2020
SHANGHAI FOREIGN INVESTMENT GUIDE
Preface

Chapter I
A City Abundant in Investment Opportunities
Enhancing Urban Capacities and Core Functions
Influx of Foreign Investments into the Pioneer of China’s Opening-up
Further Opening-up Measures in Support of Local Development

Chapter II
Highlighted Investment Areas
Overview of Investment Areas
A Glimpse at Shanghai’s Advantageous Industries

Chapter III
Districts and Functional Zones for Investment
Districts and Investment Highlights
Key Functional Zones

Investment Promotion Institutions

Appendix
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 metropolis. 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 cutting-edge 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 and governance as a modern socialist metropolis of international influence, as encouraged by the National Policies to Deepen the All-round Development of a World-leading Business Environment in Shanghai.

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 real 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 Lingang 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 innovations, 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 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 true feet of China’s homemade C919 large passenger plane, the first cloning of macaque monkeys via somatic-cell nuclear transfer, establishment of the world’s largest photon science center in Zhangjiang, and launch of the So-Tech Innovation Board, or the STAR Market at the Shanghai Stock Exchange (SSE), along with the pilot registration-based IPO system. Sci-tech innovation has become the key driving force to transforming Shanghai’s transformation into a new world economic hub.

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 the global 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 operational market players, and strengthen the support from government agencies. As emphasized by Li Qiang, Secretary of the Shanghai Municipal Committee, at the Five-Year Plan for the Shanghai Business Environment Improvement and Investment Promotion Convention, additional efforts will be made in accordance with the instructions of the Shanghai Municipal Committee of the Chinese Communist Party, including improving the international competitiveness of Shanghai in attracting foreign investment, providing enhanced institutional arrangements to better protect and encourage operational market players, and strengthening the support from government agencies.

Today, Shanghai has made a point of offering local businesses in a more targeted manner. Thanks to these remarkable efforts, Shanghai has 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, the active performance of investors and contribution of market players, Shanghai is becoming one of the most desired investment destinations for foreign investors. 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 create and create new miracles with continuously propel national opening-up and benefit the whole 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.

1. 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.

2. 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.
   - 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 ranked fourth in the 2019 Xinhua-Baltic International Shipping Centre Development Index.
   - Shanghai ranked no.1 in the list of global ports in terms of container throughput for ten consecutive years.
   - 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 is the world’s largest port city for international trade.
   - Shanghai ranks second globally in terms of the intensity of international retailers.

3. GDP and GDP Per Capita (2014–2019)

   - GDP in RMB Billion
   - GDP Per Capita in RMB

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP (in RMB Billion)</th>
<th>GDP Per Capita (in RMB)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>2,256.8</td>
<td>134,982</td>
</tr>
<tr>
<td>2015</td>
<td>2,512.3</td>
<td>157,421</td>
</tr>
<tr>
<td>2016</td>
<td>2,817.9</td>
<td>97,370</td>
</tr>
<tr>
<td>2017</td>
<td>3,063.3</td>
<td>103,796</td>
</tr>
<tr>
<td>2018</td>
<td>3,268.0</td>
<td>116,562</td>
</tr>
<tr>
<td>2019</td>
<td>3,815.5</td>
<td>126,634</td>
</tr>
</tbody>
</table>

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 (RHs) 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, bolstering a new foreign investment landscape pattered by headquarters, service and R&D economies.

New foreign investments in Shanghai in 2019

<table>
<thead>
<tr>
<th>Type of Investment</th>
<th>Newly established foreign-invested enterprises</th>
<th>Contractual foreign investment</th>
<th>Paid-in capital</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>USD 102.5 billion Up by 21.5%</td>
<td>USD 52.25 billion Up by 7.1%</td>
<td>USD 19.05 billion Up by 10.1%</td>
</tr>
</tbody>
</table>

In 2019, the value of goods trade between Shanghai and Belt and Road countries and regions across the Belt and Road accounted for 22.4% of the city's total value.

Total foreign investments in Shanghai as of the end of 2019

Foreign-invested projects
- 103,000

Contractual foreign investment
- USD 521.42 billion

Paid-in capital
- USD 259.49 billion

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

1. In 2019, 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.
2. As a result, Shanghai is now one of the most attractive investment destinations in China and beyond, bolstering a new foreign investment landscape.
3. The city is known for its security and continuous attraction of investment.
4. Shanghai was the first in China to pilot cross-border interbank payment system and der RMB business and venture-loan linkage program.
5. As a result, it is now one of the most attractive investment destinations in China and beyond, bolstering a new foreign investment landscape pattered by headquarters, service and R&D economies.

Note: The data was issued by Shanghai Institute for Science of Science.
Regional Headquarters of Multinational Corporations

In recent years, given the changing landscape 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. As of now, RHQs of MNCs in Shanghai mainly operate in a diversified range of manufacturing industries, represented by automobile, chemicals, biopharmaceuticals and electronics sector.

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

| 10% Revenue | 17% Aggregate profits | 12% Aggregate taxes | 6% Employees |

Foreign-invested R&D Centers

Favored by foreign and local innovations, Shanghai is home to one of the first 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.

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

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.

Chapter II
Highlighted Investment Areas

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 13 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.

