

Investment Environment Report of Changsha

2022 Changsha · Hunan · China

长沙



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Preface

In September 2020, General Secretary Xi Jinping proposed during his visit to Hunan that Hunan should make efforts to build "three highlands" and carry out "four new" missions. At present, Changsha is following the spirit of the general secretary's important speech, anchoring new coordinates, clarifying new positioning, taking on new missions, and constantly making new steps in building a national important highland of advanced manufacturing, a highland of scientific and technological innovation with core competitiveness, and a highland of reform and opening up in the inland area.

At the 12th Party Congress of Hunan Province, the "Strong Provincial Capital Strategy" was proposed for the first time. This strategy is a major benefit for the future development of Changsha, which will give full play to its comparative advantages, become a truly strong provincial capital, and take a big step forward from a regional centre to a national centre city.

In the future, Changsha will strive to build a national important advanced manufacturing highland. Changsha has always taken the promotion of high-quality development of the manufacturing industry as the main grasp of the economy. The construction machinery cluster won the final round of the first batch of advanced manufacturing clusters of the Ministry of Industry and Information Technology, the intelligent manufacturing equipment industry cluster was approved as the first batch of national strategic emerging industry clusters, and four national licenses were gathered in the field of intelligent network-connected vehicles. In the future, Changsha will seize the high point of intelligent manufacturing industry development, build a "1+2+N" advanced manufacturing cluster with outstanding advantages and distinctive features, and make the national important advanced manufacturing centre a "shining business card" of Changsha.

In the future, Changsha will strive to build a highland of science and technology innovation with core competitiveness. In recent years, Changsha has moved and gathered momentum to take the opportunities of "two zones" and the "two mountains", relying on the advantageous industrial base of five national parks and six provincial parks, integrating the national strategic platforms such as Hunan Xiangjiang New Area, National Independent Innovation Demonstration Zone and National Comprehensive Reform Pilot Zone for the construction of two types of societies, Changsha will become a regional science and technology innovation source and a hot spot for all kinds of talents to come from near and far.

In the future, Changsha will strive to build a highland of inland reform and opening up. Changsha always adheres to innovation to lead the rise of openness, internally adheres to the reform to empower development, deepens the "delegating management and service" reform; externally relies on the superiority as the core area of "one belt and one road" and the Yangtze River Economic Belt. Changsha is talking to the world and trading with the world through high profile open platforms such as the pilot demonstration zone - China (Hunan) Pilot Free Trade Zone, the 10 million passenger traffic airport - Huanghua International Airport, the land-port national logistics hub - China-Europe Class Train (Changsha), and the national exhibition - China-Africa Economic and Trade Expo.

In the future, the synergistic development of Changsha will be committed to leading the Chang-Zhu-Tan metropolitan area to become a new growth pole. Vigorously implementing the strong provincial capital strategy, accelerating the development of the co-city of ChangZhuTan and creating a major growth pole in the country are the key objectives of Changsha's development in the next five years. Changsha, the capital of the province, will play the function of demonstration and leadership and decentralisation and radiation, promote the active integration of the cities and states into the strong provincial capital strategy, strengthen the docking and cooperation with the cities and states in industrial transfer, platform services, R&D and transformation, and form a new pattern of coordinated linkage and coordinated development.

In the future, Changsha, which is a pleasant place to live and work, will be committed to building a new support for the national central city. For the 14th consecutive year, Changsha has been awarded "China's Happiest City". In the future, Changsha will continue to improve public services such as education, health and social security, and continuously raise the happiness index of residents. It will also accelerate urban renewal and improve the city's comprehensive carrying capacity and modernisation of urban governance. At the same time, it will speed up the construction of a regional international consumption centre, improve the "Internet + consumption" ecosystem, strengthen the special consumption neighbourhoods and the "night economy" brand, and build a "consumption capital", "fashion capital" and "pleasure capital".

At present, Changsha is endowed with new missions, full of development vitality, containing unlimited business opportunities and breeding great potential. Sincerely welcome investors and friends at home and abroad to Changsha to share opportunities, seek common development and win the future together!

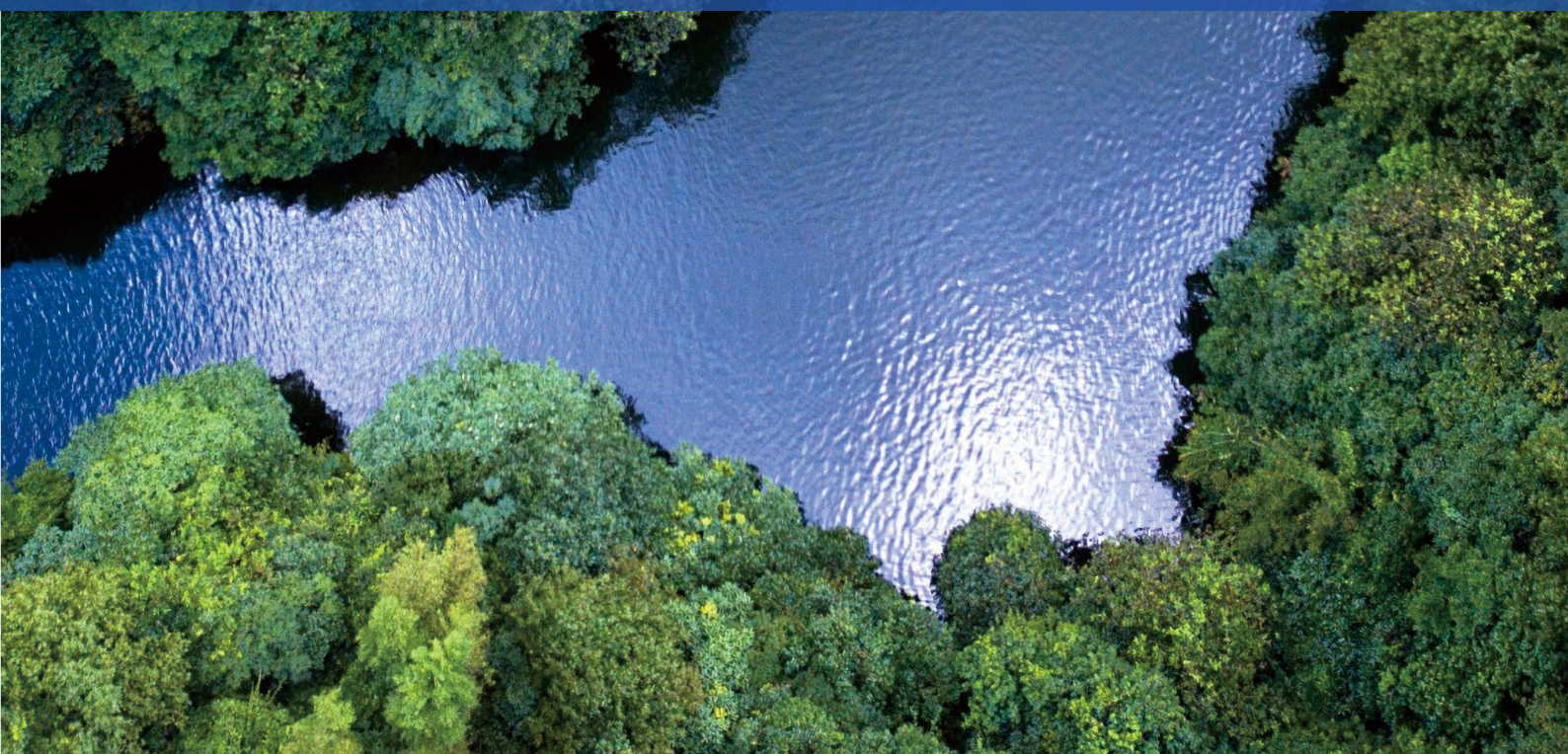


Introduction

In recent years, Changsha has achieved fruitful results in infrastructure, industrial ecology, public services, business environment and living environment. Today, Changsha is attracting global attention with its strong cultural heritage, scientific development planning, and high-quality business environment, and has not only become a new "Netflix city", but also a priority choice for domestic and foreign enterprises and individuals to invest in central China.

In order to comprehensively and objectively reflect the investment environment of Changsha and provide authoritative information for investors and people from all sectors of society at both domestic and overseas, PwC as a third party organization to provide intellectual and technical support to prepare the Investment Environment Report of Changsha 2022. We hope this report will help you in your pre-investment research in Changsha.

Note: Unless otherwise noted, all information and data used in this report are as of March 1, 2022, and the effects of events and circumstances occurring after that date, or information that became publicly known after that date, have not been included. Unless otherwise noted, all information and data were provided by the Changsha Municipal Bureau of Commerce. PwC assumes no responsibility for the accuracy of the information and data provided by the Changsha Municipal Bureau of Commerce or any other entity. PwC does not assume any duty of care or other responsibilities to the readers of the report. We advise investors to make specific enquiries with the Changsha Municipal Bureau of Commerce or its professional advisors before making investment decisions. In addition, all images in this report are used under license from Changsha Municipal Bureau of Commerce or from the PwC photo library.



Q&A

Q1 What is Changsha's comprehensive strength?

Changsha has made a new leap to become a mega city with a total economic volume of over a trillion and a resident population of over 10 million. The total number of market entities has reached 1.35 million. The number of A-share listed companies has reached 78, ranking first in central China. The total number of Fortune 500 companies investing in Changsha reached 178. Awarded the World Capital of Media Arts and the Happiest City in China for 14 consecutive years.

Q2 What is the transportation location?

It is one of the 42 national comprehensive transportation hubs in China, and has an international air port with a passenger flow of 10 million, and the three major high-speed railway arteries of Beijing-Guangzhou, Shanghai-Kunming and Yuxia converge here. The China-Europe Class Train (Changsha) steadily ranked first in the country, the annual throughput of Changsha New Port exceeded 10 million tons, and the number of international all-cargo air routes increased to 14.

Q3 What are the future industrial plans?

We will continue to focus on the "three highlands" and accelerate the construction of a national central city. We will strive to build a leading edge in advanced manufacturing. We will continue to cultivate 22 industrial chains and accelerate the construction of the "1+2+N" advanced manufacturing clusters with outstanding advantages and distinctive features. We will also continue to cultivate new industries such as integrated circuits, software, aviation (large aircraft) support, artificial intelligence, etc. We will also look ahead to future industries such as brain-like intelligence, biotechnology and cutting-edge new materials, and accelerate the development of special industries such as the large-scale application of Beidou, new energy and intelligent network-connected vehicles, and emergency response, in order to seize the high ground in industrial development.

Q4 What is the level of public services in the city?

Changsha's transportation network has been improved with 6 lines (including maglev train), 114 stations and 161 kilometers of rail traffic mileage. There are 4,925 medical facilities, among which Xiangya Hospital Central South University is one of the earliest western hospitals in China and as famous as Peking Union Medical College Hospital. Changsha's basic education is strong. The "Four Great Schools" Yali High School, Changjun High School, The High School Attached to Hunan Normal University and The First High School of Changsha are well-known across the country.

Q5 How is the supply of land and business buildings?

Building construction has been accelerated with more than 20 high-end shopping malls, grade A offices cumulative supply of more than 860,000 square meters, which will be more than 3 million square meters in the next five years. Changsha has supplied 3,000 mu land in 2022. Priorities would be given to key investment projects in terms of land supply with "green passage" to enable fast land use examinations and approvals.

Q6 **Q6 Are there sufficient human resources available?**

For eight consecutive years, Changsha has a net urban population inflow and a stable labour force of over 60% of the total population. It has 52 higher institutions including the Central South University, Hunan University and the National University of Defense Technology, 59 academicians, 14 national engineering(technology) research centers, 19 national key engineering research laboratories and 21 national enterprise technology centers.

Q7 **Is there an attractive investment promotion policy?**

Changsha has launched more than 90 related policies, more than 60 related measures and more than 10 related opinions to promote industrial investment in the past three years. Among them, supports the development of the headquarters economy by granting introduction rewards of up to 60 million yuan, operation rewards of more than 10 million yuan and energy rewards of more than 20 million yuan.

