruise Liners with Global Influence**

Incentives will be given to the RHQs or Headquarters-type institutions of the cruise industry-related companies who pay taxes in Baoshan, and the District fiscal system will cover additional 10% of such incentives; A subsidy of up to RMB 5 million will be granted to a cruise company headquarters in Baoshan which is not recognized, yet functions as a RHQ of a MNC at the municipal level; For RHQs of cruise industry-related companies and global operation centers of cruise liners, allowance will be given according to their contribution to the District's economy based on the principle of "One Policy for One Enterprise"; Cruise company headquarters which purchase office spaces in Baoshan for the first time will be given a subsidy at 10% of the actual purchase price, up to a maximum of RMB 6 million.
- 02
- Accelerating the Clustering Development of Robotic and Intelligent Hardware Industry**

High-quality enterprises are encouraged to settle in Shanghai Industrial Park of Robotics. Listed companies outside the District with good financial position that have established their headquarters in the Park or relocate their industry-commerce and taxation relations here will be given a reward up to 5 million.
- 03
- Supporting RHQs and Research Centers of MNCs**

RHQs of MNCs will be supported according to the relevant policies of Shanghai; Headquarters-type institutions will be given a fund of RMB 2 million whereas regional research centers of MNCs will be given RMB 1 million from the Guiding Funds for Service Industry Development.
- 04
- Encouraging Leading Chinese and Foreign Brands in Commerce and Service Industries to Settle In**

Well-known domestic and foreign commercial chain enterprises which have RHQs or fully-owned subsidiaries in the District shall be reimbursed at 50% of the total investment, up to RMB 300,000, each time they open a new store upon approval.
- 05
- Supporting Enterprises in Baoshan to Participate in the CIIE**

Overseas parent companies of enterprises in Baoshan which participate in the CIIE will be granted a subsidy at 50%, up to RMB 500,000, of their actual booth fees and promotional expenditures.

Key Functional Zone	Function/Industry Positioning
The Demonstration Development Zone for Cruise Tourism in China	Full industry chain of cruise ship research, design and shipbuilding
Nanda Eco-Smart City	AI, microchip manufacturing, Internet+, digital media, cultural tourism, technology-targeted finance, biopharmaceuticals
Wusong Innovation Town	Robotics and intelligent manufacturing, new materials, platform economy, high-end commerce and business, special tourism

04. Commercial Facility

Shanghai Industrial Park of Robotics

Industry Positioning: Complete industry chain of robotics and smart hardware
Rent Reference: RMB 1.35–2.2/m²/day

Baoshan Urban Industrial Park

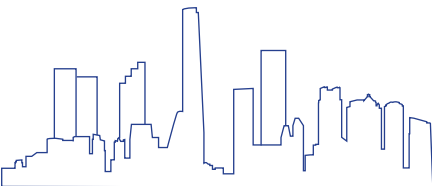
Industry Positioning: New materials, smart manufacturing, life science & healthcare
Rent Reference: RMB 1.5–2.2/m²/day

Baoshan Industrial Park

Industry Positioning: Cruise supporting industries, new energy vehicles, smart devices, new materials
Rent Reference: RMB 1.5–2/m²/day

Technological Business Cluster in South Area

Key Buildings: Watts Gallop International Plaza, Innovation Galaxy Baoshan, Teddy Vigor Town, Wisdom Bay, Shanghai International Research and Development Headquarters Base
Rent Reference: RMB 2.5–4/m²/day



Minhang District

01. District Overview

As the geographical center of Shanghai with an area of 372 km², Minhang District is at the core of scientific innovation in Southern Shanghai. Home to Hongqiao Integrated Transportation Hub, one of the world's largest transportation hubs, Minhang District is the gateway of Shanghai to the rest of the YRD, China and the world.

02. Investment Highlight

Four Advanced Manufacturing Sectors

- High-end equipment
- Artificial intelligence
- New-generation information technology
- Biopharmaceuticals

Four Modern Service Sectors

- International business and trade
- Modern finance
- Cultural and creative service
- Technology service

03. Policy Support

- 01
- Driving the Headquarters Economy**

RHQs of MNCs and headquarters-type institutions are encouraged to settle in the District. The headquarters of Chinese companies and Chinese companies serving headquarters functions are also welcomed and are eligible for supportive measures from the District of no higher standard than that for their multinational counterparts.
- 02
- Supporting AI Companies in Innovative R&D and Commercialization**

Projects that work on innovative results commercialization are eligible for a subsidy equivalent to 10%–30% of their R&D spending, capped at RMB 5 million. A subsidy equivalent to 10%–20% of their new equipment investment, capped at RMB 10 million, is also available. The total subsidies received should be no more than RMB 10 million.
- 03
- Supporting Biomedical Companies in Innovative Product Commercialization**

Key commercialization projects of local biomedical companies that have received funding from the municipal government are eligible for a grant in 1:1 ratio with the municipal funding, capped at RMB 5 million.
- 04
- Supporting R&D Institutes**

Newly identified R&D institutes are entitled to a one-off subsidy based on their R&D spending in the previous year.
- 05
- Comprehensive Services for Innovative Talents**

Exceptional professionals will receive a "Service Card for Shanghai Talents", which allows them to enjoy one-stop services covering government services, employment assistance for their spouses and policy consultation.
- 06
- Improving Housing Availability for Professionals**

High-caliber professionals and key team members of selected companies enjoy prioritized access to housing subsidy and low-rent housing. Subsidy for buying or renting is also available for qualified professionals.

Key Functional Zone	Function/Industry Positioning
Hi-tech Intelligent Manufacturing Zone of Southern Shanghai	High-end equipment, AI, new-generation information technology, biopharmaceuticals
Grand Hongqiao International Business and Trade Zone	Headquarters economy, high-end business, commerce and retail, finance and trade, cultural experience, residential service

04. Commercial Facility

Hongqiao Sub-CBD

Key Buildings: SCE Plaza, Hongqiao Vanke Center, Hongqiao Longhu Mall, Rhine Hongqiao Center, Shanghai Mixc Mall, Hongqiao Green Valley Square
Rent Reference: RMB 5–8/m²/day

Xinzhuang Sub-CBD

Key Buildings: Capitaland Minhang Plaza, Skymall, Vanke International Plaza, Bailian Nanfang Shopping Mall, Xizi International, U Center
Rent Reference: RMB 4–7/m²/day

Minhang Economic and Technological Development Zone

Industry Positioning: AI, biopharmaceuticals, new materials, aerospace, advanced manufacturing
Rent Reference: RMB 1.5–2.3/m²/day

Zizhu National Hi-tech Development Park

Industry Positioning: IT and software, digital video and audio, life science, intelligent manufacturing, aerospace electronics, renewable energy, new materials
Rent Reference: RMB 1.5–2.5/m²/day

Xinzhuang Industrial Park

Industry Positioning: Mechanics and automotive spare parts, major equipment, aerospace, new materials and fine chemicals, biopharmaceuticals producer services
Rent Reference: RMB 1.8–2.8/m²/day



● Jiading District

01. District Overview

Located in northwestern Shanghai with an area of 463.55 km² and adjacent to the Hongqiao Transportation Hub, Jiading District is an important portal of Shanghai to the YRD economic hinterland.

Home to the Shanghai International Automobile City that is under development, Jiading District is known as one of the regions in China boasting the largest automotive industry scale, the most advanced R&D and the most comprehensive industry chain.

02. Investment Highlight

Two High-end Industries

- High-end manufacturing focused on the automotive industry
- Hi-tech industry focused on strategic emerging sectors

Four Major Industries

- Integrated circuits and IoT
- New energy vehicles and intelligent vehicles
- High-performance healthcare and precision medicine
- Intelligent manufacturing and robotics

03. Policy Support

- 01

Attracting Qualified Companies to Jiading
Company Introduction & Cultivation: An investment fund of RMB 10 billion;
Company Upgrading: A subsidy of up to RMB 100 million to support commercialization projects;
Sci-tech Innovation: A subsidy of up to RMB 30 million to support companies in building functional platforms;
Talent Support: Favorable housing policy for professionals and favorable schooling policy for their children;
Construction Support: A subsidy of up to RMB 10 million for land or production facility; reduced taxes and fees.
- 02

Policy for High-Caliber Innovative Talents and Entrepreneurs, Urgently Needed Professionals and Teams
Individuals (or teams) involved in innovation or starting businesses that are new to Jiading District are eligible for a subsidy of RMB 100,000–1,000,000, and a housing and living allowance of RMB 80,000–500,000;
Exceptional professionals (or teams) that are already based in the District are eligible for a salary subsidy of RMB 50,000–500,000.
- 03

Housing Policy for Exceptional Professionals
Exceptional professionals in the District are eligible for a house purchase allowance of RMB 450,000–700,000, or a rental allowance of RMB 800–1,200 per month.