YRD Region Integrated Development Goals (As of 2025)

Three Zones
- A high-quality development demonstration zone
- A pioneering zone in overall modernization
- A demonstration zone for regional integrated development

One Pole
- A strongly vigorous growth pole

One Highland
- A highland for reform and opening-up in the new era

Three Zones
- Generally balanced development between urban and rural areas
- Coordinated development of sci-tech and innovation industries
- Better integrated environmental governance

One Highland
- A highland for reform and opening-up in the new era

YRD Region Integrated Development Goals (As of 2025)

Exhibition area (In 1,000 m²)

<table>
<thead>
<tr>
<th>1st CIIE</th>
<th>2nd CIIE</th>
</tr>
</thead>
<tbody>
<tr>
<td>300</td>
<td>360</td>
</tr>
</tbody>
</table>

Total number of visits (In 1,000 visits)

<table>
<thead>
<tr>
<th>1st CIIE</th>
<th>2nd CIIE</th>
</tr>
</thead>
<tbody>
<tr>
<td>800</td>
<td>910</td>
</tr>
</tbody>
</table>

Total value of intended deals (In USD billion)

<table>
<thead>
<tr>
<th>1st CIIE</th>
<th>2nd CIIE</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,530</td>
<td>57.83</td>
</tr>
<tr>
<td>3,893</td>
<td>71.13</td>
</tr>
</tbody>
</table>

Number of exhibitors

<table>
<thead>
<tr>
<th>1st CIIE</th>
<th>2nd CIIE</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,530</td>
<td>3,893</td>
</tr>
</tbody>
</table>

Increased combined effects

- Better quality
- Larger in scale
- More sideline events

Attended by higher level representation

Larger in scale
- More sideline events
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 innovation, by aligning the innovation chain with the industry layout. Baoshan, Shanghai’s economic development, manufacturing has laid a solid foundation for the growth of Shanghai’s modern service industries, such as finance, commerce and trade.

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 and 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.

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 and 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.
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 1,683 financial institutions and supporting organizations, of which over 30% are foreign-funded. It is proved 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%.

Growth Rate of Transaction Volumes

<table>
<thead>
<tr>
<th></th>
<th>Shanghai Stock Exchange</th>
<th>Shanghai Futures Exchange</th>
<th>China Financial Futures Exchange</th>
<th>Interbank Market</th>
<th>Shanghai Gold Exchange</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shanghai</td>
<td>35.3%</td>
<td>19.3%</td>
<td>170%</td>
<td>15.2%</td>
<td>33.2%</td>
</tr>
</tbody>
</table>

Greater Opennes 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 projects, 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 businesses, companies co-funded by overseas financial institutions and domestic large banks, and allowing capital management centers to set up or control financial institutions that involve in bonds, funds and futures, and the most comprehensive factor markets globally.

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 Hongqiao 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 Jingan, 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 168 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: 86-21-68957700

Bund FinancialAgglomeration 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

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-fifth 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: Pulang International Financial Plaza, Financial Street (Hailun) Center
Contact: 86-21-65953818
Industry Support

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


 Measures for the Administration of the Registration of IPO Stocks on the Science and Technology Innovation Board (Tsinghua) 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.

Industry Association

Lujiazui Forum

Shanghai Financial Services Fair

Shanghai Financial Association (SFA)

Shanghai Securities Association (SSA)

Shanghai Asset Management Association (SAMA)

Convention & Exhibition

Lujiazui Forum

Shanghai Financial Services Fair

Modern Commerce

In 2019, the total sales of goods in Shanghai reached RMB 12.80041 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 1.34972 trillion. Looking at different types of retail sales, non-store retail sales climbed approx. RMB 240.32 billion, a year-on-year growth of 19% (see table 1). Non-store retail sales reached an all-time high of RMB 1.865.65 billion, 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 worlds firsts and Asia’s firsts. As a result, 55.3% of global retailers and Asia’s firsts 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 a result, 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 consumer 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 enterprise service 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, Putuo and Kuhui as demonstration districts for product world debuts, and supporting e-commerce players to build online debut platforms.

Exemplary Case of Foreign-invested Financial Institutions in Shanghai

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 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 Orient is leveraging its international know-how 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.

Allianz (China) Insurance Holding Co., Ltd.
**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**


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, these 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 makeovers 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 offers, 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

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

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: Shengyu Games, China Literature, Hujang, Hippo Animation, BroadMesse International

Contact: 86-21-50801818

Recommending on Where to Invest

Shanghai boasts clearly-structured, complementary cultural and creative industry clusters such as functional zones, industry parks, office buildings and makeovers 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 developments 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 Changning 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 belt 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-Tongli creative design cluster, the Innovation Yard of cultural and creative industry cluster, and the Internet-based film industry cluster on Jingjiang Road.

Shanghai Zhangjiang Cultural Industry Park

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: 86-21-58977777
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 organisation 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**

Administrative Measures for Cultural and Creative Industry Parks in Shanghai issued jointly by Shanghai Municipal Government and Shanghai Municipal Finance Bureau

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

Shanghai Creative Industry Association (SCIA)

Shanghai Creative Production Industry Association (SCPIA)

Shanghai Convention & Exhibition Industries Association (SCEIA)

**Industry Association**

Shanghai Creative Industry Association (SCIA)

Shanghai Creative Production Industry Association (SCPIA)

Shanghai Convention & Exhibition Industries Association (SCEIA)

**Investment Advantages**

**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.

- **Abundant Resources in AI Research and Education**
  Shanghai enjoys abundant resources in AI-targeted research and education, represented by fundamental research platforms and institutions, such as the Collaborative Innovation Center for Brain Science of Fudan University and the Artificial Intelligence Institute of Tongji University, as well as company-based research and innovation platforms. As part of its forward-looking plan for research, Shanghai announced the first batch of AI innovation centers in 2019, which includes seven topnotch industry players such as SenseTime, DeepBlue and Cambricon.

- **Extensive Application Scenarios**
  The AI industry relies heavily on large volumes of quality data for algorithm training. Thanks to the four basic databases on key parameters such as population, geospatial data and electronic certificates, Shanghai has rich data resources to offer. In addition, open government data from 15 provinces along with 1,000 quality global AI datasets can be accessed by companies via Shanghai Data Exchange.