Q8 **How is the business environment?**

Changsha City has made efforts to relax market access, fully implemented the full implementation of electronic registration, informing commitment system and "shortage tolerance", and implemented comprehensive industry license registration reform, compressing the time limit by 65.5%. Operating costs continued to be reduced, with the implementation of a reform to exempt enterprises from the application and enjoyment of beneficial policies, cashing out RMB 4.362 billion in policy funds and reducing taxes and fees for enterprises by RMB 10.715 billion. The business environment ranked 9th in the "Business Environment Rating of Ten Thousand Private Enterprises" by the National Federation of Industry and Commerce, and ranked first in the central region for three consecutive years, making it one of the cities with the fastest improvement in ease of doing business in China.

Q9 **Are there any significant cost advantages?**

Changsha has obvious advantages in labor cost, and the minimum wage is at a lower level among the major cities in China; in terms of cost of living, Changsha is a "housing price depression" in China; the price level is at the bottom of the six central provinces; in Changsha, the cost of electricity, water, gas and land has obvious advantages compared with the first-tier cities.

Q10 **Are there any representative investment cases for reference?**

By 2021, the number of Fortune 500 companies settled in Changsha reached 178. 3 new projects over \$10 billion were introduced in 2021 (Bosun Group's lithium iron phosphate project, Tianyi Cloud Central South Digital Industrial Park and China Resources Wanxiang Integrated Project); 5 overseas Fortune 500 companies, including BASF of Germany, Dekker of Switzerland and Mitsui of Japan, settled in Changsha.

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01

CITY
IMPRESSIONS

Basic Overview



City Scale

The city covers an area of 11,800km². By the end of 2020, the resident population has reached **10** million.



Traffic Location

Huanghua Airport has the largest passenger throughput in the central region, and Changsha is intersected by three major high-speed railways: Beijing-Guangzhou, Shanghai-Kunming and Chongqing-Xiamen.



Cultural Heritage

Changsha is the hometown of heroes, the hometown of Qu Yuan and Jiayi, the cradle of revolution. It has a lot of cultural attractions such as Mawangdui Han Tomb, Yuelu Academy and Tianxin Pavilion.



GDP

GDP of Changsha is **1.3** trillion in 2021, one of the **24** cities in China which are the members of "trillion club" of GDP.



Supporting Facilities

Changsha has complete commercial, medical, education and leisure facilities; it has the famous 985 and 211 schools in China, such as Central South University, Hunan University and National University of Defense Technology, etc.; it has Xiangya Hospital, which is as famous as Peking Union Medical College Hospital.



Diversified Industries

Pillar industries represented by construction machinery, automobiles and parts, biomedicine, electronic information, etc.

Emerging special industries represented by a New Generation of Semiconductors, Mobile Internet, Smart Connected Vehicles, etc.



Technology Innovation

In 2021, Changsha will be approved as a national innovation-driven demonstration city, and will be ranked among the pilot cities of "Science and Technology Innovation China", with its innovation capacity leaping to the 8th place among national innovation cities.



Open Platforms

Relying on six national strategic platforms, Hunan Xiangjiang New Area, Changsha Area of China (Hunan) Pilot Free Trade Zone, five national-level zones and six provincial-level zones to build a new pattern of comprehensive opening up.

Comprehensive Strength Overview

General public budget
revenue

**177.5
billion**

Provide solid financial
guarantee for high-
quality development

GDP per capita

Over 20,000 USD

Reach the level of developed countries

Global Cities
Competitiveness Report
2021 China's Economic
Competitiveness

No.13

The country's first
UN-selected world

**"City of
Media
Arts"**

Awarded by Xinhua
News Agency for 14
consecutive years

**"China's
Happiest
City"**

Innovation Capacity
of National
Innovative Cities

No.8

in China



Top 10 Most Satisfactory
Cities for Foreign
Investment in China

No.9
in China

International Business
Environment Construction
Benchmark City

Hunan Radio and
Television Station (HNRT)
is steadily ranked as
the provincial radio
and television

No.1

Per capita disposable
income of
urban residents

62,145

Ranked first in central
and western China

"China's Top 10 Cities with
Night Economy Influence"

No.2
in China

Number of national intelligent manufacturing
enterprises and projects

No.1

in Provincial capital city

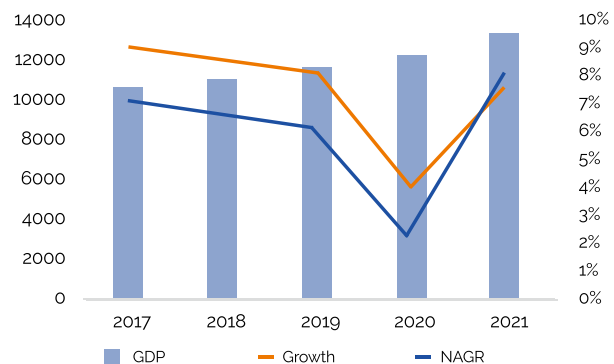
Reading Changsha in Numbers



With less than 6% of the province's area, Changsha City contributes 30% of GDP, 1/3 of foreign investment and 46% of total import and export, with a steadily increasing economic primacy.

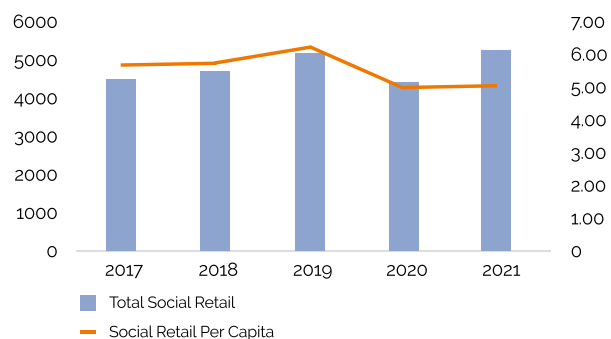
Growing size of the economy

- In the past five years, Changsha's GDP has grown at an average rate of 7.42%, higher than the national average.
- In 2021, Changsha's GDP reached 1,327.70 billion yuan, one of China's 24 cities in the "trillionclub" of GDP.



Booming Consumer Markets

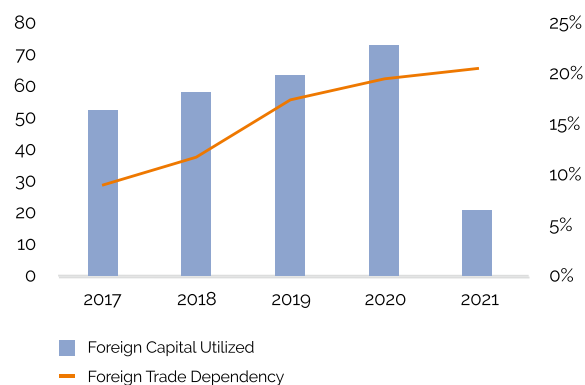
- In 2021, total retail sales of consumer goods in Changsha exceeded 500 billion, up 14.4% year-on-year. Retail sales of social consumption per capita remained about RMB 50,000, reflecting the resilience of the economy.





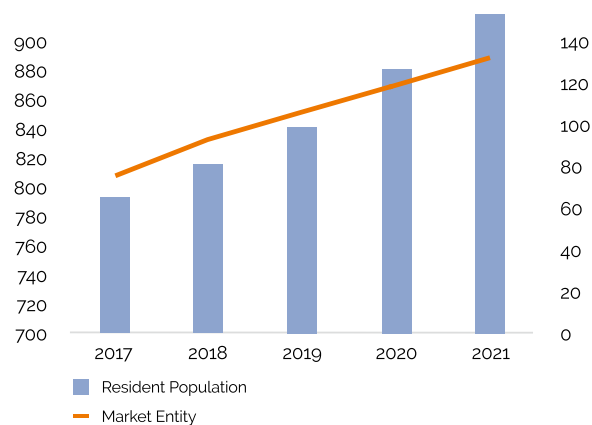
Improving outward-looking economy

- In 2021, the actual utilization of foreign investment in Changsha reached US\$2.01 billion, accounting for 83% of the province's total, ranking first in the central region.
- In the past five years, Changsha's foreign trade dependence has increased significantly, from 9.19% to 20.95%. In particular, in 2021, Changsha completed total imports and exports of 278.03 billion yuan, up 18.2% year-on-year.



Increasing market dynamics

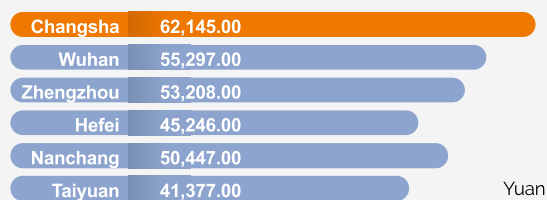
- In the past five years, Changsha has attracted more than 1 million people to come to Changsha for development, and the number of market entities has increased to 1.35 million, releasing a strong market vitality that.
- In 2021, the private economy will continue to prosper, with the number of private enterprises accounting for over 95% and the added value of the private economy accounting for over 60% of the city's GDP.



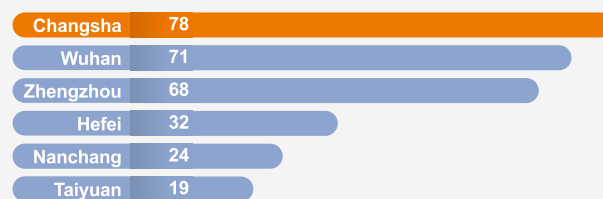
Source: Yearbook of Changsha

Based on the comparison of major economic data, Changsha City ranks top among the six provincial capitals in central China with good economic development momentum, making it a good choice for investment in central China.

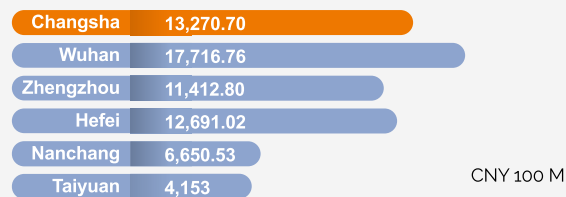
2021 per capita disposable income of urban residents in the capitals of six central provinces



2021 Number of A-share listed enterprises in the capital of six central provinces



2021 Actual utilization of foreign investment in the capital of six central provinces



Source: Yearbook of Changsha

An aerial photograph of a highway interchange. A multi-lane highway runs diagonally from the top left to the bottom right. A roundabout is located in the lower-left quadrant, with a green grassy center and several parking spaces. To the right of the roundabout, there is a large parking lot filled with many white trucks. Further right, there are several buildings with red roofs and a paved area. The highway is bordered by green trees and bushes. The bottom right corner of the image shows a body of water.