Key Functional Zone	Function Positioning
Core Functional Zone of Jiading New Town	Serving political, economic, cultural and social service functions
Science Town: A Demonstration Area for Innovative Industries	An area of innovative industries
Shanghai International Automobile City: An Integrated Demonstration Area of Urban and Industry Development	An innovation center focused on R&D and high-end manufacturing
North Hongqiao Demonstration Business Area	A pioneering area for cultural and creative industries, commerce and trade services, headquarters economy and innovative industries in western Shanghai
North Jiading Ecological Area	A green area that serves Jiading District, Kunshan City and Taicang City

04. Commercial Facility

Office Building

Key Buildings: Greenland Jiachuang Building, Xindi Plaza, Hi-tech Business Building, Jiangqiao Wanda Plaza

Rent Reference: RMB 1–3/m²/day

Shanghai Jiading Industrial Zone

Industry Positioning: NEVs and intelligent and connected vehicles, integrated circuits and IoT, high-end medical equipment and precision medicine, intelligent manufacturing and robotics

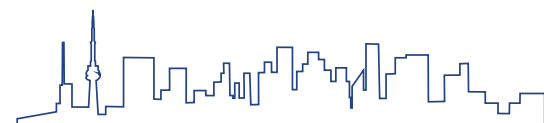
Rent Reference: RMB 1–3/m²/day

Lingang Jiading Science and Technology City

Industry Positioning: Emerging industries including smart healthcare, new materials and new-generation information technology; modern services including R&D, design and financial services

Shanghai Smart Sensor Industry Park

Industry Positioning: Smart sensors



● Jinshan District

01. District Overview

Located in southwestern Shanghai with an area of 613 km², Jinshan District assumes the role of the bridgehead of Shanghai in driving the high-quality integrated development of the YRD.

Located in the geographical center of the YRD, the most developed urban cluster of China, Jinshan District is only an hour of drive away from the 16 major cities of the YRD.

02. Investment Highlight

Strategic Emerging Industries	Distinctive Industries
<ul style="list-style-type: none">• High-end intelligent equipment• New-generation information technology• Healthcare• New materials	<ul style="list-style-type: none">• Unmanned systems• Carbon fiber composite materials

03. Policy Support

- 01

Supporting the Establishment of IIoT Platforms for Key Sectors and Key Links of the Value Chain
Projects that reach certain scale in device connection, software deployment and user coverage are eligible for a subsidy equivalent to 30% of total project investment, capped at RMB 1 million.
- 02

Supporting Foreign-Invested Advanced Manufacturers
New foreign-invested projects on advanced manufacturing or capacity expansion projects of existing foreign-invested manufacturers that have over USD 10 million in contractual value to be paid up in two years are eligible for a subsidy equivalent to 1% of the paid-in capital, capped at RMB 2 million.
- 03

Supporting Foreign-Invested Headquarters Economy
A subsidy of up to RMB 5 million is available to new foreign-invested R&D centers or new RHQs of MNCs that are set up in the form of holding companies;
An accumulative subsidy of up to RMB 2 million is available to the RHQs of MNCs or foreign-invested R&D centers that have rented, purchased or built office space for their own use in Jinshan District;
An accumulative subsidy of up to RMB 10 million is available to the RHQs of MNCs with outstanding operational performance;
MNCs that have upgraded their RHQs to a higher level are eligible for a subsidy of up to RMB 3 million.
- 04

Supporting the Unmanned Aerial Vehicle Industry
Airworthiness assessment institutes are eligible for a subsidy of up to RMB 10 million for property purchase and construction as well as a rental subsidy of up to RMB 1.2 million per year for five years;
Research institutes specializing in low-altitude aviation technologies are eligible for a subsidy equivalent to 20% of their investment, capped at RMB 10 million.
- 05

Supporting the Carbon Fiber Composite Industry
Carbon fiber composite projects that have achieved breakthroughs in key areas of production equipment, process or technology are entitled to a subsidy equivalent to 5%–10% of actual investment, capped at RMB 3 million, upon recognition.

Key Functional Zone	Function Positioning
Fengjing–Zhujing Integrated Development Area in Northern Jinshan	An area of high vitality with cross-area coordination and integration
Shanghai Jinshan Industrial Zone: An Area of Integrated Development for Urban and Industry Development in Eastern Jinshan	A key area for manufacturing in the District
Lvxiang–Langxia–Zhangyan Ecological Zone in Central Jinshan	The core of the District driving its ecological development
Jinshan Coastal Zone in Southern Jinshan	A sci-tech-driven bay area focused on coastal tourism, ocean economy, creative and innovative industries and modern services

04. Commercial Facility

Shanghai Jinshan Industrial Zone

Industry Positioning: Biopharmaceutical new materials, advanced equipment manufacturing, unmanned systems, eco-friendly printing, food processing, opto-electronics

Rent Reference: RMB 0.7–3/m²/day

Shanghai Jinshan Second Industrial Zone

Industry Positioning: Fine chemical industries, including new energy-saving ecofriendly coating, new surfactant, catalyst, additive, special macromolecular materials and biopharmaceuticals producer services, including chemical logistics, testing and trade.

Rent Reference: RMB 0.7–3/m²/day

Fengjing Industrial Zone

Industry Positioning: Automobile and key spare parts, renewable energy, yellow rice wine production, food processing, new textile and clothing, producer services.

Rent Reference: RMB 0.7–3/m²/day

Zhujing Industrial Zone

Industry Positioning: Precision instrument, electronics and electrical appliance, new materials, equipment for energy conservation and environmental protection.

Rent Reference: RMB 0.7–3/m²/day

● Songjiang District

01. District Overview

Located on the upper Huangpu River and spanning an area of 604.67 km², Songjiang District is an important gateway to Shanghai in the southwest.

Songjiang District has taken the lead in proposing the establishment of the G60 Sci-tech Innovation Corridor. As the Corridor was elevated from a city-level strategy to be a part of the YRD region's integrated development guidelines, it will become a model corridor where sci-tech innovation drives "Made in China" towards "Created in China" with quality development.

02. Investment Highlight

Six Major Sectors

- Artificial intelligence
- Integrated circuits
- New energy
- Biopharmaceuticals
- Intelligent security
- New materials

X Producer Services

- Headquarters economy
- One-stop service contracting
- Inspection and testing

03. Policy Support

Industry-related Subsidies

Newly introduced key advanced manufacturing enterprises are eligible for a subsidy of up to RMB 10 million to purchase production and office buildings for their own use, and rent allowance of up to RMB 5 million;

Newly introduced leading enterprises in high-tech services, professional services and cultural creativity are eligible for a subsidy of up to RMB 5 million to purchase production and office buildings for their own use, and rent allowance of up to RMB 3 million;

The first major technical equipment in the District is eligible for a subsidy at an amount below 30% of its market price, capped at RMB 5 million;

Enterprises in the District, which purchase modern facilities and equipment produced by leading manufacturers in the District to carry out technological improvement, are eligible for a subsidy of up to 15% of the purchase cost, capped at RMB 3 million/year for an individual company.

Financial Support for Foreign Investors

Newly introduced foreign investment projects and those that expand investment capital are eligible for a subsidy of 3% of the paid-in capital , capped at RMB 5 million

Foreign-funded R&D institutions recognized by the Municipal Commission of Commerce are eligible for a subsidy of up to RMB 3 million.

Financial Support for Headquarters

Newly introduced or upgraded corporate headquarters are eligible for a subsidy for establishment of up to RMB 10 million;

Those that have been upgraded to RHQs of MNCs in Shanghai are eligible for a subsidy of up to RMB 5 million.

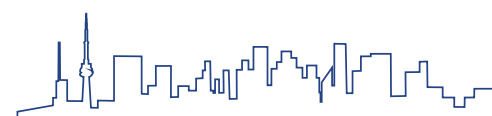
Key Functional Zone	Industry Positioning/ Function Positioning
Songjiang Economic and Technological Development Zone	Key industries such as electronic information, modern equipment, fine chemicals, food and beverage, energy conservation and new energy, modern logistics, R&D and design, cultural and creativity, headquarters economy
Songjiang New Town's International Ecological Business Zone	Business and office buildings, commerce and finance, culture and entertainment
Lingang Songjiang Science and Technology City	Emerging industries such as 3D printing, mobile internet, new energy, inspection and testing, bulk commodity trading services, cultural creativity and brand operation

04. Commercial Facility

Songjiang Economic and Technological Development Zone
Industry Positioning: Electronic information, food processing, fine chemicals, modern equipment
Rent Reference: RMB 1–2/m²/day

Lingang Songjiang Science and Technology City
Function Positioning: "Valley of Sci-tech Innovation, Core of Culture, Continent of Ecology"
Rent Reference: RMB 1–2/m²/day

Songjiang Comprehensive Bonded Zone
Function Positioning: Clusters of state-of-the-art manufacturing industries and supporting service industries, headquarters of leading export-oriented manufacturing enterprises and trade-oriented corporations



● Qingpu District

01. District Overview

Qingpu District, situated in the southwest of Shanghai and covers an area of 668.5 km², is one of the districts with the best natural ecology in the city.