- **A Strong Talent Pool**
  The AI industry in Shanghai has become a force of magnet for international giants like Microsoft and Amazon, Chinese Internet leaders such as Baidu and Alibaba, and topnotch players including iFlytek and SenseTime, which in turn attracts high-caliber talented professionals to join the cluster. Shanghai, a city where one-third of China’s AI brains call home, now enjoys a clear edge in computer vision, speech recognition, semantic interpretation and brain engineering.

- **Dedicated Financial Support**
  In response to the asset-light and high-risk profile of the AI industry, Shanghai is showing its support to AI Companies with dedicated financial input. In addition to funds such as the AI Industry Fund under the G60 Science and Technology Innovation Corridor and the AI Venture Capital Fund of Yangpu District, the Shanghai AI Industry Investment Fund, with RMB 10 billion in target size for the initial phase, has just started signing of its first batch of projects.
Zhangjiang AIsland

As the first demonstration park for the full-commercial application scenarios of 5G+AI, Zhangjiang AIsland is poised to become a new industry landmark for AI application, gathering diverse AI companies and talents in the highest density. As many top-notch 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

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 209-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, Alibaba Cloud, 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 A 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.

Facing 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

Detailed Rules of the Shanghai Municipal Government on Special Funds for AI Innovation Projects 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

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

Convention & Exhibition

World Artificial Intelligence Conference (WAIC)
Shanghai International Artificial Intelligence Exhibition (AIE)

Industry Association

Shanghai Artificial Intelligence Development Alliance (SAA)
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 2015, 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

1. 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.

2. Strong Innovation Capacity – Supported by Multiple Platforms

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

- Shanghai Industrial (Technology) Research and Innovation Park (SITRI), Shanghai Institute of Microsystem and Information Technology (SITI), Chinese Academy of Sciences (CAS)
- Shanghai IC R&D Center (ICRD), Shanghai Institute of Microsystem and Information Technology (SITI), Shanghai Ministry of Industry and Academic Research

Public Service Platforms – Giving Impetus to Industry Upgrading

- National Integrated Circuit Innovation Center
- National Innovation Platform of Industry & Education Integration for Integrated Circuits
- Shanghai R&D and Achievement Transformation Platform for Integrated Circuits

3. Talent Pool Favorable Policies Funding Support

- 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, research institutes, and universities 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

Zhangjiang Hi-tech Park

As a national high-tech park and a major IC industry base in Shanghai, Zizhu Hi-tech Park features the highest comprehensive technological 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, Huaxia Group

Contact: 86-21-68798879

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 Multi-media Technologies, Oki Sensor Device, Air Liquide

Contact: 86-21-64899990

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, Microsoft and BCD Micro-elecronics.

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 the 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. Stitz, 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 jointly by Shanghai Municipal People’s Government


Several Measures for the Development of Integrated Circuit Industry Clusters in LIN’GANG Special Area of Area (Shanghai) Pilot Free Trade Zone issued by the Administrative Committee of the LIN’GANG Special Area

Convention & Exhibition

China Semiconductor Technology International Conference (CSTIC)

Shanghai Integrated Circuit Industry Association (SICIA)

Shanghai Optoelectronics Trade Association (SOTA)

Shanghai Integrated Circuit Technology and Industry Promotion Center (ICC)

Industry Association

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 biomedicinal institutions, including research institutes, universities and leading company-based R&D centers, along with functional platforms which underpin the industry. 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 domestic biopharmaceutical 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 biomedical professionals. As of the end of 2019, Shanghai had 981 national-level and 410 municipal-level talented profession- als in this field.

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, 11 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 treat it to a medical device manufacturer with qualification and production capacity to thus disconnecting product registration and production permission.
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

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


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 Medical Device and Laboratory Equipment Exhibition

bioLIVE China

Shanghai Biopharmaceuticals Industry Association (SBIA)

Shanghai Medical Instrument Trade Association (SMITA)

Shanghai Pharmaceutical Profession Association (PPPA)

Industry Association

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, Jinhua District, and Jading 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.

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

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.
High-end energy equipment refers to those in the energy equipment industry that are technologically 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 for Shanghai for Energy Development to lay out upstream 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.

**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**

**Efficient and Clean Coal-fired Power Generation Equipment**
- Supercritical generator sets, new CFB coal-fired boilers with high parameters
- Core equipment of high-temperature gas-cooled reactors, next generation nuclear power equipment such as fast neutron reactors and small reactors

**Nuclear Power Equipment**
- Gas turbine technology platforms and R&D centers

**Gas-fired Power Generation Equipment**
- Wind power generation equipment, solar power generation equipment

**Renewable Energy Equipment**
- Large-scale power storage systems, core components of smart grid, distributed energy generation equipment

**Smart Grid and Distributed Energy Equipment**
- 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.

**Leadership Companies:** Siemens, Shanghai Kaishan Energy Equipment, Shanghai Huayi-Wind Energy Electric

**Contact:** 86-21-68298886

**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 CEEEG, 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

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**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.
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 digitalization 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 Economy and Informatization

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 (SNEA)

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

Key strategic materials

Advanced basic 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.

Higher Education Institutions

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

Research Institutes

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

Supporting Platforms

- National Industry Technology Basic Service Platform
- Shanghai Municipal 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 “1+X” layout. 

"1" 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, Jading 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 the 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 superalloy 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

**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 Analytical 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 Industry 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 (GPUIA)

Shanghai Society for Advanced Materials (SSAM)

Shanghai Association of Rare Earth (SARE)
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 comes 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 last-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 creating itself into an automotive innovation powerhouse.