02

INVESTMENT
ENVIRONMENT
EVALUATION

Regional Radiation Advantages

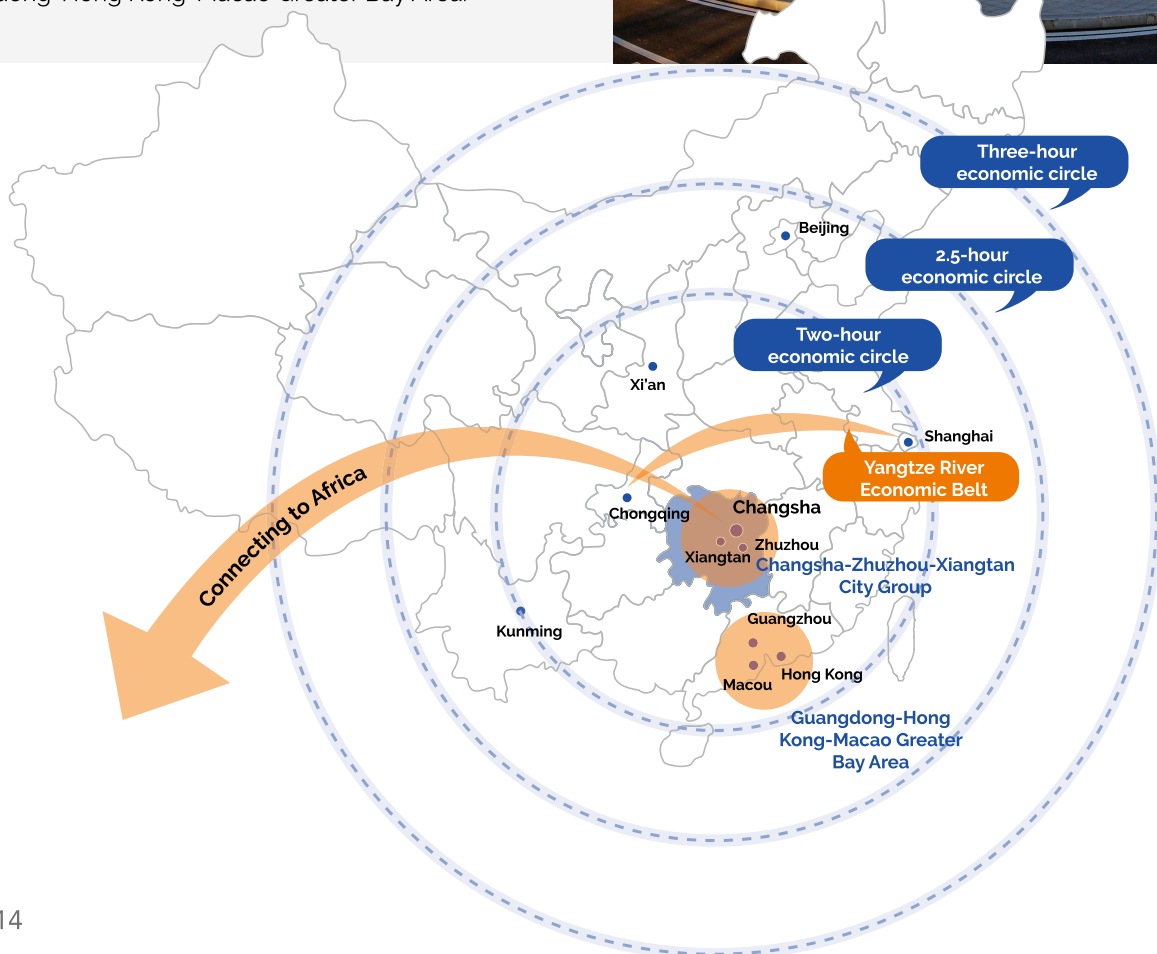
Evaluation Overview

Changsha has a superior transportation location, as the hub city of "bearing east and west, connecting south and north", Changsha plays the important role of radiation. As the absolute core of ChangZhuTan metropolitan area, Changsha will continue to attract the surrounding population and foreign investment by the gathering and scale effect of the city cluster, and the strategy of city integration development is conducive to the leap of the city's capacity.

Changsha Performance

Located in the main traffic route of Beijing and Guangzhou

Changsha is located in the transition zone between the eastern coastal region and the central and western regions, and is an important node connecting the Yangtze River Open Economic Zone and the Guangdong-Hong Kong-Macao Greater Bay Area.



High economic primacy of the provincial capital, leading the opening and rise of central China

The economic primacy of Changsha's provincial capital is nearly 30%, second only to Wuhan among the six provincial capitals in central China. In particular, the ChangZhuTan city cluster, with Changsha as the center and Zhuzhou and Xiangtan as the sub-centers, has strong aggregating and radiating power to the economy of Hunan Province.

ChangZhuTan city cluster is a "3+5" region with Changsha, Zhuzhou and Xiangtan metropolitan area as the core, radiating around Yueyang, Changde, Yiyang, Hengyang and Loudi, with a total area of 97,000km² and a population of about 50 million, creating Nearly 80% of the total economic volume with a land area of 46% of Hunan.

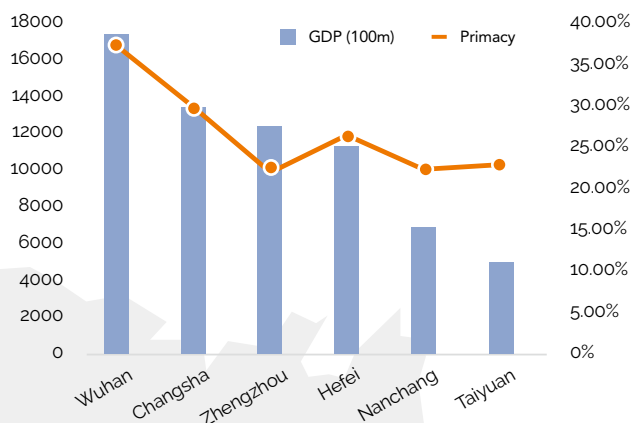
Intersection of three major high-speed rail

Changsha is the intersection of three major domestic high-speed rail: the north-south Beijing-Guangzhou high-speed railway (Beijing-Guangzhou), the east-west Shanghai-Kunming high-speed railway (Shanghai-Kunming) and the Chongqing-Xiamen high-speed railway (Chongqing-Xiamen), which is under construction. The high-speed rail "1-hour traffic circle" radiates an area of about 170,000 km² and a population of about 64.5 million.

10 million passenger traffic airport

The passenger throughput of Huanghua Airport is at the forefront of the country, with access to 145 airports at home and abroad, and a 4-hour aviation economic circle covering one-third of the world's population. The airport has opened 14 cargo routes and completed the layout of air logistics corridors to the four major trade bodies of North America, European Union, ASEAN and Africa.

GDP and Primacy



Changsha-Zhuzhou-Xiangtan City Group



High Speed Railway
1 hour economic circle

Radiation area
about **170,000** km²

Population
about **64.5** million

PwC Insight

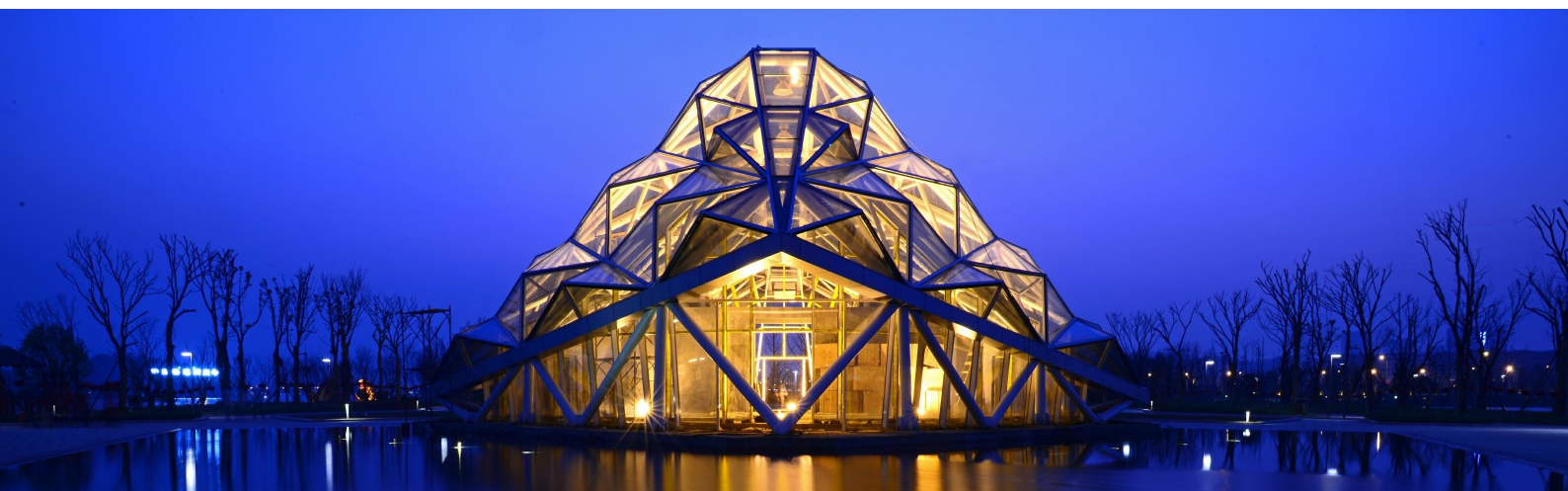
In Cities of Opportunity 2021, "Major Regional Cities" is the main dimension for cities to play the role of gateway and hub in the region, and Changsha ranks high in China. Changsha's excellent transportation location gives it great prospects for developing productive services such as high-end exhibition and modern logistics.

Changsha is ranked 10th in "Economic clout", which measures the overall strength of a city's economic development, and is ranked 1st nationally in "GDP growth" and tops in "foreign investment". This reflects that Changsha has fully embraced smart manufacturing and the digital economy in recent years to achieve good economic benefits.

**Note: Cities of Opportunity is a series of research reports from PwC China and the China Development Research Foundation to jointly observe the development of Chinese cities since 2014. The scope of City Watch has been expanded from 15 cities in 2014 to 47 cities in 2021.*



| Talent and Creative Advantages



Evaluation Overview

In the past five years, Changsha has attracted more than 1 million people to come to Changsha for development, the net inflow of high-tech talents has steadily ranked the top in China, and the scale of enrollment in higher education institutions has increased by more than 100,000, providing a constant source of intellectual capital for science and technology innovation. Numerous high-quality research teams and carriers have provided strong support for Changsha to improve its independent innovation capability, accelerate the transformation of scientific and technological achievements, and build a national innovation-driven model city.

Changsha Performance

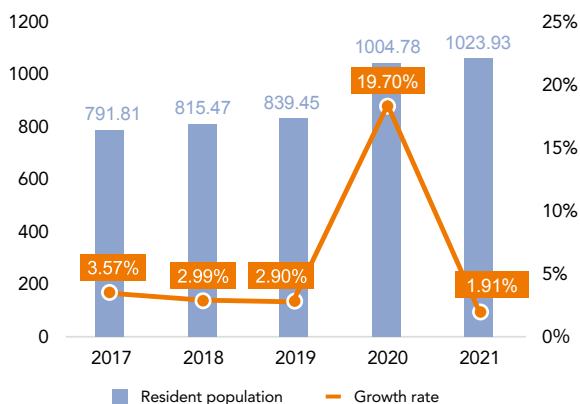
Rich in Talent resources

The talent policy has been implemented in depth, the resident population has increased by more than 400,000 people annually, the net inflow of high-tech talent has been steadily ranked the top in China, and the number of students enrolled in general higher education institutions, ranked the top 10 in China.