Adjacent to the Hongqiao Integrated Transportation Hub, the District is the only administrative district in Shanghai that borders both Jiangsu and Zhejiang Provinces. It is the "Gateway of Shanghai" serving to facilitate the development of the YRD, the whole China, and even the rest of the world.

02. Investment Highlight

Three Major Industries

- Logistics
- Convention and exhibition
- Commerce and trade

Two High-end Industries

- High-end information technology
- High-end intelligent manufacturing

One Distinctive Industry

- Cultural tourism & healthcare industry cluster

03. Policy Support

01

Financial Support for MNCs to Establish Headquarters
MNCs that have established new holding headquarters covering Asia, Asia-Pacific or broader regions are eligible for a subsidy for establishment of RMB 8 million.

02

Housing Support for MNCs' Headquarters
MNCs that have built or purchased headquarters offices are eligible for a subsidy equivalent to 10% of the assessed market price of such offices, capped at RMB 6 million.

03

Operation Rewards for Companies Serving the Function of RHQs of MNCs
Companies performing the function of RHQs of MNCs whose annual turnover has reached a certain scale since the year when they were recognized as RHQs are eligible for an accumulative reward of RMB 10 million;
Recognized trade-based headquarters are eligible for a reward up to RMB 5 million as per the year-on-year increase of their revenue.

04

Rewards for Innovative and Entrepreneurial Talent Teams
Qualified innovative and entrepreneurial talent teams are eligible for a reward up to RMB 12 million.

05

Rewards for Modern Business Operations
An exhibition with a scale of 200,000 m² (or 5,000 booths) is eligible for a reward of RMB 600,000;
Qingpu-based logistics enterprises with an annual revenue of RMB 10 billion are eligible for a reward of RMB 1 million;
Newly introduced commercial complexes with floor areas of over 50,000 m² are eligible for a reward of RMB 3 million.

06

Dedicated Apartments
Leading enterprises of key industries and industry platforms have the privilege to use a certain number of dedicated apartments for their employees.

Key Functional Zone	Industry Positioning/ Function Positioning
East Qingpu (with West Hongqiao Business District as the core)	A first-class modern service industry cluster with key functions such as convention and exhibition, commerce, trade, and modern logistics.
West Qingpu	A collaborative innovation zone for the integrated development of the YRD nurturing industries of ecological conservation, tourism and culture.
Qingpu New City	A multi-functional hub for Shanghai to promote higher-quality integrated development of the YRD

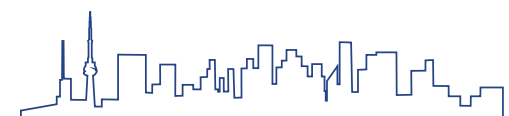
04. Commercial Facility

Qingpu Industrial Zone
Industry Positioning: High-end equipment, auto parts, biopharmaceuticals, new materials, electronic information
Rent Reference: RMB 1–2/m²/day

Shixi Software Information Park
Industry Positioning: IoT, AI, industrial software, location services, intelligent healthcare, smart logistics
Rent Reference: RMB 2–3/m²/day

West Hongqiao Business District
Industry Positioning: Exhibition and conference services, circulation services, headquarters economy, modern financial services, creativity industry, strategic emerging industries
Rent Reference: RMB 2–4/m²/day

Lake Dianshan New City
Industry Positioning: Advanced manufacturing industries that are resource-saving and environment-friendly, modern service industries including tourism and leisure, conference and exhibition, commerce and business, and ecological residence



● Fengxian District

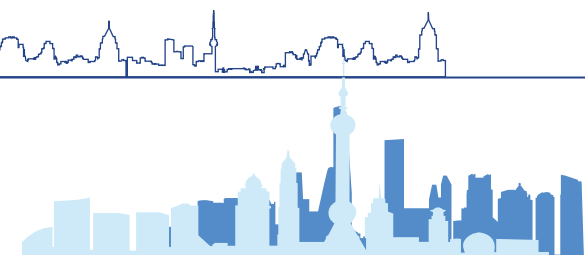
01. District Overview

Located in the south of Shanghai with an area of 733.38 km², Fengxian District is aimed to become a center in southern Shanghai and a core area of the comprehensive service-oriented region on the northern bank of Hangzhou Bay.

Fengxian is home to harbor, airport and land port facilities, which makes it the only urban area equidistant from the two major international airports and an international shipping port in Shanghai. The District enjoys dividends of a free trade zone as approx. 439 km² of its land is designated to be part of the Lingang Special Area of the China (Shanghai) Pilot Free Trade Zone.

02. Investment Highlight

The Oriental Beauty Valley – Beauty and Health Industries	Intelligent Connected NEVs	Strategic Emerging Industries
• Beauty and cosmetics, biomedicine, medical equipment, sports equipment and other sectors across the extended industry chain	• Intelligent connected NEVs, auto parts	• New energy, new materials, high-end equipment, AI, IoT



Key Functional Zone	Function Positioning
Lingang Industrial Area	Advanced equipment, high-end medical equipment and their supporting industries
Fengxian Industrial Area	Strategic emerging industries including AI, digital cultural & creative production, high value-added auto parts
Fengxian Economic Development Zone	Biomedicine, beauty & cosmetics, new energy
Hangzhou Bay Industry Functional Zone	Fine chemicals, new materials and sectors up and down the industry chain

03. Policy Support

- 01 Accelerating the Development of Beauty and Health Industries**
Encouraging MNCs in the beauty and health spheres to set up RHQs in the Oriental Beauty Valley.
- 02 Setting up a RMB 2 Billion Guiding Fund for Industry Development in Fengxian**
Investing in quality industries with great potential and sustainable performance in the beauty & health and new energy sectors.
- 03 Pushing the Development of Headquarters Economy**
Encouraging MNCs to set up RHQs and headquarters-type institutions in Fengxian.
- 04 Accelerating the Development of “a Park within a Park”**
Prioritizing the land application by major manufacturers in land using.
- 05 Expediting the Gathering of Cultural and Creative Industries**
Renowned cultural and creative brands from China and abroad settling in Fengxian are entitled to grants at 5-10% of their actual investment in fixed assets, up to RMB 3 million.
- 06 Implementing a Tiered Talent Acquisition Mechanism**
Providing all-rounded case-by-case support for different types of talented personnel in terms of housing and renting, schooling of children and medical care.

04. Commercial Facility

Fengxian Economic Development Zone

Key Buildings: Greenland Jade International Plaza, SME Union Building, Excellence Century Center

Rent Reference: RMB 1.8–2.2/m²/day

Shanghai Comprehensive Industrial Development Zone

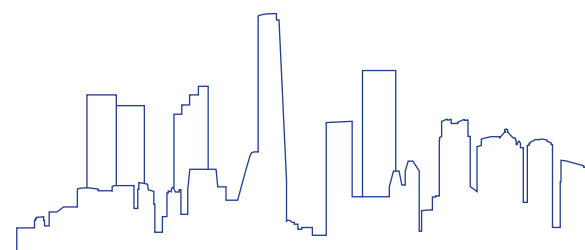
Industry Positioning: Beauty and health, new energy, new materials, auto parts, equipment manufacturing

Rent Reference: RMB 0.5–1/m²/day

Shanghai Hangzhou Bay Economic and Technological Development Zone

Industry Positioning: High-end biotechnology, producer services related to beauty and healthcare industries

Rent Reference: RMB 0.5–1/m²/day







● Chongming District

01. District Overview

Chongming District is located on the western coast of the Pacific Ocean with an area of 1,413 km². It is the midpoint of China's coastline and the estuary of the Yangtze River to the sea.

The District is committed to becoming a world-class eco-island and a global example in ecological environment development, resource utilization, social-economic development and quality of life.

02. Investment Highlight

 Basic Industry Modern agriculture	 Leading Industry Tourism services
 Main Industry Innovative services	 Supporting Industry Eco-friendly manufacturing



Key Functional Zone	Function Positioning
Shanghai Changxing Marine Equipment Industry Park	An international highland of marine industry, an international playground for innovative enterprises
Chongming Eco-scenic Riverside Promenade	Tourism services

03. Policy Support

- 01 Encouraging Enterprises Investment and Talents Attraction**
Providing entrepreneurs and start-ups with preferential and low-cost office spaces as well as entrepreneurship coaching, financial, legal and human resource services for free.
- 02 Encouraging the Development of Start-ups**
A one-off grant of RMB 150,000 will be given to district-level high-tech business incubators and maker-spaces, along with a founding subsidy of up to RMB 350,000 granted after one year of business operation.
- 03 Supporting District-level High-tech Businesses**
Providing district-level high-tech business incubators and maker-spaces with office space rental subsidy at RMB 1/m²/day for a floor area of up to 500 m².
- 04 Financial Incentives for Innovation and Startup Teams**
An entrepreneurship coaching incentive of RMB 50,000 will be given to the operating bodies of tech incubators or maker-spaces if projects from such incubators and maker-spaces receive a one-off funding of RMB 2 million or more.