#### 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.

<table>
<thead>
<tr>
<th>Functional Automotive Platforms (Non-exhaustive)</th>
</tr>
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<tbody>
<tr>
<td>National Intelligent Connected Vehicle (Shanghai) Pilot Zone</td>
</tr>
<tr>
<td>National Intelligent Connected Vehicle Measurement and Testing Center</td>
</tr>
<tr>
<td>National Fuel Cell Vehicle and Powertrain System Engineering Research Center</td>
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<tr>
<td>National Engineering Laboratory for Automotive Electronic Control Technology</td>
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<tr>
<td>Shanghai New Energy Vehicle Public Data Collection and Monitoring Center</td>
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</tbody>
</table>

As an important type of NEVs with superior performance in reducing energy consumption, emission and cost, 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 unsolved 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.

### Recommendation on Where to Invest

#### Shanghai International Automobile City

The 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 automotive 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: 86-21-59500300

#### Shanghai Jingqiao Economic and Technological Development Zone

Focusing on the integration of NEV + Intelligent driving, the Shanghai Jingqiao 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 ZNNE Kleeer NEV, the National Engineering Laboratory for Electric Vehicles and the Fan Asia Technical Automotive Center, Jingqiao 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: 86-21-38288886
Exemplary Case of NEV Companies in Shanghai

Tesla, an international new energy vehicle giant, officially landed in Shanghai by building its Gigafactory 3 in the Lingang 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 delivery 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

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

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

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

Shanghai Automotive Trade Association (SATA)

Shanghai Society of Automotive Engineers (SAE-S)
DistRICTS AND INVESTMENT HIGHLIGHTS

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 is a key player in the city’s “five-centre” initiative.

02. Investment Highlight

03. Policy Support

04. Commercial Facility

05. Support for Foreign Professionals

Including convenient transportation, high-end education and medical services, application for permanent resident permit, talent development programs for students, and housing services, application for permanent resident permit, talent development programs for students, and housing services, application for permanent resident permit, talent development programs for students, and housing services.

06. Key Functional Zone

07. Policy Functioning

08. Key Zone

Supporting the development of cultural and creative industries.

Supporting the development of financial and trade services, including 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.

Promoting the Development of Cultural and Creative Industries

Supporting the development of cultural and creative industries.

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.

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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

- **High-end commercial clusters along West Nanjing Road**
- **Start-up clusters for culture and leisure along the Suzhou River**
- **Dual-function clusters for city and industry integration flanking the Middle Ring Road**

03. Policy Support

- **Implementing the Global Service Provider Plan**
- **Encouraging the Gathering of Headquarters**
- **Driving the Development of Big Data Industry**
- **Promoting the Development of Human Resources Industry**
- **Encouraging the Development of Cultural and Creative Industries**

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 5–6/m²/day
- **Dual-function Clusters for city and industry integration flanking the Middle Ring Road**
  - **Rent Reference:** RMB 2–4/m²/day

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

- **Information Technology Industry**
  - **With AI at its core**
- **Cultural and Creative Industry**
  - **With the niche of artwork trade and digital media**
- **Financial Industry**
  - **Fintech-oriented**

03. Policy Support

- **Headquarters Economy**
  - **RHI 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
- **R&D Institute**
  - **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.**
  - **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.**

04. Commercial Facility

- **Xujiahui International CBD**
  - **Key Buildings:** Grand Gateway Shanghai, Urban Development International Tower, Metro Tower, COIS International Plaza
  - **Rent Reference:** RMB 5–10/m²/day
- **Xuhui 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
- **Xuhui Midtown**
  - An integrated development area
  - **Rent Reference:** RMB 3–6/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
- **Xujiahui Hi-tech Park**
  - **Industry Positioning:** Electronic information, new materials, high-end equipment, biopharmaceuticals
  - **Rent Reference:** RMB 3–6/m²/day
02. Investment Highlight

Changning District

Hongqiao Economic and Technological Development Zone
- Key Functional Zone: SOHO Gubei, Dawning Center, Gubei Fortune Center
- Function/Industry Positioning: Hongqiao Airport Business Park
- Key Functional Zone: SOHO Gubei, Dawning Center, Gubei Fortune Center
- Function/Industry Positioning: Hongqiao Fashion and Creative Industry Park
- Key Functional Zone: Yuyuan Road, Xintong Road and Hengshan Road-Fuxing Road
- Function/Industry Positioning: A historical and cultural conservation area

02. Investment Highlight

Putuo District

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.

03. Policy Support

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 industrial 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 real business scope at their own discretion, along with loosened restrictions on registration.
- 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 for top-notch talent who start a business in Changning.

Top-notch Talent Attraction
- An incentive of up to RMB 5 million will be given to enterprises which introduce and train high-caliber talents from China and abroad.
- Distinguished apartments, rent allowance and preferential policies for medical care and children education are made available.
- An incentive of up to RMB 5 million will be granted to nationally or municipally accredited public R&D platforms.
- A subsidy of up to RMB 2 million is entitled to enterprises which host professional forums or business centers in the District.

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
- Hongqiao-Gubei Commercial District Key Building: SOHO Gubei, Dawning Center, Gubei Fortune Center
- Rent Reference: RMB 7-7.5/m²/day
- Zhongshan Park Commercial Zone Key Buildings: Zhongshan Plaza, Raffles City-Changing, SOHO Tianzhu Plaza
- Rent Reference: RMB 3-3.5/m²/day
- Shanghai Hongqiao Airport Business Park Function Positioning: An international air transport hub, a headquarters base for global airlines, an aviation business cluster, a national business jet base, a low-carbon development area
- Rent Reference: RMB 4-5/m²/day

4. Commercial Facility

04. Commercial Facility

Shanghai Hongqiao Airport Business Park
- Function Positioning: An international air transport hub, a headquarters base for global airlines, an aviation business cluster, a national business jet base, a low-carbon development area
- Rent Reference: RMB 4-5/m²/day

Shanghai Futurity Hi-tech Industry Park
- Industry Positioning: Technology-focused, advanced manufacturing, cutting-edge electronics, intelligent technology, new media, new culture
- Rent Reference: RMB 1.8-3.5/m²/day

Shanghai Technology-targeted Finance Industry Cluster
- Industry Positioning: Technology-targeted finance, international education, intelligent technology, new media, new culture
- Rent Reference: RMB 1.8-3.5/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
- Rent Reference: RMB 4.4-7/m²/day

MS5 Art Space
- Industry Positioning: Cultural creativity
- Rent Reference: RMB 6.6-7/m²/day

03. Policy Support

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 newly recognized enterprises, newly rebuilt by the Putuo government.