The Top Research and Education

- 59 Academicians
- 52 colleges and universities
- 7 A+ subjects in Changsha colleges and universities in the discipline assessment by the Ministry of Education
- First-class universities and disciplines of the world including National University of Defense Technology, Central South University, Hunan University and Hunan Normal University
- Yali High School, Changjun High School, The High School Attached to Hunan Normal University and The First High School of Changsha are the "Four Great Schools" with high reputation in China

Change in resident population for 5 years



Leading Innovation



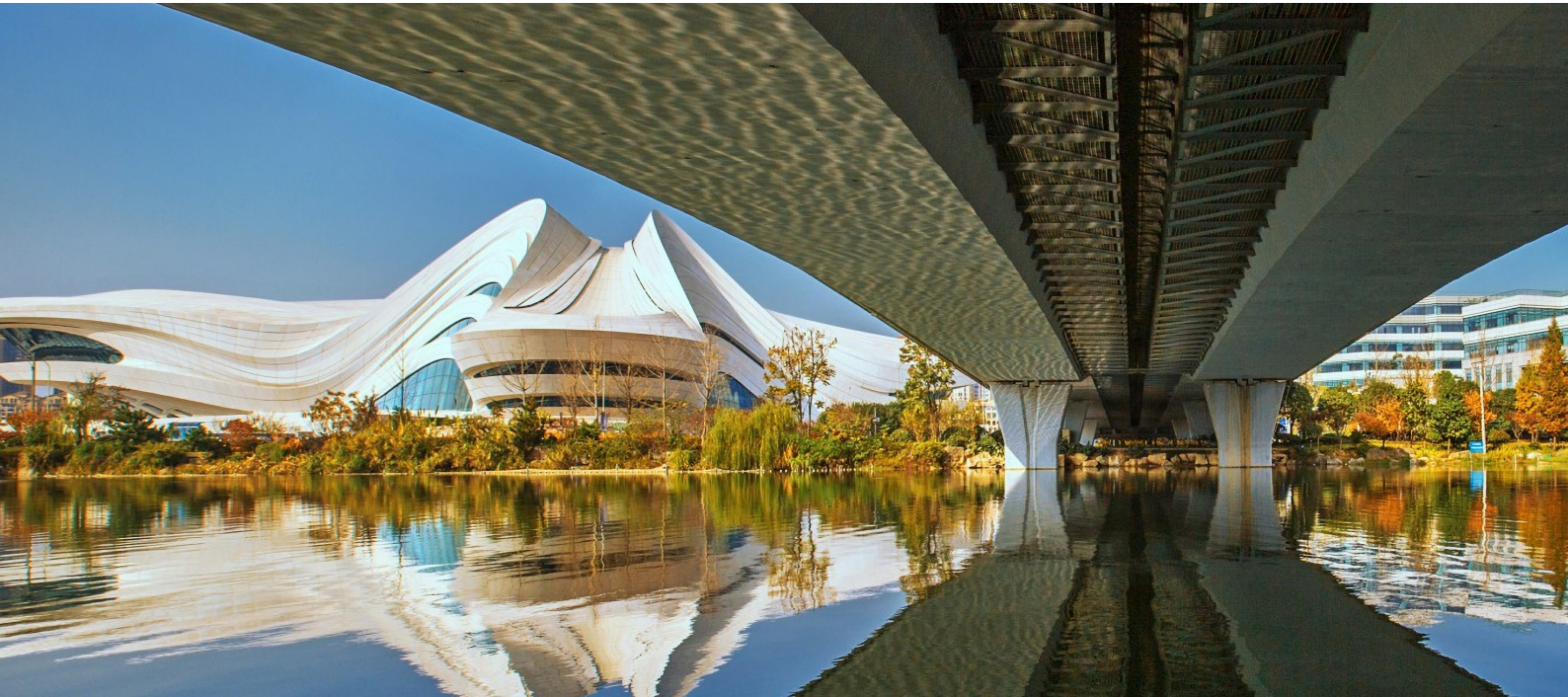
Remarkable Platform

- Numerous high-quality national research and innovation platforms
 - National New Generation AI Innovation and Development Pilot Zone
 - National Offshore Innovation and Entrepreneurship Base for Overseas Talents
 - New National Defense Research Base
 - National Intelligent Connected Vehicle (Changsha) Testing Zone
 - National Connected Vehicle Pilot Zone
 - National Intelligent Connected Vehicle Quality Supervision and Inspection Center
- 19 national key (engineering) laboratories
 - State Key Laboratory of Powder Metallurgy
 - State Key Laboratory of Chemical Biosensing and Metrology
 - State Key Laboratory of Advanced Design and Manufacturing of Automotive Bodies
 - State Key Laboratory of High Performance Complex Manufacturing
 - State Key Laboratory of Hybrid Rice
 - State Key Laboratory of Key Technology of Construction Machinery
 - State Key Laboratory of Deep Sea Mineral Resources Development and Utilization Technology
 - State Key Laboratory of Metal Mine Safety Technology
 - State Key Laboratory of Cemented Carbide
 - State Key Laboratory of Offshore Wind Power Technology and Testing
 - State Key Laboratory of Traction and Control of Locomotives and Locomotives
 - State Key Laboratory of System Integration of High Power AC Drive Electric Locomotives
 - State Key Laboratory of Disaster Prevention and Mitigation for Power Grid Transmission and Transformation Equipment
 - State Key Laboratory of New Power Semiconductor Devices
 - State Key Laboratory of Developmental Biology of Freshwater Fishes jointly established by the Ministry and the Province
 - State Key Laboratory of Woody Oil Resources Utilization jointly established by the Ministry and the Province
 - 3 State Key Laboratories of Confidentiality

PwC Insight

In the Cities of Opportunity 2021 report, "Intellectual Capital and Innovation" measures a city's ability to take on industries and innovate. Changsha is ranked 2nd in China, after Guangzhou, thanks to its high percentage of higher education population and excellent technological and innovation infrastructure.

| Cultural and Living Advantages



Evaluation Overview

Changsha's strong foundation in cultural and creative industries and abundant practitioners are now being actively used to nurture new consumer brands, create city IPs and empower the city's high-quality development.

Changsha Performance

Thriving entertainment market

Per capita entertainment related consumption of Changsha is 8,523 yuan in 2021, accounting for 20.6% of the total per capita consumption, is 3.3 times for amount and 1.9 times for percentage respectively of national average.

Well-developed industry with professionals

The Changsha cultural and entertainment industry, represented by Mango Supermedia and Maranshan Video Culture Park, holds the power to speak about trendy culture in China. The cultural, sports and entertainment industry employs 2.6% of the workforce.

High per capita income creates conditions for consumption upgrade

In 2021, the urban disposable income of Changsha was 62,145 yuan, higher than some coastal cities and ranked first in the central region, with an increase of 7.2%.

The total retail sales of consumer goods reached 511.157 billion yuan, and the total retail sales of consumer goods per capita hit about 50,000 yuan.



2021

Rank 1

in the central region

Total retail sales of consumer goods reached

511.157
billion yuan

Changsha urban residents disposable income of

62,145 yuan

7.2%

increase compared to last year

Per capita total retail sales of consumer goods about

50,000 yuan

Actively build city cultural IP

- The first batch of national culture and tourism consumption demonstration cities.
- 2021 Top 10 influential cities in China's urban night-time economy, second in the country
- 2021 Changsha ranked among the top eight cities in China in the list of top 100 WangHong cities..
- Changsha has been the top search list for the Labor Day holiday for three consecutive years and the National Day holiday for two consecutive years.

PwC Insight

In the Cities of Opportunity 2021 report, "Culture and quality of life" dimension measures the material living standards and cultural vitality of a city's dwellers, Changsha is top 10 of the list. No.1 of Central China. The quality of urban life and cultural atmosphere are influenced by various factors, including historical deposits, residents' customs, and economic development levels. Changsha has a high degree of cultural identification and strong consumer vitality, and the characteristic "night economy" and "small store economy" have played a positive role in boosting consumption, solving employment and helping the internal circulation of the economy.

People's aspirations for a better life lead the city's high-quality development, while in the context of consumer upgrading and domestic macrocycle drive, creative design and brand planning are the necessary forces driving industrial upgrading.

| Cost Advantages

Evaluation Overview

The cost of production and cost of living in a city are important factors for investors and talent to choose for the city. Lower costs create conditions for long-term stable development of industries, as well as keeping talent. Changsha takes advantage of relatively low business and labor costs to create conditions for the development of the real economy.

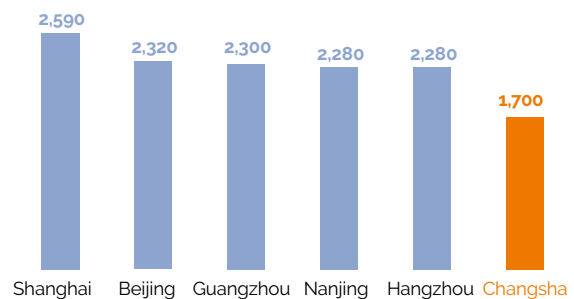


Changsha Performance

Clear labor cost advantage

The minimum wage in Changsha is at a lower level compared to first-tier cities as well as most major cities in China, which is a clear labor cost advantage for companies.

Comparison of minimum wages in major cities:



Price index stabilized and quality of life improved

The consumer price index (CPI) of Changsha in 2021 is 101.1, and the overall price level of Changsha is stable and the quality of life of residents is steadily improving.



Low housing prices become an important attraction for Changsha

- The housing price ratio of Changsha is 6.35. Rank the lowest among the 50 key cities in China for 2021.
- In 2021, the average price of new residential units in Changsha will be RMB 9,888 per square metre, which is the 23rd highest among municipalities directly under the Central Government and provincial capitals in China.

PwC Insight

The "Cost" dimension in the Cities of Opportunity 2021 report considers the cost of doing business and the cost of living in a city, and the more economically developed regions generally have higher overall cost levels and are ranked lower, which is consistent with our subjective perceptions. Changsha has been growing rapidly in recent years, and its "cost" dimension is ranked 24th in Cities of Opportunity 2021, but compared to its 11th overall ranking, Changsha's cost level remains relatively reasonable and still has a comparative advantage among major cities, which also indicates continued development opportunities in the future.

Business Environment Advantages

Evaluation Overview

The commercial environment is the comprehensive reflection of the City on the institutional settings and various soft capabilities. Urban development benefits from scale concentration, diversity, and mobility of the population, but also faces new risks and vulnerabilities brought about by emergencies. Therefore, urban resilience is the focus of enterprise development environment.

Changsha have provided a large number of high-quality public service products for local enterprises and residents. Its institutional settings and soft power bring advantages to enterprises growth.



Changsha Performance

High-level healthcare safeguarding Changsha's residents

- Leading the country to start the resumption of work and production, and carry out in-depth "100-day competition" activities. Changsha is one of the earliest cities to resume the exhibition after the epidemic. The exhibition model of safe operation under the normalization of epidemic prevention and control was innovatively explored.
- The number of beds in health institutions per 1,000 people was 9.5, 1.5 times the national average, ranking first among major cities in China.
- The health care resource index ranks eighth in China, with 10 health technicians per 1,000 people.

High-quality business environment attracting industrial talents

- Ranked the top ten in terms of online government services;
- National standardized area of public cultural services;
- In the Doing Business in China Report 2021, Changsha's innovative experiences in seven areas, including intellectual property creation and protection, protection of small and medium-sized investors, cross-border trade, access to electricity, labour market regulation, contract enforcement and processing of construction permits, were selected as typical cases of demonstration and leading best practices and recommended to the whole country.
- Changsha ranked 9th in the "Business Environment Rating of Ten Thousand Private Enterprises" by the National Federation of Industry and Commerce, and topped the central region for the third consecutive year, becoming one of the cities with the fastest improvement in ease of doing business in China.



Active social policies stimulate market vitality

- The total number of market entities reached 1.35 million, ranking first in the central provincial capital cities.
- The number of A-share listed companies reached 78, ranking first in central China.
- The total market value of listed companies reached 1.37 trillion yuan, with three listed companies with market value over 100 billion yuan, ranking first in central China.

PwC Insight

In Cities of Opportunities 2021 Changsha ranked 11th in the dimension of "urban resilience", ranking first in the central region. This indicator reflects the city's ability to prevent and respond to unexpected risks, ensure the normal life of city residents and the stable operation of the city. Changsha's medical and health resources, production safety accident prevention and control level, and coverage of elderly services all ranked high, reflecting the city's provision of good medical, elderly and public safety services. Among them, production safety indicators performed brightly, ranking 5th, reflecting its high attention to production safety.