04. Commercial Facility

Chongming Industrial Park

Industry Positioning: Machinery, electronics, apparel, cultural creativity

Rent Reference: RMB 0.5–1/m²/day

Chongming Modern Agriculture Park

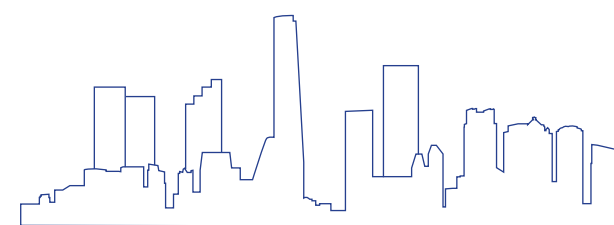
Industry Positioning: Advanced agricultural technologies, biotechnologies

Rent Reference: RMB 0.5–1/m²/day

Shanghai Changxing Marine Equipment Industry Park

Industry Positioning: An international highland of marine industry, an international playground for innovative enterprises

Rent Reference: RMB 0.5–1/m²/day



Key Functional Zones

● China (Shanghai) Pilot Free Trade Zone

01. Area Overview

The China (Shanghai) Pilot Free Trade Zone (SHFTZ) is a regional free trade zone set up by the Chinese government in Pudong New Area, Shanghai, as part of China's Free Trade Area. With an area of 120.72 km², the SHFTZ has taken up 10% of the total land of Pudong.

The SHFTZ consists of seven parts: Waigaoqiao Free Trade Zone, Waigaoqiao Bonded Logistics Park, Yangshan Free Trade Port Area, Pudong Airport Comprehensive Free Trade Zone, Jinqiao Export Processing Zone, Zhangjiang High-tech Park and Lujiazui Financial and Trade Zone.

02. Resources Advantage

The SHFTZ is tasked with accelerating the transformation of government functions in the new era, exploring innovative governance models, facilitating trade and investment, while searching for new ways and proven experience for deepening reforms and further opening-up. Therefore, special policies and advantageous resources are available in the SHFTZ to meet the national strategic needs of China.

03. Investment Highlight



04. Policy Support

Negative List for Foreign Investment

The SHFTZ has initiated the first-ever negative list for foreign investment in China. Industries not included in the list are required to go through a record-filing process. Now nearly 99% of the foreign investment projects in the SHFTZ are set up via the record-filing process, which has shortened the possessing time from eight working days to only one working day.

A "Single Window" for International Trade

A "Single Window" handles the declaration of all the goods and shipment at port, having served over 240,000 companies. The number of items to report declaration of shipment and goods has been cut by 65% and 24%, respectively, saving over RMB 2 billion for companies.

Further Opening-up of the Service and Manufacturing Industries

The SHFTZ has introduced in the first foreign-invested vocational training institute, and the first wholly foreign-funded medical institution and engineering design company in China.

The SHFTZ has issued 25 new measures designed to further open up the financial service sector, leading in financial openness in China.

Free Trade Account (FT Account) System

The FT Account System provides integrated financial services for both RMB and foreign currencies under the current and capital accounts, including cross-border financing, merger and acquisition, wealth management and bonds, to facilitate company investment, financing and trade.

Streamlined Customs Clearance

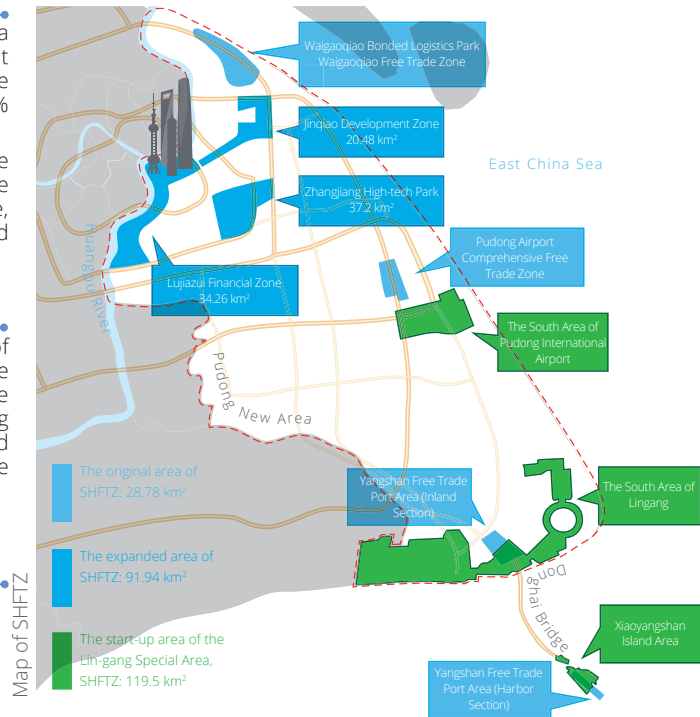
Nearly 100 innovative measures have been adopted by the customs and other port regulators for more efficient customs clearance. As a result, inbound and outbound goods that enter and depart from the bonded areas now take 78.5% and 31.7% less time, respectively, than the average port clearance.

Electronic equipment interchange receipts for freight containers have been fully rolled out with high priority, saving companies RMB 400 million a year in paper document costs.

Reform of "Separating Operation Permits from Business Licenses"

The reform of "separating operation permits from business licenses" has been pioneered in Pudong, which is designed to streamline the approval process by reducing the number of approvals needed, and to solve the problem of companies with business licenses but unable to operate in their specific areas yet without going through the complicated process of obtaining operation permits.

As of now, "116+47" pilot reform measures are in full implementation.



● The Lin-gang Special Area of the SHFTZ

01. Area Overview

With a planned area of 873 km², the Lin-gang Special Area has launched a start-up area of 119.5 km².

Keeping abreast of the most competitive free trade zones recognized by the international community, the Lin-gang Special Area is dedicated to delivering on the overall requirements and goals of further opening-up at a higher level across more sectors with even greater efforts.

02. Resources Advantage

Favorable policy: The Lin-gang Special Area will **implement internationally competitive policies and measures for opening-up** to become a special economic area of global influence and competitiveness.

Expanded market access: The Lin-gang Special Area **welcomes the entry of foreign capital into public service sectors**, such as education, healthcare, elderly care, culture, sports, industry park development and city operation, to create an ecologically sound and modern hub that is open, innovative, intelligent, suitable for living and favorable for industry development.



03. Investment Highlight

Four Open Industries

- Cutting-edge industry cluster
- New international trading
- International shipping hub
- Cross-border financial trade

Four Major Industries

- Integrated circuits
- Artificial intelligence
- Biopharmaceuticals
- Aerospace

04. Policy Support

"6+2" Innovations in Institutional Reform

"6": Free investment, free trade, free capital, free transportation and free mobility of practitioners, and quick and convenient flow of information;

"2": An internationally competitive taxation system and a comprehensive risk management system.

The Lin-gang Special Area enjoys enhanced autonomy over reform, preferential policies from the Shanghai government and the opportunity to pioneer major pilot reform measures;

High priority will be given to policies on human resources, accounting, tax, finance, land planning, industry development, housing for talented professionals, transportation, and comprehensive urban services.

Special Supporting Policies

Industry Development

"1+4" Industry Development Policies

"1": The overall policy on achieving breakthroughs in core technologies and products, building and improving industry capacity, enhancing independent innovation capability and creating a favorable environment for innovation;

"4": Specific measures on developing the four major industries of integrated circuits, AI, biopharmaceuticals and aviation & aerospace.

Talent Attraction

Loosened restrictions on age, educational background and work experiences, alongside other favorable measures, are applied to overseas talents urgently needed for technology innovation or industry development, and foreigners that invest or start businesses in the Lin-gang Special Area, during their application for work permits in China;

The Lin-gang Special Area is granted increased autonomy in managing the introduction of overseas talents and providing them various streamlined services.

Financial Support

Support is available for cross-border finance, flexible flow of cross-border capital and the establishment of capital management center, with more favorable measures to come;

Multiple subsidies will be granted to qualified Chinese and foreign financial institutions and institutions serving financial functions that are registered and established within the Lin-gang Special Area;

Financial professionals are eligible for a subsidy to offset extra personal income tax and dedicated rewards to talents.