• An eligible MMSE, 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% on the capital portion.
• A reward of up to RMB 800,000 is available to accredited platforms which provide innovative services and run facilities with remarkable performance.
• An incentive of up to RMB 5 million will be given to enterprises which host professional forums or business centers in the District.
• An incentive of up to RMB 5 million will be granted to nationally or municipally accredited public R&D platforms.

Financial Development
- Technology-targeted services
- Multiple R&D service platforms
- Financial leasing
- Asset management
- Equity investment
- Consumer finance
- Payment services
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

- Financial services
- Modern commerce and trade
- Cultural creativity
- Professional services
- Information services
- Modern design
- Technology-targeted finance
- AI and big data
- Beidou navigation satellite system
- Online education
- Technology-targeted software
- Information technology
- E-commerce
- Flood management
- Cultural creativity
- Sports and health
- Renewable energy and energy conservation
- Environmental protection
- Technology services
- Cultural creativity
- Sports and health
- Renewable energy and energy conservation
- Environmental protection

04. Commercial Facility

- South Functional Area – The North Bund Shipping and Finance Center
  Key Buildings: Sinan, Max Plaza, Raffles City the Bund, Shanghai International Trade Center
  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 4.5–6/m²/day

- North Functional Area – Technology Innovation Belt and Northern Port of the Middle Ring Road
  Leading Parks: Innovation Valley Shanghai, Hongkou, Shanghai Innovation Center
  Rent Reference: RMB 5–6.5/m²/day

03. Policy Support

- 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.

- Providing Subsidies and Incentives to Headquarters Institutions
  Rewarding newly introduced headquarters institutions with a subsidy for establishment up to RMB 3 million.

- Supporting the Gathering of Talents for Headquarters Institutions
  Providing settling-in allowance and housing/subsistence 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.

- Encouraging Financial Service Enterprises to Settle in
  Newly introduced financial service institutions and financial holding groups are eligible for one-time investment rewards at 3% and 3% of their paid-in registered capital 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.

- Stimulating Functional Financial Institutions to Settle in
  Newly introduced financial functional institutions, based on their levels – international, national, and provincial/municipal, and below, will be rewarded with RMB 1.5 million, 800,000 and 500,000 respectively.

- 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.

01. District Overview
Located in the northeast of downtown Shanghai, 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 brand strategy.

02. Investment Highlight

- Emphasizing the Development of Modern Industry
  - Modern energy services
  - R&D services for smart man facturing
  - AI and big data

- Accelerating the Development of Strategic Innovation Infrastructure
  - Technology innovation facilities
  - Online education
  - Technology-targeted software
  - Information technology
  - E-commerce

- Nurturing the Development of Key Functional/Industry Zone
  - Technology services
  - Cultural creativity
  - Sports and health
  - Renewable energy and energy conservation
  - Environmental protection

03. Policy Support

- 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 expenditures super deducted, up to RMB 2 million.
  - R&D centers, such as laboratories and talent development bases developed by NUIs and leading foreign research institutes jointly with local universities, research institutes and enterprises will be given support similar to that in the Headquarters policy.

- 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.

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

- 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, Alien’s Work Visa and Student Visa, and for changing current visa to International Talent Visa (R visa).

- Tenant Enterprise Allowance
  - New enterprises that have been given to enterprises setting in the accredited innovation bases for AI and data centers, which cover a total area of 30,000 m².

- Industry Policy for AI & Big Data
  - A one-time investment 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.

- Industry Policy for Fintech
  - Institutional investors will be rewarded with up to RMB 12 million when they invest in Yangpu in capital target for non-listed fintech companies, or when the fintech enterprises they invest choose to settle in the 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. Boosting 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 an area 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

- Full-fledged robotic and intelligent hardware industry chain.
- Focuses on the development of Shanghai Industrial Park of Robotics.

03. Policy Support

- Encouraging Leading Chinese and Foreign Brands in Commerce and Business: To encourage high-caliber professionals and key team members of selected companies to settle in Baoshan.
- Supporting R&D Institutes: To support newly identified R&D institutes entitled to a one-off subsidy.
- 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, R&D fund, housing, social security, and social insurance.
- Improving Housing Availability for Professionals: High-caliber professionals and key team members of selected companies enjoy prioritized access to housing subsidies and low-rent housing.

04. Commercial Facility

- Shanghai Industrial Park of Robotics: Complete industry chain of robotics and smart hardware.
- Zihu National Hi-tech Development Park: Industry Positioning: IT and software, digital video and audio, science, intelligent manufacturing, aerospace electronics, renewable energy, new materials.

**Minhang District**

01. District Overview

As the geographical center of Shanghai with an area of 373 km², Minhang District is 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

- High-end and equipment, AI, new-generation information technology, biopharmaceuticals.

03. Policy Support

- 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.
- 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 not be more than RMB 10 million.
- Supporting Biomedical Companies in Innovative Product Commercialization: Key commercialization projects of local biomedical companies are eligible for a grant in 1:1 ratio with the municipal funding, capped at RMB 5 million.
- 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.