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02

KEY INVESTMENT
INDUSTRIES

| Current Situation

Industry Status

Strong momentum of high-quality development of manufacturing industry

- In recent years, Changsha's industrial structure has been optimized, multi-point support has been enhanced, new kinetic energy has been accelerated, and high-quality development has been accelerated. 2021, the value added of industries above the city's scale increased by 7.2% over the previous year.
- Special equipment, automobiles, electronic information equipment and chemical raw materials products and other manufacturing segments of the support role is obvious.
- The "three wisdomsa core" industrial layout has basically taken shape, with 1,254 pilot smart manufacturing enterprises in Changsha in 2021; at the same time, six enterprises have been shortlisted as national smart manufacturing demonstration factories, ranking first in the country in terms of number; nine scenes have been shortlisted as national smart manufacturing excellence scenes, ranking among the top three in the country in terms of number.
- BYD Power Battery, Sky New Energy Vehicle, Long Walk Machine Vision, Sany Smart Heavy Truck, China United Smart City, Shanhe Industrial City and other 20 manufacturing industry landmark key projects have completed over investment.
- Vigorously promote the deep integration of advanced manufacturing and modern service industry, well-known enterprises such as Xiangjiang Kunpeng, Baidu Microcomputing Internet, CSDN, etc. have settled down, and the software enterprises exceeded 30,000.

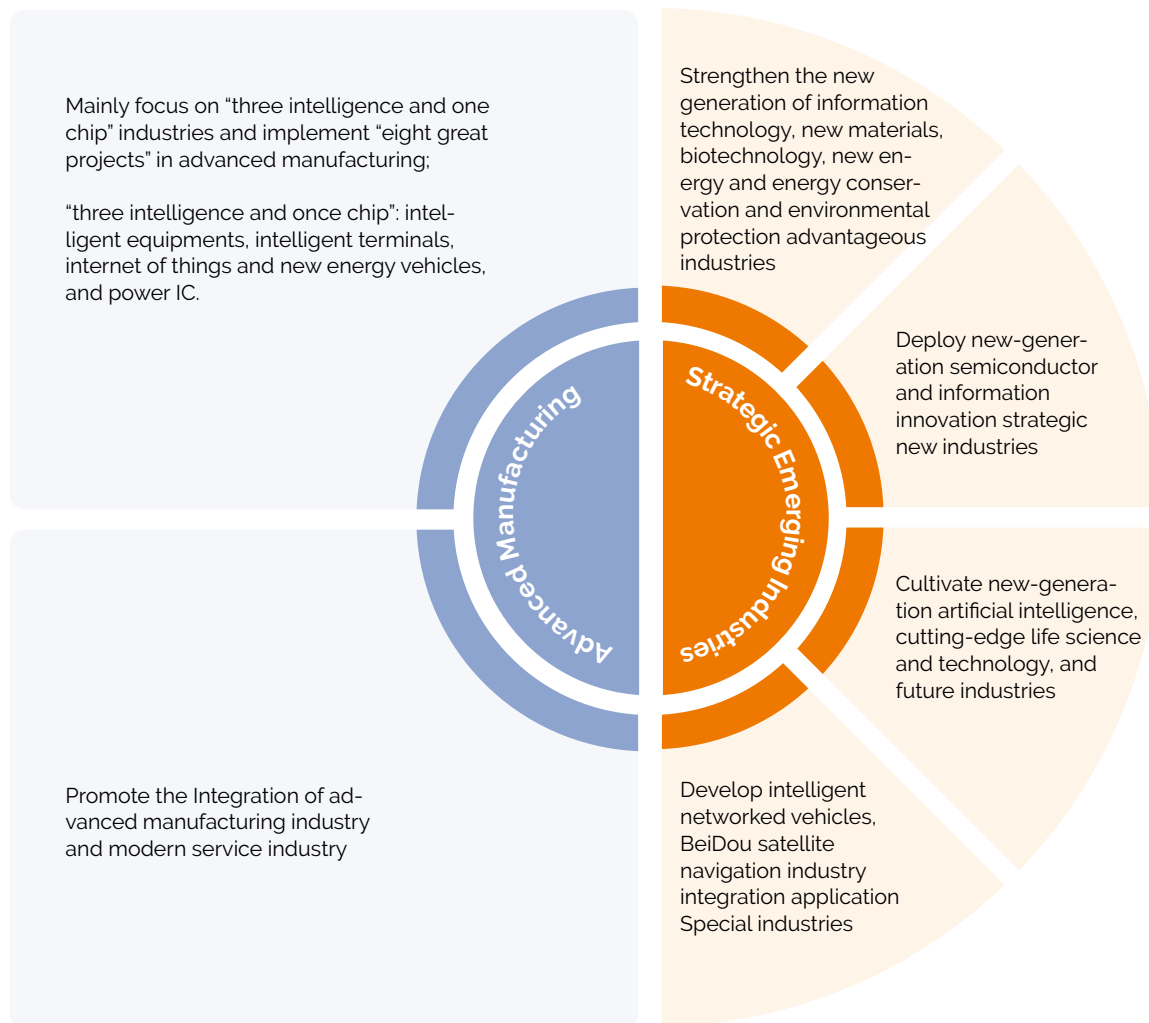
Modern service industry development upgrade and enhance efficiency

- The contribution of the service industry to economic growth continues to improve. The added value of the service industry has increased from 447.268 billion yuan in 2016 to 759.380 billion yuan in 2021, with an average annual growth of over 10%.
- In 2021, Changsha's "Top 100 Cultural Enterprises" hold assets of 111.44 billion yuan, an increase of 21.78 billion yuan over 2018, accounting for 59.6% of the total assets of cultural enterprises above the city's scale; achieving a business income of 90.9billion yuan
- Science and technology innovation capacity continues to be enhanced. Won 13 the National Science and Technology Award in 2021. With a national pilot zone for innovation and development of a new generation of artificial intelligence, national offshore innovation and entrepreneurship base for overseas talents, and national new national defense research base.
- Logistics industry continues to grow. Express delivery business volume increased by 45%. With the only logistics vocational and technical institute in China, four universities have set up logistics faculties and have trained more than 10,000 logistics professionals.
- The MICE industry is booming Successfully heldnational exhibitions suchas Global Economic Development and Security Forum of Boao Forum For Asia, Internet Yuelu Summit, World Computer Conference and Smart Manufacturing Conference.

Modern agricultural development led by science and technology

- Actively promote the supply-side structural reform of agriculture. Have more than 10 key leading enterprises of national agricultural industrialization and 6 agricultural enterprises listed on the main board.
- Deepen cooperation with universities and institutes in Chang. Constructing scientific research resource sharing platforms such as Yuelu Mountain (Industrial) Innovation Center, Yuelu Mountain Seed Industry Innovation Center and Luping Science and Technology City, and promoting the transformation of scientific research results in the local vicinity.

Industry Planning





Development Path

On the main track of intelligent manufacturing, focus on the "Three Bits of Intelligence and One Core", and seize the development opportunity of advanced manufacturing industry.

In the key areas of "Five Districts and Six Parks", develop competitive industries and accelerate the layout of emerging industries.

Concentrating on industrial chain construction, establish 22 industrial chains and carry out the industrial development.

| Pillar Industries

Construction Machinery

Industry Overview

The scale of construction machinery industry in Changsha has reached RMB 250 billion, ranking first in the country for 10 consecutive years. It is the largest construction machinery industry base in China and one of the three largest construction machinery industry clusters in the world. Sany Heavy Industry, Zoomlion Heavy Industry Science and Technology, Sunward Intelligence Equipment, and Railway Construction Heavy Industry have been focused on as representative leading enterprises in the engineering equipment industry.



Investment Advantages

Highly concentrated industrial cluster

Changsha Construction Machinery Cluster has won the final round of the Ministry of Industry and Information Technology's first batch of advanced manufacturing clusters. Changsha is the only city in the world to have four of the world's top 50 construction machinery companies at the same time, and is known as the "capital of construction machinery".

Since its creation, Changsha Construction Machinery Cluster has developed 102 new products and 120 new technologies, five of which are the first of their kind in China or even in the world, breaking through a number of key technical bottlenecks.

Recommended Sites

Changsha High-tech Industrial Development Zone

It has gathered more than 300 construction machinery enterprises, including 110 large-scale industrial enterprises and five listed enterprises. It has eight national innovation platforms such as the National Concrete Machinery Engineering Technology Research Center, National Engineering Laboratory for Polymer Complex Structure Additive Manufacturing, and 24 provincial innovation platforms.

Changsha Economic and Technological Development Zone

As the largest industry in the Park, construction machinery relies on competitive enterprises such as Sany Group, Zoomlion Construction Cranes, Sunward Intelligence Equipment, Railway Construction Heavy Industry, and CHTC JOVE Heavy Industry, and forms a range of "first" engineering products covering lifting, transport, and earthwork machinery.



Investment Cases

Founded in 1999 under the lead of Professor He Qinghua at the Central South University, and built on the revolutionary product, hydraulic static pile pressing machine, Sunward has developed into an enterprise influential both domestically and internationally with the core of its listed company, Sunward Intelligent Equipment Co., Ltd., and the headquarter in Changsha.

With total assets of 18 billion yuan and more than 5,500 employees, Sunward has strategic orientations of "One Point, Three Lines", and "One body, Two Wings" focusing on equipment manufacturing, and accomplishing comprehensive growth in engineering equipment, special equipment, and aviation equipment. It is now one of the leading enterprises of underground engineering equipment in China, top 50 of global engineering machinery manufacturers, top 20 of global excavator enterprises and top 3 of global feeder aircraft leasing enterprises.

On September 17, 2020, while inspecting Sunward Intelligence Equipment, President Xi Jinping mentioned that "Innovation is the most important quality of enterprise management, and it is what we must do in the future. The core technologies must be firmly grasped in our own hands, and so must manufacturing."

Industrial Policies

Detailed Rules of the Medium-and-long-term Action Plan (2019-2030) for nurturing advanced manufacturing clusters of construction machinery in Changsha (Chang Gong Xin Zhuang Bei Fa [2020] No. 75)



Automobiles and Spare Parts

Industry Overview

The automotive industry is one of the 100 billion industries in Changsha, which is the major support for Changsha to build the National Intelligent Manufacturing Center. It has cultivated and introduced automobiles and spare parts supply enterprises such as SAIC Volkswagen, GAC FCA, GAC Mitsubishi, Changfeng Group, Zotye Auto, BAIC Foton, Bosch Automobile, Sumitomo Rubber, Jifeng Auto Parts, and Hitachi Automobile Electric Appliances, forming multi-series, multi-elements including the whole car and its core parts, multi-type, high-efficiency automotive industrial clusters.

Investment Advantages

Changsha has multiple car manufacturers, basically forming an automotive industrial chain including cars and key parts R & D, manufacturing, sales, and services and becoming a new component of China's automotive industry clusters. The parts localization rate is in fast development with great potential for future growth.

Recommended Sites

Changsha Economic and Technological Development Zone

The automotive industry is the first multibillion-dollar industrial cluster in Changsha Economic and Technological Development Zone. The Zone has whole-vehicle companies such as SAIC Volkswagen, GMAC Mitsubishi, GMAC FCA, Sany Heavy Truck, BAIC Foton, as well as well-known automotive industrial chain enterprises such as Bosch Changsha, Sumitomo Rubber, SEG Automotive, and Continental AG.

Industrial Policies

Measures in Accelerating the Growth of Auto Parts Industry (Xiang Zheng Ban Fa [2014] No.9)





Investment Cases

GAC Mitsubishi new energy vehicle project with a total investment of 1 billion yuan, the project is located in Changsha Economic Development Zone, the first new energy vehicle jointly developed by GAC and Mitsubishi, in 2021 in Changsha formal mass production, for Hunan automotive Xiangjun industrial development to inject new momentum. Relying on the existing site of GAC Mitsubishi in Changsha Economic Development Zone, the project will focus on intelligent network-linked new energy vehicle technology and products, develop and launch new energy models jointly developed by GAC Group and Mitsubishi Motors, and by 2025, the annual output of new energy vehicles will reach 100,000 units.

GAC Mitsubishi Research and Development Center, with a total investment of three billion CNY, is planned to be put into use in December 2020. It will solicit professionals worldwide, use world advanced equipment, and set up a top-level new energy experimental center to facilitate vehicle localization research and development and fulfill the production and sales target of 500,000 vehicles in 2022. The GAC Mitsubishi Industrial Park will have 20 to 30 automobile component producers to improve Mitsubishi vehicle local supply rate from 30% to 90%.