● Hongqiao Central Business District

01. Area Overview

Located on the west side of downtown Shanghai, the Hongqiao Central Business District (CBD) covers a total planned area of 151 km², involving Minhang, Changning, Qingpu and Jiading Districts.

02. Resources Advantage

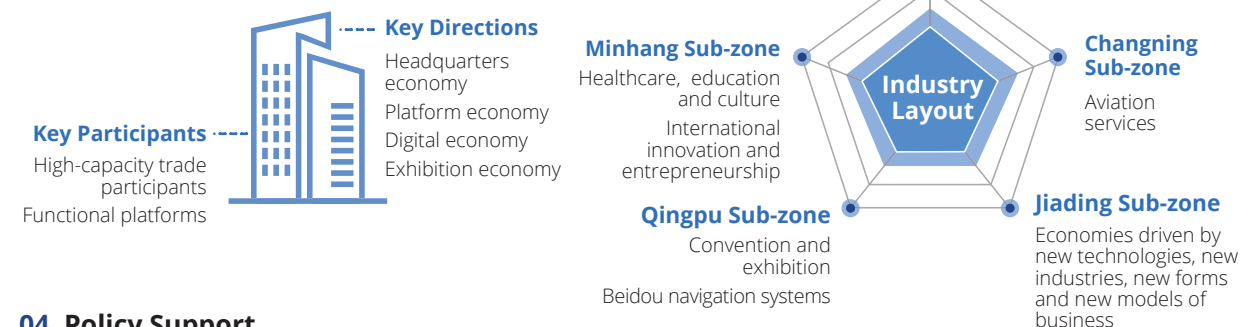
Convenient transport and well-established convention and exhibition industries: The Hongqiao CBD is home to Hongqiao Hub, the world's largest integrated transport hub, and the National Exhibition and Convention Center, the world's largest exhibition complex and the venue of the annually organized China International Import Expo.

Strategic advantages brought by the integrated development of YRD: As the core area to implement China's integrated development strategy of the YRD region, the Hongqiao CBD will create an international open hub, an international central business district and a new platform for international trade.

Diverse functional platforms: Hongqiao Import Commodity Exhibition and Trading Center, Hongqiao Overseas Trade Center, Yangtze River Delta E-Commerce Center



03. Investment Highlight



04. Policy Support

Dedicated Development Fund	Industry Supporting Policy	Functional Platform Supporting Policy	Talent Services Policy
<ul style="list-style-type: none"> Policy Document: <i>Administrative Measures for Dedicated Development Funds of the Shanghai Hongqiao Central Business District</i> Total Funds: RMB 2 billion Key Directions: Focusing on commerce and transport projects that promote industry agglomeration, function development and talent attraction Funding Methods: Financial aid, subsidized loans, government subsidies, and government purchases of services 	<ul style="list-style-type: none"> A subsidy of up to RMB 6 million for headquarters decoration and furnishing to support the development of headquarters economy; A subsidy of up to RMB 1 million for companies to carry out branded and international high-end commerce and trade activities; Rental subsidies and start-up subsidies are provided to qualified companies. 	<ul style="list-style-type: none"> Hongqiao Import Commodity Exhibition and Trading Center: Rental subsidies, start-up subsidies, and free storage fees within a certain time limit for commodities stored at the Hongqiao CBD Bonded Logistics Center (type B) Hongqiao Overseas Trade Center: Three-year free rent of office spaces, start-up subsidies YRD E-Commerce Center: Three-year rental subsidies and start-up subsidies 	<ul style="list-style-type: none"> A dedicated service window to provide work permits and other conveniences for foreign professionals; Trademark registration service, and a series of featured services such as legal aid for international trade as well as international commercial arbitration.

● Zhangjiang National Innovation Demonstration Zone

01. Area Overview

With a total area of 531 km², the Zhangjiang National Innovation Demonstration Zone covers all administrative divisions of Shanghai, and has formed a development pattern of "1 Zone + 22 Industry Parks".

The Demonstration Zone is the core area and pilot region for Shanghai to build itself as a science and technology innovation center with global influence.



02. Resources Advantage

Sci-tech facilities: Owning a large national-level scientific facility cluster, Zhangjiang will build the world's largest and most comprehensive photonic science center with new-generation light sources as its core. National laboratories such as Zhangjiang Lab, Tsung-Dao Lee Institute, and an array of labs of top scientists worldwide have been successively built here.

Innovation platforms: International innovation platforms such as China-Israel, China-Germany, China-Finland, and China-Singapore innovation centers have been established; more than 300 foreign-funded R&D centers have gathered here.

Entrepreneurial environment: An inclusive and shared environment has been built, as entrepreneurs and innovators are provided with medical, educational, elderly care and cultural services of international level. Over 10 million m² of dedicated apartments are reserved for professionals to meet their diverse housing needs.

03. Investment Highlight

<ul style="list-style-type: none"> Biopharmaceuticals Information technology Energy conservation and environmental protection 	<ul style="list-style-type: none"> High-end equipment manufacturing New materials New energy 	<ul style="list-style-type: none"> New energy vehicles Culture and technology fusion industry Modern services
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04. Policy Support

Optimizing Public Services	Attracting and Cultivating Talents
<ul style="list-style-type: none"> Providing technological services such as innovation and entrepreneurship support and intellectual property support; Supporting equity financing and credit financing of technology companies; Supporting the creation of national eco-industrial demonstration parks and zero-emission pilot demonstration parks. 	<ul style="list-style-type: none"> Supporting the employment of senior experts and outstanding young talents, and providing rewards for outstanding young scientific research talents; Improving the comprehensive talent service level and guaranteeing talent housing; Talent service agencies such as Shanghai Service Center for International Technology Innovation Talents and Pudong International Talent Hub are launched to provide professional and efficient talent services.
Turning Innovation Results into Products	Creating Innovation-driven Industry Clusters
<ul style="list-style-type: none"> Supporting the transformation of innovation achievements into industrial production in the Zone; Supporting enterprises to carry out core technology research and transformation; Supporting the demonstration application of original equipment and products in the Zone; Supporting the high-growth development of high-tech enterprises; Supporting enterprises in key industries to attain international certification and to engage in international cooperation. 	<ul style="list-style-type: none"> Supporting the introduction of high-quality industrial resources such as domestic and foreign cutting-edge R&D institutions, key laboratories, functional headquarters, leading enterprises, and innovation platforms to help the development of prioritized emerging industries and improve weak links in the industry chains.

Investment Promotion Institutions

Service Organizations



Shanghai Municipal Commission of Commerce

Address: Building 7, 300 Shibocun
Road, Shanghai
Website: en.swww.sh.gov.cn
Tel: 86-21-23111111



The Shanghai Municipal Commission of Commerce is a component of the Shanghai Municipal People's Government. The Commission is responsible for Shanghai's foreign trade, foreign investment, foreign economic cooperation, domestic trade and circulation management, economic trade and foreign affairs services. Responsible for the preliminary examination and approval of new port opening, further port opening, temporary port opening and temporary access to non-open areas.

Main responsibilities concerning foreign investment

- Providing policy advice
- Assisting in arranging meetings between senior foreign officials and domestic government officials
- Coordinating relevant government departments and project implementation
- Providing complaint handling services for foreign-invested enterprises
- Foreign-invested enterprise management and service



Shanghai Foreign Investment Development Board

Address: F15, 83 Loushanguan
Road, Shanghai
Website: www.investsh.org.cn
E-mail: investshanghai@investsh.org.cn
Tel: 86-21-62368800



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 municipality-level professional two-way 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. In 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 consultation, match-making and site selection, to assist them to make the best investment decisions locally and globally.

To promote the investment environment of Shanghai, organize various promotion events and to progress the set-up of foreign investment projects.