04. Commercial Facility

- Hongqiao Sub-CBD: Key Buildings: SCE Plaza, Hongqiao Vanke Center, Hongqiao Longhu Mall, Rhine Hongqiao Center, Shanghaiincr. Mall, Hongqiao Green Valley Square.
- Minhang Economic and Technological Development Zone: Industry Positioning: AI, biopharmaceuticals, new materials.
- Zihu National Hi-tech Development Park: Industry Positioning: IT and software, digital video and audio, science, intelligent manufacturing, aerospace electronics, renewable energy, new materials.
- Xinzhuang Industrial Park: Industry Positioning: Mechanics and automotive spare parts, marine equipment, aerospace, new materials and fine chemicals, biopharmaceuticals, producer services.

**Shanghai Foreign Investment Guide**

01. District Overview

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- Xinzhuang Industrial Park: Industry Positioning: Mechanics and automotive spare parts, marine equipment, aerospace, new materials and fine chemicals, biopharmaceuticals, producer services.
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 Yangtze River Delta (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

- High-end intelligent equipment
- New energy vehicles and intelligent vehicles
- High-performance healthcare and precision medicine
- Intelligent manufacturing and robotics

03. Key Functional Zone

- Core Functional Zone of Jiading New Town: Serving political, economic, cultural and social service functions
- Science Town: A Demonstration Area for Innovative Industries
- Shanghai International Automobile City: An Integrated Demonstration Area of Urban and Industry Development
- 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: Greenland Jiuchang Building, Xinxi Plaza, Hi-Tech Business Building, Jiangqiao Wanda Plaza
- Retail Reference: RMB 1–3/m²/day

05. Key Functional Zone

- Strategic Emerging Industries
  - High-end intelligent equipment
  - New generation information technology
  - Healthcare
  - New materials
- Distinctive Industries
  - Unmanned systems
  - Carbon fiber composite materials

06. Policy Support

01. Attracting Qualified Companies to Jiading

- Company Introduction & Cultivation: An investment fund of RMB 1 billion
- Company Upgrading: A subsidy of up to RMB 110 million to support commercialization projects
- Science and Technology 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 500,000–5,000,000.
- Housing Policy for Exceptional Professionals

03. 04. Commercial Facility

- Office Building: Greenland Jiuchang Building, Xinxi Plaza, Hi-Tech Business Building, Jiangqiao Wanda Plaza
- Retail Reference: RMB 1–3/m²/day

05. Key Functional Zone

- Strategic Emerging Industries
  - High-end intelligent equipment
  - New generation information technology
  - Healthcare
  - New materials
- Distinctive Industries
  - Unmanned systems
  - Carbon fiber composite materials

06. 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 capital invested, 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 RHQs 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 RHQ centers that have rented, purchased or built office space for their own use in Jiading 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 equivalent to 5% of total project investment, capped at 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 technology 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 1%–10% of actual investment, capped at RMB 3 million, upon recognition.

06. Key Functional Zone

- Strategic Emerging Industries
  - High-end intelligent equipment
  - New generation information technology
  - Healthcare
  - New materials
- Distinctive Industries
  - Unmanned systems
  - Carbon fiber composite materials

07. Policy Support

01. Shanghai Jinshan Industrial Zone

- Industry Positioning: Biopharmaceutical new materials, advanced manufacturing, unmanned systems, eco-friendly printing, food processing, optoelectronics
- Rent Reference: RMB 0.7–3/m²/day

02. Shanghai Jinshan Second Industrial Zone

- Industry Positioning: Fine chemical industries, including new energy-saving eco-friendly coating, new surfactant, catalyst, additive, special macromolecular materials and biopharmaceutical producer services, including chemical logistics, testing and trade
- Rent Reference: RMB 0.7–3/m²/day

03. Fengxing Industrial Zone

- Industry Positioning: Automobile and key spare parts, renewable energy, yellow rice wine production, food production, textile and clothing, producer services
- Rent Reference: RMB 0.7–3/m²/day

04. Zhuqing 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
### 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, the whole China, and even the rest of the world.

### 02. Investment Highlight

#### Songjiang District

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

#### Qingpu District

1. **Logistics**
2. **Convention and exhibition**
3. **Commerce and trade**

### 03. Policy Support

- **Financial Support for MNCs to Establish Headquarters**
  - MNCs that have established new head offices covering Asia, Asia Pacific, or broader regions are eligible for a subsidy for establishment of RMB 8 million.
  - Leading enterprises of key industries and industry platforms are eligible for a subsidy up to RMB 4 million.
  - Newly introduced commercial complexes with floor areas of over RMB 10 billion are eligible for a reward of RMB 1 million.
  - Unmanned logistics infrastructure is eligible for a reward of RMB 5 million.

- **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. Commercial Facility

#### Qingpu Industrial Zone

- **Industry Positioning:** High-end equipment, auto parts, pharmaceuticals, new materials, electronic information
- **Rent Reference:** RMB 1–2/m²/day

#### West Hongqiao Business District

- **Industry Positioning:** Exhibition and conference services, financial services, creative industry, strategy emerging industry
- **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

- **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.

- **The Oriental Beauty Valley - Beauty and Health Industries**
  - **Intelligent Connected NEVs**: Advanced equipment, high-end medical equipment and their supporting industries.
  - **Strategic Emerging Industries**: Biomedicine, beauty & cosmetics, new energy.
  - **Advanced equipment, high-end medical equipment and their supporting industries**.

- **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, tourism services.
- **Main Industry**: Innovative services.
- **Supporting Industry**: Eco-friendly manufacturing.

03. Policy Support

- **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 five years.
  - A one-off grant of RMB 150,000 will be given to district-level high-tech businesses.
  - A maximum of 1000 m² of office space rental subsidy at RMB 1/m²/day for a floor area up to 500 m².
  - An entrepreneurship coaching incentive of RMB 50,000 will be given to the operating bodies of tech incubators.

- **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 up to 500 m².