PwC Insight

Deep Integration of the Global Auto Parts Industry

Self-driving car technology and vehicle electrification are the two major future technologies that will affect the auto parts industry. To remain competitive in the future market dominated by self-driving cars or electric cars, some enterprises are making investments, even if it takes years to see benefits.

Biomedicine

Industry Overview

The biomedicine industry is a new growth pole of Changsha's economy. There are 17 listed biopharmaceutical enterprises in the city, and the total number of listed enterprises, the total market value, the number of enterprises with market value over RMB 10 billion and the number of proposed listed companies all rank first in Changsha in 22 industrial chains. At present, there are more than 1,600 biopharmaceutical enterprises, 237 pharmaceutical wholesale enterprises and chain headquarters in Changsha. Representative enterprises include Jiuzhitang, Sinocare, Sansure Biotech, ER-KANG Pharmaceutical and Fangsheng Pharmaceutical.

Investment Advantages

Solid Industrial Base

Changsha is one of 20 component cities in the China Biomedical Industry Barometer (CBIB) released by the Chinese Society of Biotechnology, with Changsha High-tech Industrial Development Zone also being one of 20 component parks. Changsha has formed biomedical industrial clusters such as Liuyang Economic and Technological Development Zone Biomedical Industrial Clusters, Haiping Medical Equipment Park and Pharmaceutical Production Logistics Base in Changsha High-tech Industrial Development Zone, Tongguan Chemical Raw Material Medicine Production in Wangcheng Economic and Technological Development Zone, and Pharmaceutical Logistics Base in Jinxia Economic and Technological Development Zone. The city has established a full industrial chain covering traditional Chinese medicine, chemical medicine, medical instruments, and medical circulation, becoming a bellwether in the biomedicine industry in Hunan Province.

Recommended Sites

Liuyang Economic and Technological Development Zone

The Zone focuses on biomedicine industry for nearly 20 years with a high degree of industrial agglomeration, and cumulative technology platforms and human resources. There are more than 170 registered biopharmaceutical enterprises, including 4 A-share listed enterprises, 1 New Third Board listed enterprise, 44 high-tech enterprises, 73 GMP-certified pharmaceutical enterprises and 39 GMP-certified pharmaceutical enterprises. In 2018, it was named the most characteristic and potential biomedicine area in China.

Changsha High-tech Industrial Development Zone

There have been more than 130 key biopharmaceutical enterprises, including 43 enterprises above the scale and 8 listed companies; it has a total of 50 innovation platforms such as various key laboratories, engineering centres, engineering technology centres and enterprise technology centres. It has gathered more than 100 high-level talents in the field of biomedicine. Stem cell research in the Zone is one of the best in the world. Representative manufacturers in Chinese patent medicine include Jiuzhitang and Fangsheng pharmaceutical; representative large-scale medical logistics enterprises include Huarun Hunan and Yifeng Pharmacy; representative diagnostic



reagent manufacturing and medical testing enterprises include SANUO biological and Sinocare and Sansure Biotech.

Investment Cases

Sansure Biotech

Sansure Biotech is an in vitro diagnostic solution provider with self-innovative gene technology as its core, integrating diagnostic reagents, instruments and third-party medical testing services. It is the National Demonstration Center for the application of Gene Detection Technology, the national local Joint Engineering Research Center for infectious diseases and tumor gene diagnosis technology, the National Technological Innovation Demonstration Enterprise, the National post-doctoral Research Workstation Unit, and the National Intellectual Property Rights Demonstration Enterprise. On August 28, 2020, Sansure Biotech was listed on the Shanghai Stock Exchange Science and Technology Innovation Board (stock code: 688289).

Industrial Policies

Policies of General Office of Changsha Municipal People's Government in Accelerating High-quality Development of Biomedicine Industry (Chang Zheng Ban Fa [2020] No. 46)



Electronic Information

Industry Overview

As one of Changsha's 100 billion leading industries, the electronic information industry has maintained steady growth. The sub-sectors of the electronic information industry such as smartphones, BeiDou Navigation and integrated circuits have all come into full bloom, with a large number of industry leaders such as Lens Technology, Read Solar Photoelectricity, and Goke Microelectronics which are the main force of intelligent manufacturing in Changsha.

Investment Advantages

A complete closed-loop of industrial ecological chain

Changsha has become the largest independent IT ecological city as a result of the successively settling of operation systems represented by Huawei Kunpeng, KylinSoft, Standard Software, Alibaba, Huawei, Jinshan, middleware, office software companies and database services.

Strong technical and talent support

With the technology and talent support from scientific research institutions such as the National University of Defense Science and Technology, two local chip design companies invested by the China National Integrated Circuit Industry Investment Fund, Goke Micro and Jingjia Micro, it is thus possible to integrate high-end chip research and development resources in Changsha, which is also the main direction of future electronic information industry.

Recommended Sites

Changsha High-tech Industrial Development Zone

The Zone focuses on the development of intelligent terminals, autonomous and controllable information security, mobile interconnection and other fields. It has gathered more than 7000 electronic information enterprises, including 84 large-scale enterprises, more than 5000 mobile internet enterprises and 8 listed enterprises. It has 16 national innovation platforms and 51 provincial innovation platforms. Representative enterprises include Weisheng Group, ZTE Intelligence, the Great Wall Information, Inke Broadcast, and S'Young and other hidden industrial champions.

Changsha Economic and Technological Development Zone

Arrange the new generation of semiconductor industry according to the construction of "one institute" (new-generation semiconductor research institute), "one center" (application and intelligent manufacturing center), and "one base" (material production base). It is estimated that the intelligent terminal industry will achieve a large-scale industrial output value of more than 50 billion yuan by 2025. Huawei, Honor and BYD would build 150 million intelligent terminals. The Zone also has industrial chain core enterprises such as Desay, and TDK Electronics.



Investment Cases

Jingjia Microelectronics

Jingjia Microelectronics was founded in April 2006 located in Changsha Hi-tech Industrial Development Zone. In March 2016, it was listed on the Shenzhen Stock Exchange Growth Enterprise Market (stock symbol: 300474). It has researched the first domestic chip with high reliability and low power consumption, JM5400, which has been successfully applied in many national key projects.

Desay Battery Changsha Base

The total investment of Desay Battery Changsha Base project is 300 million yuan. The first phase of the transition plant was brought into production in April 2019. The second phase has 10 high-speed automatic production lines and SMT lines. The current staff is more than 400 while the production capacity is continuing to expand. After full operation, it can produce 100 million lithium batteries annually with an output value of more than 4 billion yuan.

Industrial Policies

Policies in Accelerating the Growth of a New-generation of Semiconductors and Integrated Circuit in Changsha (Chang Zheng Ban Fa [2019] No. 35)



Cultural and Creative Industry

Industry Overview

The cultural industry has always been a pillar industry in Changsha. There have been 1,157 cultural enterprises above the scale, 8 cultural enterprises listed on the mainboard, and 3 cultural enterprises selected into the "Top 30 Cultural Enterprises in China". The total output of the cultural industry has exceeded 300-billion-yuan. The industrial added value accounts for 9% of GDP.

Investment Advantages

Strong content production capacity

Hunan cultural and creative enterprises of Hunan Faction are at the leading position in the sub-sectors such as game live broadcast, game video distribution, and short video distribution. In the past three years, the Maranshan Crowd Creation Park has gathered 1,529 newly registered enterprises, including 18 well-known enterprises of the world's top 500, China's top 200, the top 20 domestic industries and listed companies, with the leading state-owned cultural enterprises as the core.

Fast development of digital cultural and creative industries

Changsha has initially formed the development pattern of digital cultural creative industry with leading cultures, advanced technologies and complete chains. In digital games, new types of industries such as interactive entertainment, film and television animation have grown rapidly. Leading enterprises in sub-sectors have emerged, including Yinhe Kuyu Media, and Xingwang Technology.

Recommended Sites

Malanshan Video Cultural and Creative Industrial Park

Taking Zhongguancun as the benchmark, the Zone direct to "Technology + Culture + Finance". With the support of high technology and next-generation information technology, focusing on video content, sound supporting services and derivative business, the Zone is intended to create a nationwide and first-class base for cultural and creative content, digital production and copyright trading. The Zone aims to be a global competitive "Video Valley" in China. The Zone has gathered more than 3,000 video cultural and creative industries and emerging media enterprises. In 2021, 40 new high-tech enterprises will be added to the park, with annual revenue of RMB 50 billion, up 25% year-on-year.



Investment Cases

TvZone

TvZone is the first state-controlled program production company listed on the mainboard in China (stock code: 603721). Founded in 2007, it has more than 500 professional video production personnel, mainly engaged in video content production and operation such as variety shows, dramas, and short videos. It has produced programs such as Langduzhe, and Guarding West Jiefang Road.

The headquarters of TvZone is located in the Malanshan Video Cultural and Creative Industrial Park, and is a key business complex project. The total investment is about 1.8 billion yuan with two-phase development and construction. The first phase will provide 55,000 square meters of office space and 20,000 square meters of studio space.

Industrial Policies

Measures in Supporting the Growth of Malanshan Video Cultural and Creative Industrial Park (Chang Ma Yuan Guan Fa [2019] No. 10)



Food Production

Industry Overview

As one of the Hundred Billion Industries in Changsha, food and agricultural products processing industry chain is not only the traditional competitive industry, but also the people's livelihood industry. Changsha has formed five industrial clusters: Ningxiang Economic Development Zone, Wangcheng Economic Development Zone, Liuyang Economic Development Zone, Longping High-tech Park and Jinxia Economic Development Zone. Changsha's food industry has completed a scale industrial output value of 150.1 billion yuan, with 363 large-scale enterprises, of which 58 have an annual output value of over 100 million yuan, 10 national agricultural industrialization leading enterprises, and 8 listed enterprises.

Investment Advantages

High-quality abundant raw materials

Known as the "Land of Fish and Rice", Hunan is a major agricultural province, with its stable annual grain output more than 30 million tons, becoming an important base of grain supply.

Large market scale

Changsha's resident population exceeds 10 million, and Hunan's resident entrance is nearly 70 million, indicating a strong food consumption demand.

Strong research capabilities

At present, Changsha has 55 food high-tech enterprises, five provincial enterprise technology centres and four provincial engineering research centres, and has created a number of CNAS laboratories such as Ausnutria Dairy, Obika and Hershey.

Recommended Sites

Wangcheng Economic Development Zone

85% of Hunan's local dairy products are produced in the Zone. Ausnutria and BlueRiver provide high-quality milk from Australia and New Zealand to consumers worldwide. Famous products such as Coca-Cola, Want Want, ChinaTea and Kamile are sold well both at home and abroad. Pharmaceutical enterprises such as Wugan, Huateng, Kangshou and Xinhui have boosted the development of food and pharmaceutical industries.

Ningxiang Economic Development Zone

Since Tsingtao Brewery was introduced in 2003, more than 50 well-known food and beverage enterprises have been introduced and cultivated such as Jiajia Group, CR Beverage, Tsingtao Brewery, Master Kong, Qiaqia Food, Juwei Food, Hunan Grain Group, Xiaoxiang Tea, Snowsky Salt, Royal Group, and Taiwan Hon Chuan. The Zone has gradually positioned green food industry as the leading industry.



Investment Cases

Want Want Food

After the Want Want Group was settled in Wangcheng District in 1992 and 28-year development, six independent legal companies have been established, including Changsha Want Want, Hunan Dawang, Hunan Zhenwang, Changsha Mingwang, and Hunan Fuqiangwang. Want Want has developed from the early single rice cracker series into the current set of rice cracker, beans, snack food, and beverages. It has become a multi-functional enterprise with more than 20 core products and packaging products.