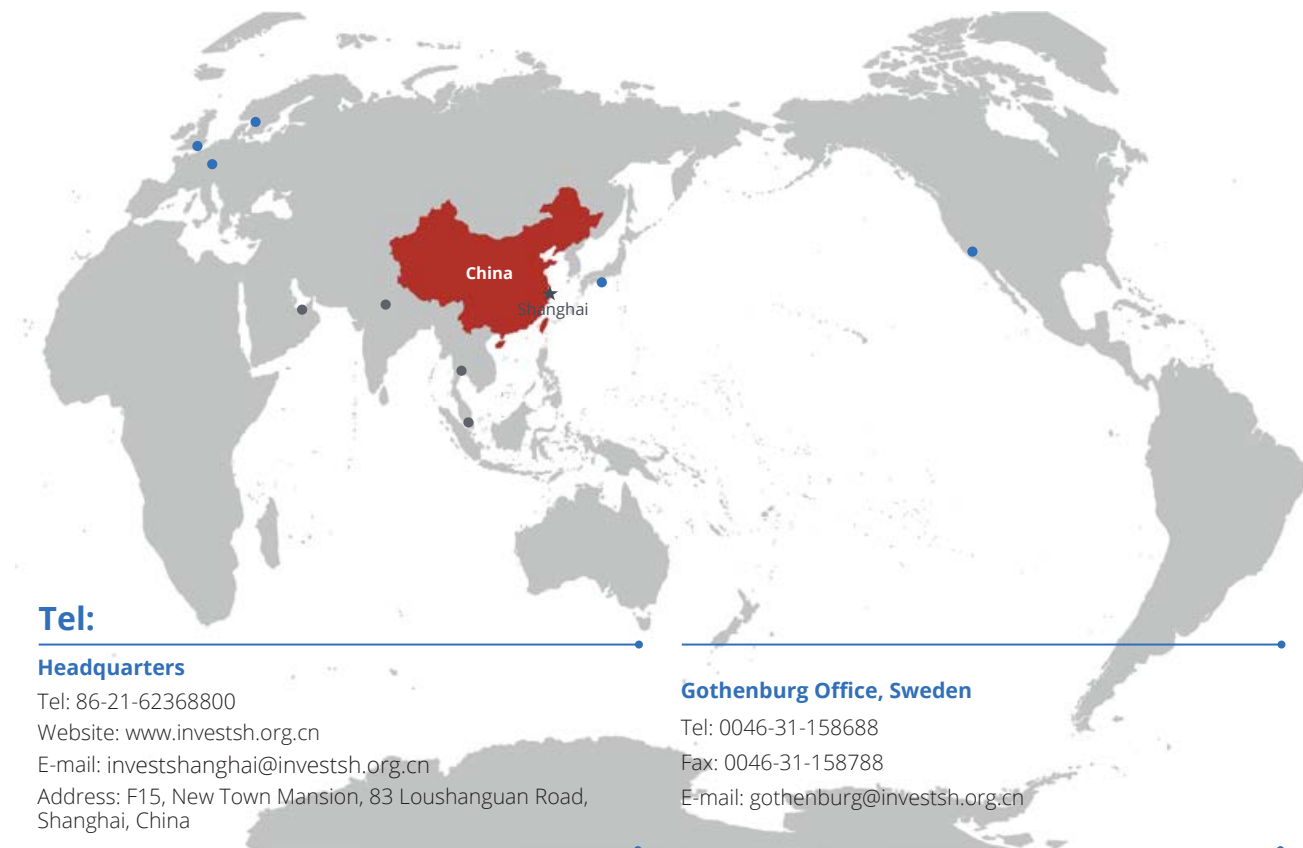
To cultivate the main players of overseas investment and assist Shanghai companies in developing overseas market.

To assist in solving problems encountered during project investment and to promptly provide feedback on the implementation of policies to decision-makers.

To guide Shanghai's districts and development zones in attracting investment to Shanghai and to organize them to overseas countries to hold investment promotion events abroad.

To provide follow-up services and to assist in solving problems encountered during project operation.

To establish overseas representative offices, collect information on overseas industrial development, and provide customized services for potential investors.

**Tel:****Headquarters**

Tel: 86-21-62368800
Website: www.investsh.org.cn
E-mail: investshanghai@investsh.org.cn
Address: F15, New Town Mansion, 83 Loushanguan Road, Shanghai, China

Los Angeles Representative Office, USA

Tel: 001-213-625-1890
Fax: 001-213-625-1935
E-mail: la@investsh.org.cn

Osaka Office, Japan

Tel: 0081-6-6569-1520
Fax: 0081-6-6569-1521
E-mail: osaka@investsh.org.cn

London Office, UK

Tel: 0044-20-76268088
Fax: 0044-20-78682002
E-mail: london@investsh.org.cn

Frankfurt Office, Germany

Tel: 0049-69-30855017
Fax: 0049-69-30855163
E-mail: frankfurt@investsh.org.cn

Gothenburg Office, Sweden

Tel: 0046-31-158688
Fax: 0046-31-158788
E-mail: gothenburg@investsh.org.cn

Singapore Office, Singapore

Tel: 0065-9326-2598
E-mail: jinaiping@sucgi.net

New Delhi Office, India

Tel: 0091-8130891221
E-mail: shenchengming@sucgi.net

Bangkok Office, Thailand

Tel: 0066-2-274-1676
E-mail: zhuchao@shhuayi.com

United Arab Emirates Office, U.A.E.

Tel: 00971-5-27965868
E-mail: zhuyt@shanghai-electric.com

How to Contact Government Agencies for Commerce Promotion in Different Districts

Pudong New Area Commission of Commerce

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

Huangpu District Commission of Commerce

Website: www.english.huangpuqu.sh.cn
Tel: 86-21-33134800 transferred to the Commission of Commerce
Address: 300 East Yan'an Road

Jing'an District Commission of Commerce

Website: www.english.jingan.gov.cn
Tel: 86-21-64178239
Address: 915 Julu Road

Xuhui District Commission of Commerce

Website: www.xuhui.gov.cn
Tel: 86-21-64872222
Address: Room 512, 336 North Caoxi Road

Changning District Commission of Commerce

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

Putuo District Commission of Commerce

Website: www.shpt.gov.cn
Tel: 86-21-52564588-7081
Address: F10, Building 2, 1321 Tongchuan Road
Putuo District Investment Promotion Office
Tel: 86-21-52820889, 86-21-52820851
Address: F5, 602 Tongpu Road

Hongkou District Commission of Commerce

Website: www.shhk.gov.cn/shhk/English
Tel: 86-21-25658335
Address: Room 1305, 518 Feihong Road
Hongkou District Investment Promotion Office
Tel: 86-21-65953818
Address: F23, 908 Dongdaming Road

Yangpu District Commission of Commerce

Website: www.english.shyp.gov.cn
Tel: 86-21-65630687
Address: F20-21, Building 2, 800 Huimin Road

Baoshan District Commission of Commerce

Website: www.shbsq.gov.cn:443/shbs/en
Tel: 86-21-56178991, 86-21-56176506
Address: 245 Taihe Road

Minhang District Commission of Economy

Website: www.english.shmh.gov.cn
Tel: 86-21-64122886
Address: F3, 6558 Humin Road
Minhang District Investment Promotion Office
Tel: 86-21-54438001
Address: F5, Building 1, 4855 Dushi Road

Jiading District Commission of Economy

Website: www.english.jiading.gov.cn
Tel: 86-21-69989726
Address: 111 South Bole Road
Jiading District Investment Promotion Office
Tel: 86-21-59991069
Address: F2, 1055 Pingcheng Road

Jinshan District Commission of Economy

Website: www.jinshan.gov.cn
Tel: 86-21-57921161
Address: Room 1349, 2000 Jianshan Avenue
Jinshan District Investment Promotion Office
Tel: 86-21-57922627
Address: F15, 555 Longshan Road

Songjiang District Commission of Economy

Website: www.english.songjiang.gov.cn
Tel: 86-21-37722775
Address: 681, Lane 900, North Sanxin Road

Qingpu District Commission of Commerce

Website: www.shqp.gov.cn/english
Tel: 86-21-39711266
Address: 100 Gongyuan Road

Fengxian District Commission of Economy

Website: www.english.fengxian.gov.cn
Tel: 86-21-57419432
Address: 1 Nanting Road, Nanqiao Town
Fengxian District Investment Promotion Office
Tel: 86-21-67137517
Address: F9, SME Union Building, 1529 South Wangyuan Road

Chongming District Commission of Economy

Website: www.english.shcn.gov.cn
Tel: 86-21-59623588
Address: F5, Building 2, Business Center, 8188 Chongming Avenue, Chengqiao Town

How to Contact National Zones and Parks and Other Investment Promotion Institutions