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, bio-technologies.
  - **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

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, Shanghai Free Trade Port Area, Pudong Airport Comprehensive Free Trade Zone, Jinqiao Export Processing Zone, Zhangjiang High-tech Park and Pudong Airport Comprehensive Free Trade Zone, 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

- The Lin-gang Special Area of the SHFTZ
  - 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 zone 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.
  - Resources Advantage
    - Favorable policy: The Lin-gang Special Area will implement internationally competitive policies and measures for opening-up to become a globally 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, old-age care, culture, sports, industry 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.
  - Investment Highlight
    - A “Single Window” handles the declaration of all the goods and shipment at port, saving over 240,000 companies. The reform of the field recording process has substantially reduced the record-filing time from eight working days to only one working day.
    - Streamlined Customs Clearance
      - Nearly 100 innovative measures have been adopted by the customs and other port regulations, making it more efficient. As a result, inbound and outbound goods that enter and depart from the bonded area have taken 78% 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 over 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+ pilot reform measures are in full implementation.

04. Policy Support

- Further Opening-up of the Service and Manufacturing Industries
  - The SHFTZ has introduced 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.

- Streamlined Customs Clearance

- Reform of “Separating Operation Permits from Business Licenses”

- Talent Attraction

- Special Supporting Policies

- Financial Support

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.

Support is available for cross-border finance, flexible flow of cross-border capital and the establishment of capital management centers, with more favorable measures to come. Multiple subsidies were 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.
01. Area Overview
Located on the west side of downtown Shanghai, the Hongqiao Central Business District (CBD) covers a total planned area of 15.1 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

Key Directions
- Industry Supporting Industry Supporting Policy
  - A subsidy of up to RMB 30 million for demonstration projects and technical services.

- Talent Services Policy
  - A subsidy of up to RMB 10 million for demonstration projects and technical services.

- Functional Platform Supporting Policy
  - A subsidy of up to RMB 20 million for demonstration projects and technical services.

- Supporting the transformation of innovation achievements into new products and products in the Zone;
- Supporting enterprises in key industries to obtain international certifications and to engage in international cooperation.

04. Policy Support

Optimizing Public Services
- 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.

Atracting and Cultivating Talents
- 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 Talent and Pudong International Talent Hub are launched to provide professional and efficient talent services.

Creating Innovation-driven Industry Clusters
- Supporting the introduction of high-quality industrial resources such as domestic and international 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.

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, with 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

- Biopharmaceuticals
- Information technology
- High-end equipment manufacturing
- New materials
- New energy
- Modern services
- New energy vehicles
- Culture and technology fusion industry

04. Policy Support

Optimizing Public Services
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Service Organizations

**Shanghai Municipal Commission of Commerce**

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.

**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, Stockholm, 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.

- **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
  - Providing complaint handling services for foreign-invested enterprises
  - Providing complaint handling services for foreign-invested enterprises

**Investment Promotion Institutions**

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

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

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.

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

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

Huangpu District Commission of Commerce
Website: wwwenglish.huangpu.sh.cn
Tel: 86-21-33138400 transferred to the Commission of Commerce
Address: 300 East Yan’an Road

Jing’an District Commission of Commerce
Website: www.jingan.gov.cn
Tel: 86-21-6478239
Address: 915 Julu Road

Xuhui District Commission of Commerce
Website: www.xuhui.gov.cn
Tel: 86-21-6482322
Address: Room 512, 336 North Caoxi Road

Changning District Commission of Commerce
Website: www.chncc.org.cn
Tel: 86-21-22058676
Address: F8, Loushanguan Road

Putuo District Commission of Commerce
Website: www.shpt.gov.cn
Tel: 86-21-52820889, 86-21-52820851
Address: F5, 602 Tongji Road

Hongkou District Commission of Commerce
Website: www.shhk.gov.cn/shhk/English
Tel: 86-21-25658335
Address: Room 1305, 518 Feihtong Road

Jinshan District Commission of Commerce
Website: www.shjin.gov.cn
Tel: 86-21-57922867
Address: F15, 555 Longshan Road

Jing’an District Commission of Commerce
Website: www.shjiang.gov.cn
Tel: 86-21-37723775
Address: 681, Lane 900, North Sainan Road

Fengxian District Commission of Commerce
Website: www.shfxf.gov.cn
Tel: 86-21-57419452
Address: 1 Nanfeng Road, Nangao Town

Putuo District Investment Promotion Office
Tel: 86-21-52820851
Address: F5, 602 Tongji Road

Jinshan District Commission of Commerce
Website: www.shjin.gov.cn
Tel: 86-21-57922867
Address: F15, 555 Longshan Road

Chongming District Commission of Commerce
Website: www.shcn.gov.cn
Tel: 86-21-59623588
Address: F5, 602 Tongji Road

Minhang District Commission of Commerce
Website: www.shminhang.gov.cn
Tel: 86-21-64122886
Address: F3, 6558 Humin Road

Jing’an District Investment Promotion Office
Tel: 86-21-63438801
Address: F5, Building 1, 4850 Dushi Road

Jinshan District Investment Promotion Office
Tel: 86-21-57922627
Address: F15, 555 Longshan Road

Yangpu District Commission of Commerce
Website: www.shyangpu.gov.cn
Tel: 86-21-65630687
Address: F20-21, Building 2, 800 Humin Road

Qingpu District Commission of Commerce
Website: www.shqp.gov.cn/english
Tel: 86-21-39711266
Address: 100 Gongyuan Road

Jiading District Commission of Commerce
Website: www.shjia.gov.cn
Tel: 86-21-69989726
Address: 111 South Bole Road

Jiangning District Commission of Commerce
Website: www.shjjn.gov.cn
Tel: 86-21-66438401
Address: F5, Building 1, 4850 Dushi Road

Jing’an District Investment Promotion Office
Tel: 86-21-63438801
Address: F5, Building 1, 4850 Dushi Road