Varypack

Hunan Vary Paper & Plastic Packaging Co., Ltd. mainly produces label cups in injection mold with its production of label cups in injection mold market share of more than 50%. Varypack has invested 200 million yuan in Ningxiang Economic Development Zone, covering an area of 28.6 mu to build a production base of paper-plastic packaging containers for dairy products and bottled milk packaging containers. It is estimated that the annual output value will be 500 million yuan, contributing tax revenue of more than 15 million yuan.

Industrial Policies

Notice of Policies in Accelerating the Transformation of Food Industry (Chang Zheng Ban Fa [2020] No. 1)



Special and Emerging Industries



Next Generation Semiconductor

Industry Overview

The high-speed development of new energy automobile industry has brought a lot of new demand for power devices. Power devices represented by MOSFET are widely used in automotive electronics.

Investment Advantages

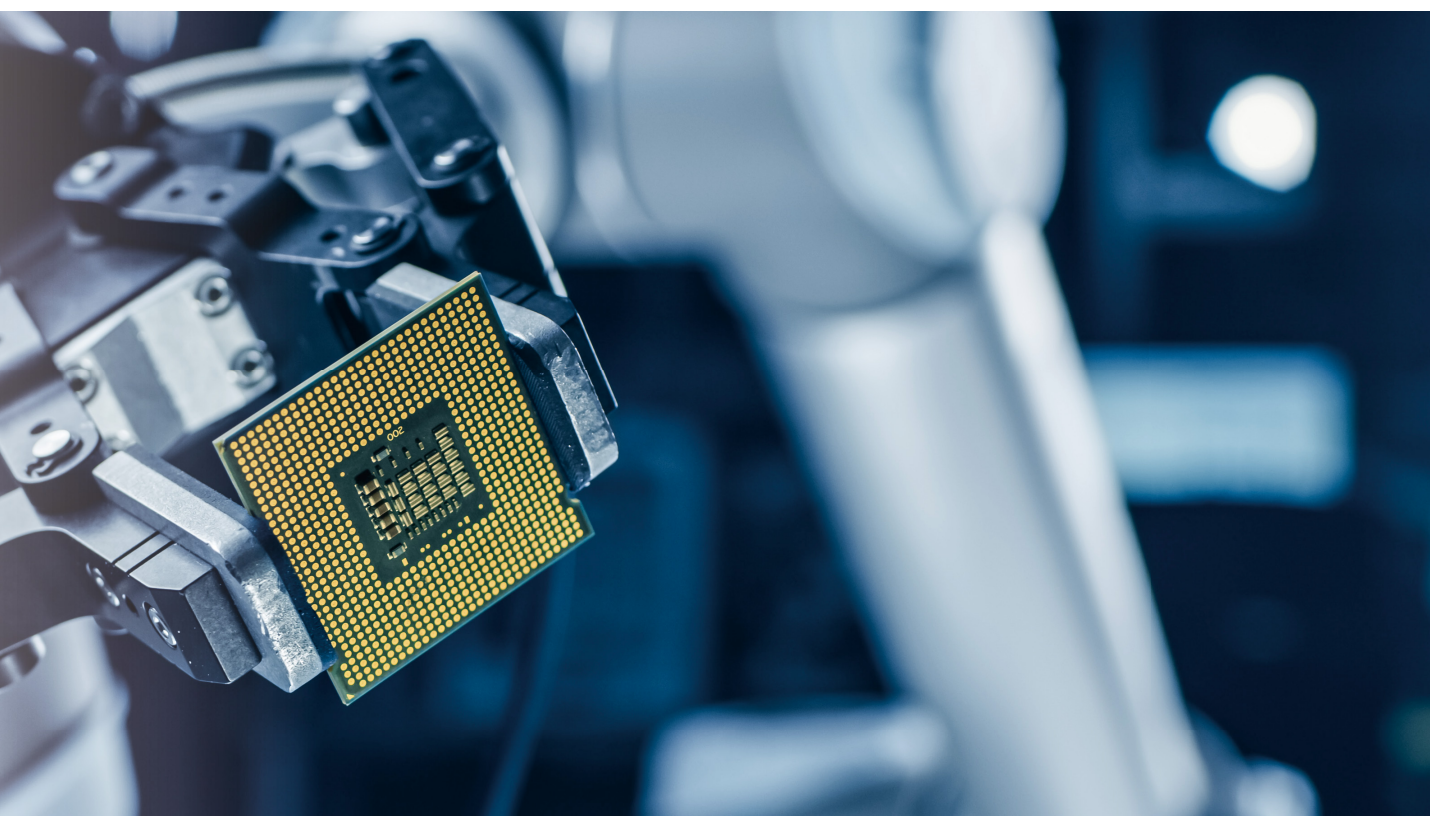
Innovation chain of industrial layout

Changsha is well positioned for the development of the third generation of semiconductor industry, relying on national innovation platforms such as the National University of Defense Science and Technology, the Central South University, and the Hunan University. The "New generation semiconductor and integrated circuit" industry chain has been initially formed, including substrate materials, epitaxy, chips, device packaging and manufacturing equipment, taken the lead in the development of the new generation of semiconductor industry in China.

Recommended Sites

Changsha Economic and Technological Development Zone

The Zone has been implementing the strategy of "point-to-point, cluster development", relying on enterprises like LANSI technology, national micro-electronics, and striving to upgrade the upstream chain of smart terminals. Around the mobile terminal, Internet of things, cloud television and other fields, it has cultivated and introduced small and medium-sized supporting projects and formed consumer electronic information industry cluster. Relying on Shenzhen IC base and Changsha base, it has introduced a batch of integrated circuit R & D design, manufacturing, packaging and testing enterprises.



Investment Cases

Changsha BYD semiconductor new energy vehicle core electronic technology research and development and industrialization project

The total investment of the project is 1 billion yuan, focusing on the R & D and industrial application of the core technologies of new energy vehicle electronics. By purchasing high-precision lithography machine, oxidation diffuser, metal sputtering machine, thinning machine, automatic thin-film microscope and other core production equipment, it has built the annual production line of 250,000 8-inch new energy automobile electronic chips. Changsha will become a BYD base with the most complete core technical layout and the longest industrial chain in terms of "Three power" after the Shenzhen headquarters.

Industrial Policies

Detailed Rules in Accelerating the Growth of New-generation Semiconductor and Integrated Circuit Industry



Advanced Energy Storage Materials

Industry Overview

Changsha's new material industry overall scale is in the front array among provincial capitals. Its scale and market share of advanced energy storage materials are the first in the country. Its carbon-based materials and new alloy materials are among the best in the country. Its additive manufacturing materials, display functional materials and next-generation semiconductor materials are developing rapidly.

Investment Advantages

Strong scientific research and innovation capability

Changsha has 5 academicians in the field of new materials, 100 experts and subject leaders, 3 state key laboratories of materials, and 4 state-level engineering and technology research centers, which have provided continuous intellectual support for the development of the new material industry.

High transformation of scientific research results

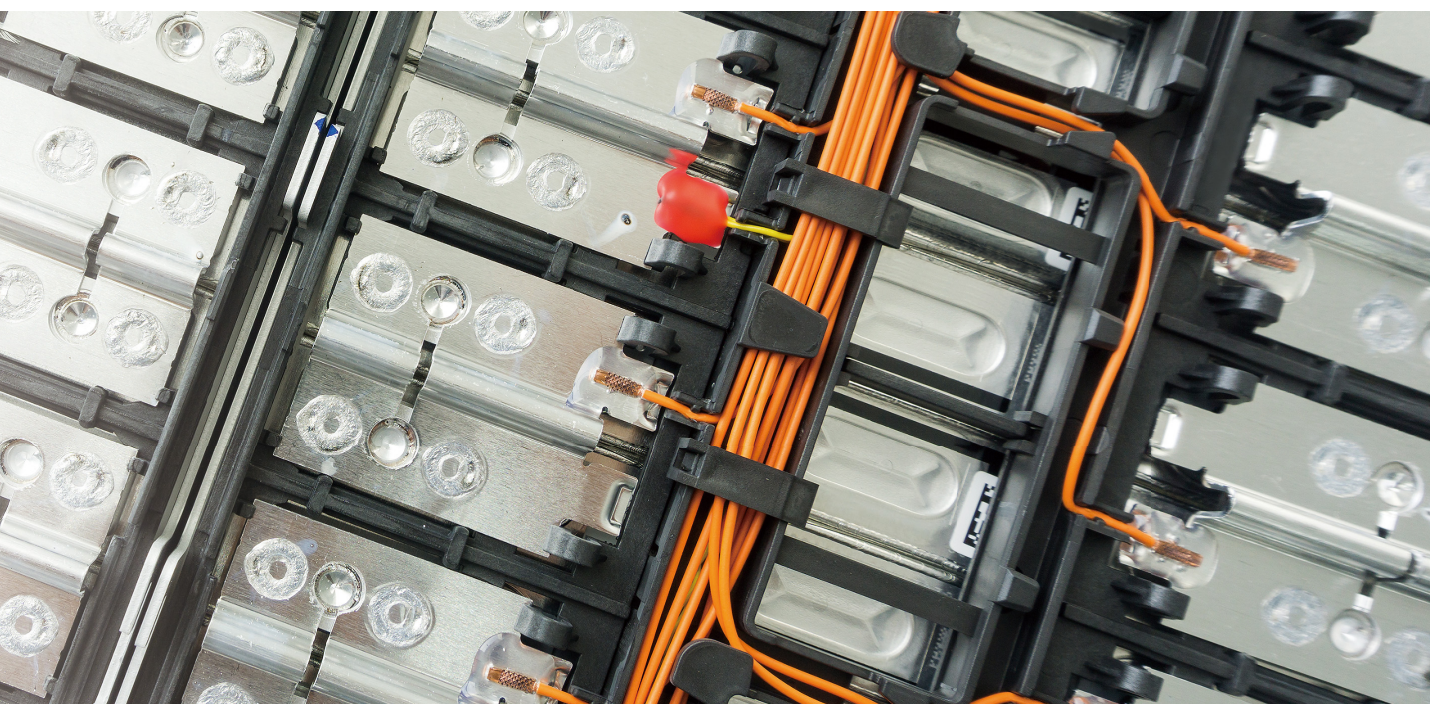
Based on the platforms of Changsha High-tech Industrial Development Zone, Ningxiang County High-tech Industrial Development Zone and Wangcheng District Economic and Technological Development Zone, the transformation of scientific research achievements of new materials in Changsha has been accelerated.

Metal-based 3D printing materials and components such as titanium and nickel developed by Dingli Technology have reached the international advanced level; Bojun New Material has developed a series of its intellectual property rights in the preparation of carbon/carbon composites technology and process equipment, forming more than 20 system integration invention and innovation achievement.

Recommended Sites

Ningxiang High-tech Industrial Development Zone

The output value of energy storage materials in the Zone has exceeded 10 billion yuan with the most complete green industrial chain in the province including upstream cathode materials, anode materials, membranes, electrolytes, battery cells and packaging, terminal application and battery recycling. The Zone has gathered many leading enterprises in the lithium battery industry such as BYD, Shanshan New Material, Brunp Recycling, and DFD Chemical.



Investment Cases

Shanshan New Energy

As the world's largest manufacturer of lithium-ion battery cathode materials, Shanshan has been in the lithium-ion battery industry for 14 years with the production capacity of more than 40,000 tons of lithium-ion battery cathode materials and multi-material precursors (multi-material prototype, can be made into multi-element cathode material). Shanshan has been ranked first in the competition list of the cathode material industry for three consecutive years.

Industrial Policies

Notice of Three-year Action Plan (2020-2022) of General Office of Changsha Municipal People's Government in Accelerating the Development of Changsha's Advanced Energy Storage Material Industry (Chang Zheng Ban Fa [2019] No.51)



Mobile Internet

Industry Overview

Changsha Internet enterprises more than 30,000, the annual output value of more than 100 billion, the comprehensive index ranked first in central cities, the sixth in the country. With Changsha High-tech Industrial Development Zone (Changsha Software Park) as the core area, Furong, Tianxin, Yuhua, Kaifu, Yuelu and other five districts as the expansion area, and Yuelu Mountain National University Science and Technology City, Malanshan Video Cultural and Creative Industrial Park as the special area, the "one park, five districts and two mountains" industrial development pattern has initially taken shape.