China (Shanghai) Pilot Free Trade Zone

Tel: 86-21-58788388

Website: www.en.china-shftz.gov.cn

Lin-gang Special Area of SHFTZ

Tel: 86-21-68282343

Website: www.en.lgxc.gov.cn

Hongqiao Central Business District

Tel: 86-21-34733963

Website: www.en.shhqcbd.gov.cn

Zhangjiang National Innovation Demonstration Zone

Tel: 86-21-33833000

Website: www.en.zjsfq.gov.cn

Minhang Economic and Technological Development Zone

Tel: 86-21-64300888

Website: www.smudc.com

Hongqiao Economic and Technological Development Zone

Tel: 86-21-62756888

Caohejing Hi-tech Park

Tel: 86-21-64859900

Service hotline: 400-821-5151

Website: www.en.caohejing.com

Jinqiao Economic and Technological Development Zone

Tel: 86-21-50304605

Shanghai Chemical Industry Park

Tel: 86-21-67126666

Website: www.scip.com.cn

Songjiang Economic and Technological Development Zone

Tel: 86-21- 37031111, 86-21-57856399

Website: www.sjetdz.com

UNIDO SIPC

Tel: 86-21-61152611

Shanghai Association of Foreign Investment

Tel: 86-21-62751309

Website: www.saefi.org.cn

Shanghai Technology Innovation Center

Tel: 86-21-64839009

Website: www.shtic.com

Shanghai Development Park Association

Tel: 86-21-54234250

Website: www.sidp.org.cn

Shanghai Small and Medium Sized Enterprise Development Service Center

Tel: 86-21-64225181

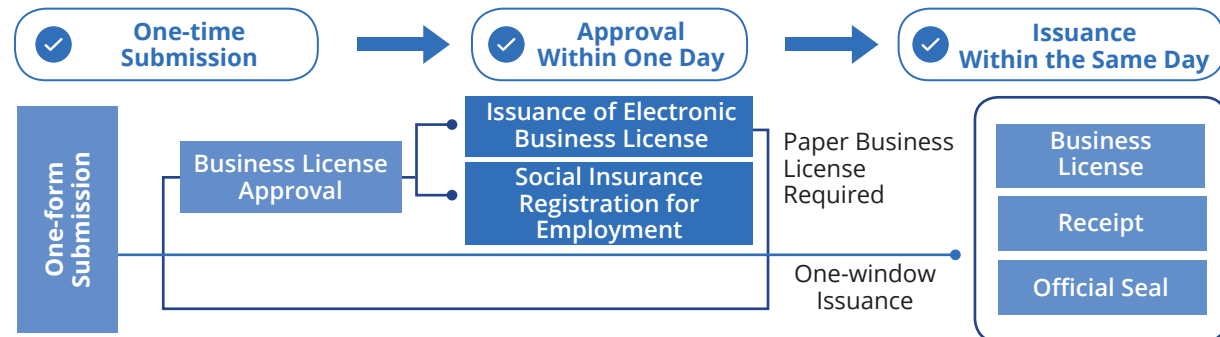
Appendix



Appendix I: Procedures for the Establishment of Foreign-invested Enterprises

Establishment of Foreign-invested Enterprises Without Prejudice to the *Special Administrative Measures for Access of Foreign Investment*

Foreign-invested enterprises can be established by submitting only one form at one service window for both business filing and registration through the web portal of One Network Service System of Shanghai government. Enterprises shall enter into operation in two days upon completion of procedures.



Establishment of Foreign-invested Enterprises Under the *Special Administrative Measures for Access of Foreign Investment*

Domestic enterprises shall update business filing when applying for business registration change to foreign-invested enterprises. Once approved by the Administration for Market Regulation of Shanghai, the updated filing information will be submitted to the Comprehensive System for Management of Foreign Investment of China's Ministry of Commerce to go through further procedures. In the event that foreign-invested enterprises change or amend business filing, the updated information shall be submitted through the Comprehensive System for Management of Foreign Investment to go through further procedures.

Foreign Investment Law

Since January 1, 2020, the *Foreign Investment Law of the People's Republic of China* and the *Regulations for the Implementation of the Foreign Investment Law of the People's Republic of China* have been in effect. According to the *Foreign Investment Law*, China offers pre-establishment national treatment plus a negative list management mechanism for foreign investment. "Pre-establishment national treatment" refers to the treatment given to foreign investors and investment in respect of market access at a level no less favorable than that given to domestic investors and investment. "Negative list" refers to China's special administrative measures for access of foreign investment in specific areas, which means national treatment shall be granted to those that are not on the negative list.

Foreign Investment Service Platforms

Shanghai Service Platform for Foreign Investment Promotion

As a one-stop service platform dedicated to facilitating foreign investment in Shanghai, it offers a comprehensive set of information on the city's business environment, related policies, and industries and facilities to invest in. In this way, it helps foreign investors find online the best locations for their investment projects and contact competent authorities, before they finally make informed decisions on the siting of their businesses.



Shanghai Enterprise Service Cloud

As an essential part of Shanghai's "One Network Service System", the platform provides a complete range of targeted e-government services for Shanghai-based enterprises regardless of ownership category, scale or life cycle stage.



One Network Service System

It is an integrated online government service platform designed to address the needs of Shanghai-based individuals and business entities for both online and offline services. All the services can be applied for on a unified portal website and provided at any service location across the city through one service window or online. Thanks to the close cooperation between different authorities, administrative procedures can be completed in just one go.



Appendix II: Entry and Exit Services

• Number of entries and exits: 45.7 million

• Number of entries and exits through automated passport control channels: 18.5 million

Statistics on Entries and Exits of Shanghai in 2019

• Number of automated passport control channels: 199

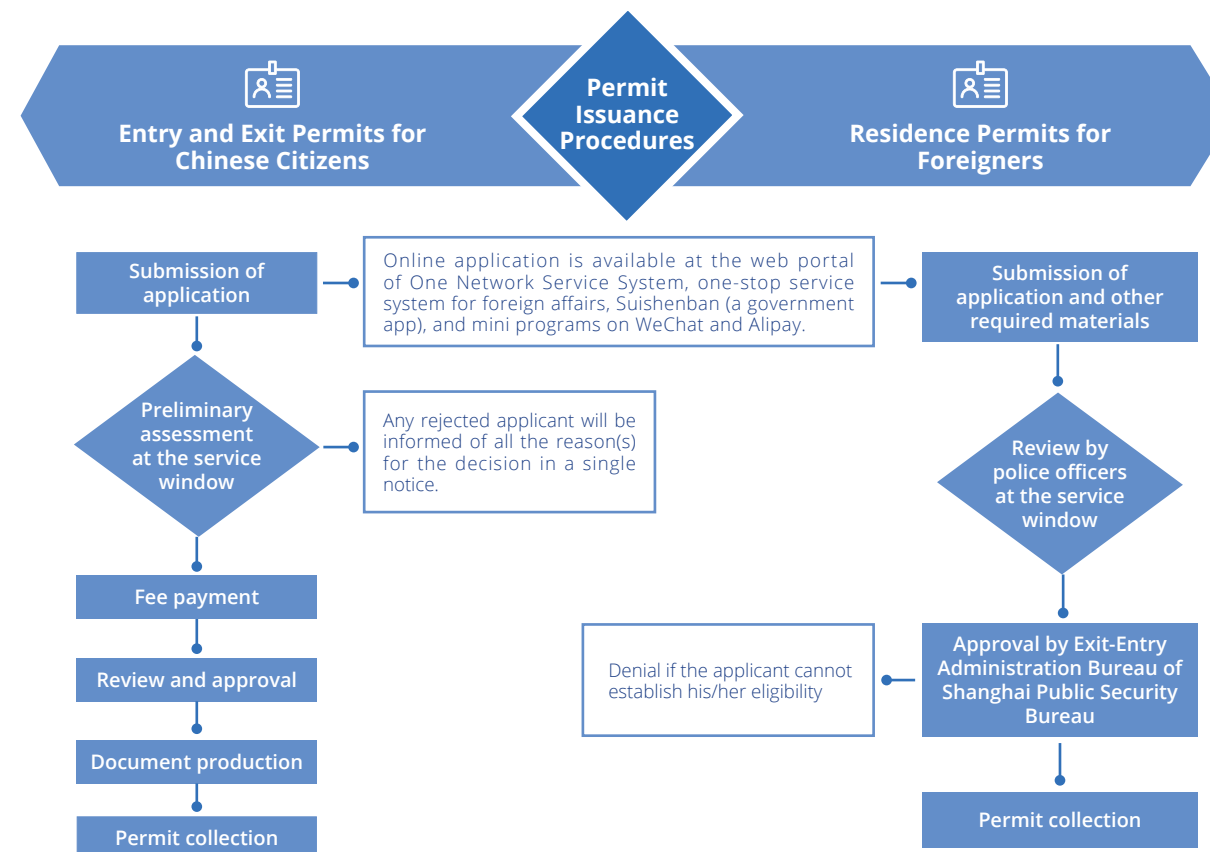
• Number of visits made under the 144-hour visa-free transit policy: 65,000

Online Application-based Service Window for Entry-Exit Affairs

Eligible foreign workers are allowed to file their applications for work-type residence permits online at any time and collect permits at the service window in less than an hour, with no need to submit passports in advance.

Single-window Service Platform for Border Crossing Permission

Thanks to the platform, the formalities for boarding or berthing alongside foreign vessels can be completed on mobile phones, with necessary digital passes generated. Information on persons planning to leave or enter China by business jets or air freighters can be filed online for permission as well.