Minhang District Investment Promotion Office
Tel: 86-21-65630687
Address: F20-21, Building 2, 800 Humin Road

Changning District Commission of Commerce
Website: www.shcn.gov.cn
Tel: 86-21-59623588
Address: F5, 602 Tongji Road

Jinshan District Investment Promotion Office
Tel: 86-21-57922627
Address: F15, 555 Longshan Road

Fengxian District Investment Promotion Office
Tel: 86-21-63438801
Address: F5, Building 1, 4850 Dushi Road

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Address: F5, Building 1, 4850 Dushi Road

Jiangning District Investment Promotion Office
Tel: 86-21-66438401
Address: F5, Building 1, 4850 Dushi Road

Jing’an District Commission of Commerce
Website: www.shjiang.gov.cn
Tel: 86-21-37723775
Address: 681, Lane 900, North Sainan Road
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.shhpctd.gov.cn

Zhangjiang National Innovation Demonstration Zone  
Tel: 86-21-38833000  
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.sjztdz.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: 86-21-64234250  
Website: www.sdp.org.cn

Shanghai Small and Medium Sized Enterprise Development Service Center  
Tel: 86-21-64225181
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 Shang- hai, it offers a comprehensive set of infor-
mation on the city’s business environment, related policies, and industries and facil-
ties 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 string of their businesses.

Shanghai Enterprise Service Cloud

As an essential part of Shanghai’s ‘One Network Service System’, the plat-
form provides a complete range of targeted e-govern-
ment 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 coop-
eration between different authorities, administrative procedures can be com-
pleted in just one go.

Appendix II: Entry and Exit Services

Entry and Exit Permits for Chinese Citizens

• 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.

Entry and Exit Permits for Foreigners

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

Online Application-based Service Window for Entry-Exit Affairs

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Statistics on Entries and Exits of Shanghai in 2019

• Number of entries and exits: 45.7 million

• Number of automated passport control channels: 199

• Number of automated passport control channels: 199

Online application is available at the web portal of One Network Service System, one-stop service system for foreign affairs, Suishenban (a government app), and mini programs on WeChat and Alipay.

Entry and Exit Permits for Chinese Citizens

Submission of application

Preliminary assessment at the service window

Fee payment

Review and approval

Document preparation

Permit collection

Approval by Exit-Entry Administration Bureau of Shanghai Public Security Bureau

Review by police officers at the service window

Denial if the applicant cannot establish his/her eligibility

Permit collection

Entry and Exit Permits for Foreigners

Submission of application and other required materials

Any rejected applicant will be informed of all the reasons for the decision in a single notice.

Residence Permits for Foreigners

Online application is available at the web portal of One Network Service System, one-stop service system for foreign affairs, Suishenban (a government app), and mini programs on WeChat and Alipay.

Entry and Exit Permits for Chinese Citizens

Submission of application

Preliminary assessment at the service window

Fee payment

Review and approval

Document preparation

Permit collection

Review by police officers at the service window

Denial if the applicant cannot establish his/her eligibility

Permit collection
Appendix III: Utility Prices

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

<table>
<thead>
<tr>
<th>Type of Usage</th>
<th>Annual Household Usage (m³)</th>
<th>Water Price (RMB/m³)</th>
<th>Sewage Treatment Rate (RMB/m³)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household</td>
<td>Tier-1 0-220</td>
<td>1.92</td>
<td>1.70</td>
</tr>
<tr>
<td></td>
<td>Tier-2 220-300</td>
<td>2.20</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tier-3 &gt;300</td>
<td>4.30</td>
<td></td>
</tr>
<tr>
<td>Non-household (charged at the household price)</td>
<td>2.12</td>
<td>1.70</td>
<td></td>
</tr>
</tbody>
</table>

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.

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

<table>
<thead>
<tr>
<th>Type of Usage</th>
<th>Annual Household Usage (m³)</th>
<th>Price (RMB/m³)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household</td>
<td>Tier-1 0-310</td>
<td>3.00</td>
</tr>
<tr>
<td></td>
<td>Tier-2 310-520</td>
<td>3.30</td>
</tr>
<tr>
<td></td>
<td>Tier-3 &gt;520</td>
<td>4.20</td>
</tr>
<tr>
<td>Non-household (charged at the household price)</td>
<td>3.05</td>
<td></td>
</tr>
</tbody>
</table>

### Electricity

<table>
<thead>
<tr>
<th>Type of Usage</th>
<th>Tier</th>
<th>Annual Household Usage (kW)</th>
<th>Price (RMB/kW)</th>
<th>Time-of-Use Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household</td>
<td>Tier-1</td>
<td>0-3,120</td>
<td>0.617</td>
<td>Peak 0.617</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Off-peak 0.307</td>
</tr>
<tr>
<td></td>
<td>Tier-2</td>
<td>3,120-4,800</td>
<td>0.667</td>
<td>Peak 0.667</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Off-peak 0.387</td>
</tr>
<tr>
<td></td>
<td>Tier-3</td>
<td>&gt;4,800</td>
<td>0.917</td>
<td>Peak 0.977</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Off-peak 0.487</td>
</tr>
<tr>
<td>Non-household (charged at the household price)</td>
<td>&lt;1 kV</td>
<td>0.641</td>
<td>—</td>
<td></td>
</tr>
<tr>
<td></td>
<td>10 kV</td>
<td>0.636</td>
<td>—</td>
<td></td>
</tr>
</tbody>
</table>

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, equipment manufacturing, high-performance medical devices, desalination 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 Ling-gang Special Area of the China (Shanghai) Pilot Free Trade Zone (“50 Ling-gang Measures”)

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

### 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 of 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”)

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 braving the most concentrated resources of different factors, the most complete system and functions, and the most active market players. 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.”
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)

**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)

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

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

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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