Appendix III: Utility Prices

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

Type of Usage		Annual Household Usage (m³)	Water Price (RMB/m³)	Sewage Treatment Rate (RMB/m³)
Household	Tier-1	0-220	1.92	1.70
	Tier-2	220-300	2.20	1.70
	Tier-3	>300	4.30	1.70
Non-household (charged at the household price)			2.12	1.70

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

Electricity

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

Natural Gas (supplied by Shanghai municipal gas utilities)

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

Appendix IV: Major Policies



Opinions of Shanghai Municipal People's Government on Further Promoting Foreign Investment in Shanghai (Shanghai Municipal Government Regulation [2019] No.37)

The policy is issued to encourage and support foreign investment in 1) strategic emerging industries, including new-generation information technology, intelligent manufacturing of equipment, biomedicine and high-performance medical device, new-energy and intelligent connected vehicles, aerospace, ocean engineering equipment, high-end energy equipment, new materials, and energy conservation and environmental protection; and 2) key areas in producer services industries, such as R&D and designing, Engineering Procurement Construction, inspection/testing and accreditation, supply chain management, and e-commerce.



Provisions on Encouraging Multinational Corporations to Establish Regional Headquarters in Shanghai (Shanghai Municipal Government Regulation [2019] No.31)

The policy is designed to encourage multinational corporations (MNCs) to establish regional headquarters (RHQs) or regional head offices in the city, and support existing RHQs and regional head offices in aggregating businesses, improving functions and enhancing capacities, as part of the efforts to push forward Shanghai's Initiative of "Five Centers".



Opinions on Implementing Special Supportive Policies to Promote the High-quality Development of the Lin-gang Special Area of the China (Shanghai) Pilot Free Trade Zone ("50 Lin-gang Measures")

In line with the opening-up institution and specific policies approved by the Chinese central government for the Lin-gang Special Area, these 50 measures are developed focusing on regulation authority, personnel services, fiscal, tax and financial affairs, land planning, industry development, housing security and infrastructure, to make the Area an economic growth pole boasting "the most concentrated resources of different factors, the most complete system and functions, and the most active market players".



Opinions on Further Deepening the Reform of Talent Development Institutions and Systems to Transform Shanghai into an International Center of Technological Innovations ("30 Talent Reform Measures")

The measures include: to better attract foreign human resources by making foreign members of high-level working teams qualified to apply for permanent residence permits, and encouraging RHQs of MNCs, holding companies, and foreign-funded R&D centers registered in the Shanghai (China) Pilot Free Trade Zone or the Zhangjiang National Innovation Demonstration Zone to employ fresh graduates of world-renowned universities to work in Shanghai; and to set a priority on attracting high-caliber professionals to important scientific projects, key public platforms for scientific research, major scientific research centers, and significant scientific and technological infrastructure.



Opinions on Further Deepening the Reform of Science and Technology Institutions and Systems to Make Shanghai a Stronger Center for Nurturing Original Technological Innovations ("25 Sci-Tech Reform Measures")

Aiming to help build Shanghai into an International Science and Technology Innovation Center, the policy is developed focusing on six major reform tasks and measures: 1) to promote the growth of various innovation entities; 2) to stimulate innovations from talented sci-tech professionals; 3) to facilitate the transfer and application of sci-tech achievements; 4) to reform and optimize scientific research management; 5) to integrate into the global innovation network; and 6) to nurture an innovation culture.



Measures for Supporting Enterprises to Engage in the Fight Against the COVID-19 Epidemic and Achieve Smooth and Healthy Development Amid the Epidemic ("Shanghai's 28 Policy Measures")

Incorporating supportive policies such as tax discounts, rent exemptions and financial support, 28 measures are focusing on six major tasks: 1) to support enterprises fight against the epidemic; 2) to effectively reduce the burdens on companies of different types; 3) to increase the financial support for companies in need; 4) to help companies avoid large-scale laying off; 5) to facilitate orderly work resumption; and 6) to improve the business environment with better services.



Notice on Measures for Enhancing Financial Support and Services for Enterprise to Engage in the Fight Against the COVID-19 Epidemic (Shanghai Municipal Finance Bureau [2020] No.2)

Measures include to establish a mechanism for managing the list of key epidemic prevention enterprises in Shanghai, and to help local financial institutions provide these enterprises with special financial and credit support by actively utilizing the special relending funds of the People's Bank of China.



100 Questions and Answers on the "Shanghai's 28 Policy Measures"

The *100 Questions and Answers on the "Shanghai's 28 Policy Measures"* was promulgated based on the questions of businesses concerning the "Shanghai's 28 Policy Measures" for supporting enterprises fight against the COVID-19 epidemic and the details on the implementation of the policy issued by multiple authorities in Shanghai. The straightforward document will help businesses better understand the policy and take advantage of the supportive measures for work resumption and stable growth amid the COVID-19 epidemic.

Appendix V: Dedicated Consulting Hotlines for “Shanghai's 28 Policy Measures” for Supporting Enterprises Fight Against the COVID-19 Epidemic

Tax Reduction

Tax services: 12366

Tax reduction on import anti-epidemic supplies:
86-21-68892086 (Shanghai Customs)

Credit Support

Financing guarantee services: 86-21-63771107 (Shanghai Administration Center of Policy Financing Guarantee Funds for SMEs)

Note: For more details about loan application, please contact corresponding banks.

Sci-Tech Innovation Support

Applying for being listed in key supporting companies for epidemic prevention: 86-21-60801423 (Shanghai Municipal Commission of Economy and Informatization); 86-21-23113934 (Shanghai Municipal Development and Reform Commission)

Specialized exemption of loan interests for key companies for epidemic prevention: 86-21-54679568*18063 (Shanghai Municipal Finance Bureau)

Applying for programs about R&D and industrialization of innovative COVID-19 diagnosing tools and treatment medications:
86-21-23112967, 86-18018888250 (Shanghai Municipal Development and Reform Commission)
86-21-23112788, 86-18918883717 (Shanghai Municipal Commission of Economy and Informatization)

Applying for sci-tech innovation funds as technological SMEs: 8008205114, 4008205114 (Shanghai Municipal Science and Technology Commission)

Enterprise and Employment Support

Refunding unemployment insurance premiums & advance declaration of deferred social insurance payment: 12333 (Shanghai Municipal Human Resources and Social Security Bureau)

Moderately decreasing the employee's medical insurance premiums contribution rate of enterprises: 962218 (Shanghai Municipal Healthcare Security Administration)

Partially refunding the travel service quality deposit: 86-21-63367122*18162 (Shanghai Municipal Administration of Culture and Tourism)

Applying for online vocational training subsidy for employees affected by the epidemic: Please consult competent authorities in the administrative division that deals with your tax collection and management relationship

Other Services

Favorable policies on importing anti-epidemic supplies: 4008212199 (Shanghai Municipal Office for Port Services, Shanghai Municipal Commission of Commerce)

Credit repair application: 12368 (Judge of the court of case execution)

Rental Reduction

Rental reduction by state-owned enterprises:

86-21-63338299, 86-21-23117505 (Shanghai SASAC Enterprise Development Service Center)

Legal Issues

Free consulting services: 86-15000128968 (Shanghai Municipal Bureau of Justice)

Consulting services for epidemic prevention and control:
12348, line 9 (24/7 free call)

Afterword

The *Shanghai Foreign Investment Guide* is published annually by Shanghai Foreign Investment Development Board to provide comprehensive information on the advantageous investment environment and opportunities available to foreign investors in Shanghai, enable their informed decision-making regarding their investment and operation in the city, and help them find investment areas that fit into their development needs. Based on the information and data related to the economic and industry development of Shanghai, the annual Investment Guide aims to demonstrate the overall investment environment and policies, highlighted investment areas and their spatial distribution in Shanghai as well as the city's comprehensive investment services.

This Investment Guide is a joint project made possible with the strong support and great contribution from various government departments in Shanghai, including Shanghai Municipal Commission of Commerce, Shanghai Municipal Development and Reform Commission, Shanghai Municipal Commission of Economy and Informatization, and government agencies

for commerce and investment promotion in all districts. We are grateful for their admirable efforts to collect and provide information and data during the preparation of this Investment Guide.

Our special appreciation is also extended to **Deloitte China** (“Deloitte”). Engaged by Shanghai Foreign Investment Development Board, Deloitte has developed this brand new Investment Guide featuring a professional, objective and all-round analysis. Professionally improved in style and layout, the 2020 edition is more readable and visually attractive, better meeting the needs of foreign investors.

To benefit more investors with feasible information on the foreign investment environment in Shanghai, this year's Investment Guide, available in both Chinese and English versions, provides an all-round overview of the investment environment in Shanghai with regards to highlighted investment areas, their spatial distribution and investment service institutions, in a bid to facilitate investors' business operation in Shanghai. Comments and suggestions will be greatly appreciated.



Shanghai Foreign Investment Development Board
Shanghai Overseas Investment Development Board



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