Investment Advantage

The software colleges of three universities - National University of Defense Technology, Central South University and Hunan University - have been selected as national model software colleges, providing innovative potential and talent resources for the development of the local mobile Internet industry.

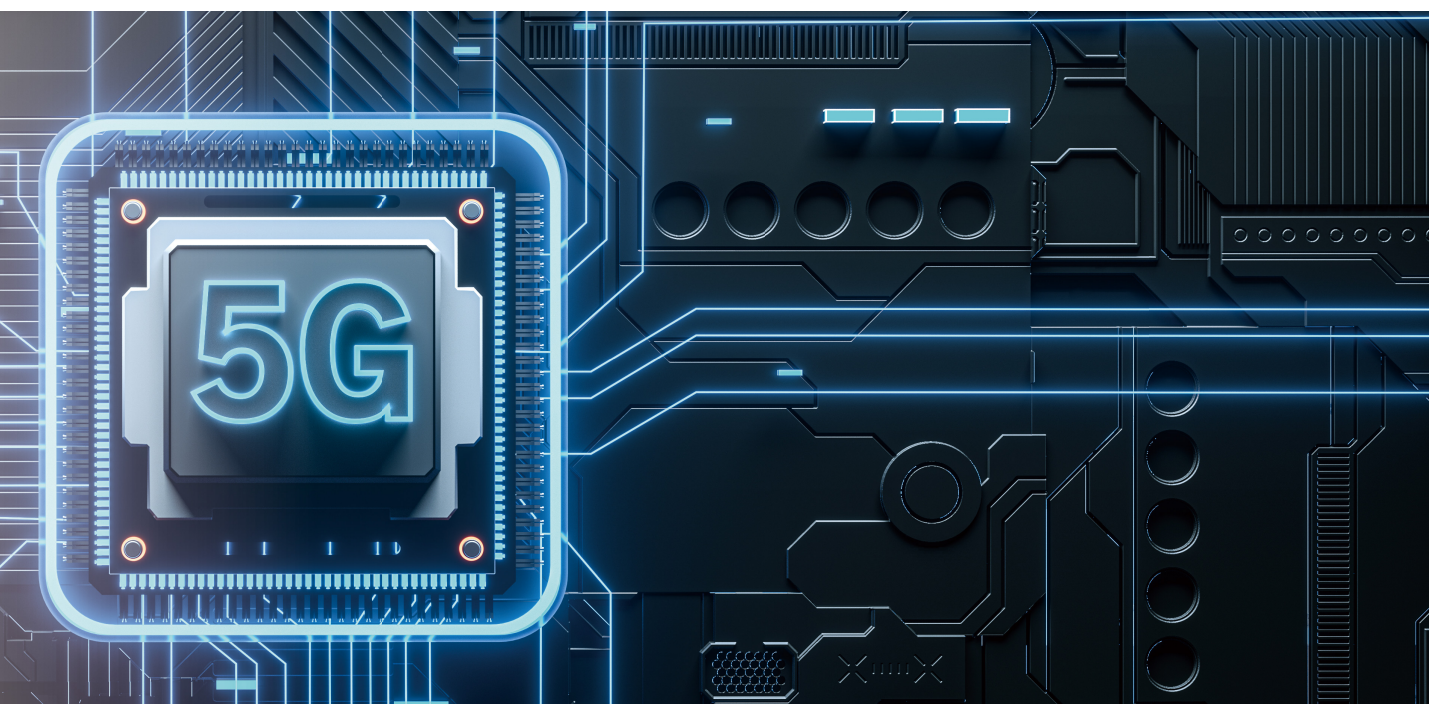
In 2020, Changsha was one of the first "gigabit cities" in China, basically achieving continuous 5G network coverage in core urban areas and key regions.

Recommended Sites

Changsha High-tech Industrial Development Zone

Relying on the national software industry base, Changsha Information Industry Park has formed a mobile Internet industry cluster with Core City Technology Park and CEC Software Park as its core, and is the first "Mobile Internet Industry Cluster" and "Mobile Internet Special Industrial Park" licensed by the provincial government.

The park focuses on the development of mobile networks, intelligent terminals, application services and other mobile Internet complete industry, vigorously develop the Internet of Things, big data, animation games, digital entertainment, e-commerce, intelligent equipment manufacturing industry, has gathered more than 2,000 mobile Internet enterprises represented by Microsoft, IBM, Oracle, Google, Swan to Home, Tencent, Kingdee Software, eBay, etc.



Investment Cases

Caohua

Founded in 2014, the company is one of the "Top 100 Chinese Internet Enterprises". Mainly engaged in mobile game distribution and deep operation and other businesses, it has become the leading mobile game platform in Central China. The revenue of each product is more than 100 million yuan.

In the future, based on its experience and resource advantages in the field of digital games, Caohua intends to build a "Hunan Digital Culture Creative Talent Innovation and Entrepreneurship Integrated Service Platform" with an industrial clustering effect in Changsha, Hunan Province. The physical part of the platform mainly includes the construction of supporting digital culture industry dual innovation incubation base, digital culture product testing and equipment (software) sharing service center construction, digital culture industry dual innovation academy construction, etc.

Industrial Policies

Notice on Several Policies to Further Promote the Development of Mobile Internet Industry" (Chang Zheng Ban Fa [2021] No. 12)



Smart Connected Vehicles

Industry Overview

The National Intelligent Networked Vehicle (Changsha) Test Zone, which opened in June 2018, is the intelligent networked vehicle test area with the highest degree of integration of market demand, the richest type of test scenarios and the most comprehensive supporting services in China, and has formed a set of testing and verification services and operation system with meticulous logic, perfect functions and various scenarios.



Investment Advantages

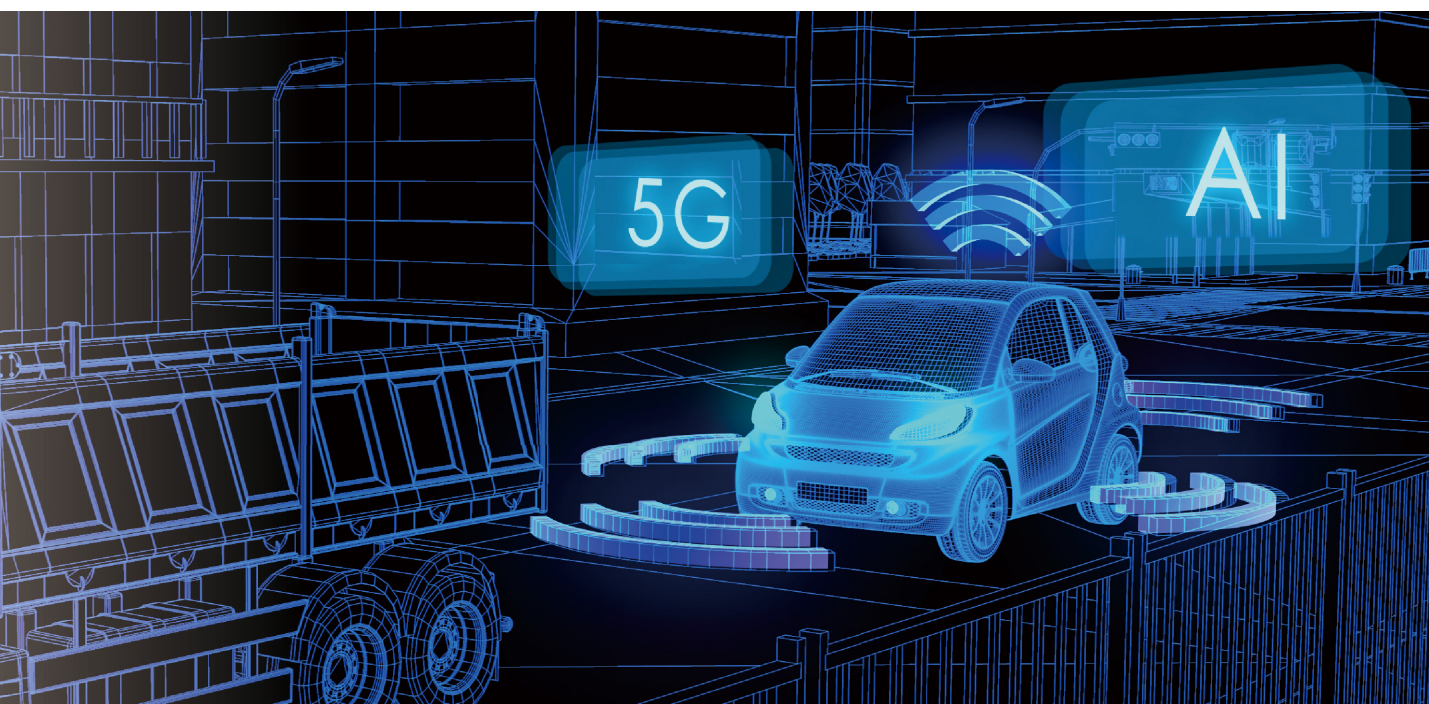
From the comprehensive ranking of investment scale, closed test area, open test area, test road mileage, test square area, vehicle-road cooperation V2X test mileage, the number of traffic safety scenes, the number of automatic driving test scenes, the number of network-linked class test scenes and the registered capital of operating units, Changsha Test Zone ranked second in the country after Shanghai. Related enterprise licenses Changsha ranked third in the country with 55 licenses, after Shanghai and Beijing.

2021 Changsha has been approved as the first batch of pilot cities for the collaborative development of national smart city infrastructure and smart connected vehicles. This means that Changsha has become the only city in China to receive four national licenses in the field of smart connected vehicles, following the approval of the National Smart Connected Vehicle (Changsha) Test Area, the National Telematics Pilot Zone and the National Smart Connected Vehicle Quality Supervision and Inspection Centre (Hunan).

Recommended Sites

Xiangjiang New District, Hunan

Xiangjiang New District has landed nearly 400 enterprises related to the Smart Networked Vehicles industry and achieved four "national firsts" in scene creation; opened the first intelligent bus demonstration line in China, launched the first intelligent highway based on 5G+V2X technology and supporting L3 level and above autonomous driving and demonstration applications; opened the most extensive intelligent transformation and the most comprehensive road type in China; developed the first intelligent shared mobility demonstration project in China. It has opened the city open road with the widest range of intelligent transformation, the most comprehensive road type and the most stringent safety protection; it has developed the first intelligent shared travel demonstration project in China.



Investment Cases

Schaeffler

Schaeffler started to invest in China in 1995 and has been an important supplier and partner in the automotive and industrial sectors in China for more than 20 years. With the concept of "local resources for local market", Schaeffler Greater China is committed to local production and local R&D to provide customers with high quality products and proximity services.

Schaeffler (Greater China Region) currently employs about 12,000 people and has two R&D centers in Anting, Shanghai and Changsha, Hunan. The second R&D center of Schaeffler Greater China and Schaeffler China Intelligent Driving Research Institute in Hunan Xiangjiang New District will put one of the core technologies of intelligent driving, the wire control technology, into production in Changsha with other related technologies, products and platform systems.

Industrial Policies

"Torch Plan" and "Head Sheep Plan" for Intelligent Vehicle Industry in Changsha (Chang Zheng Ban Fa [2020] No. 12)



Opinions of the General Office of Changsha Municipal People's Government on Further Promoting the Development of Artificial Intelligence Industry (Chang Zheng Ban [2019] No.9)



"Beidou+" Industry

Industry Overview

The "Beidou+" industry in Changsha has basically covered the space segment, ground segment and user segment. In recent years, it has been actively building a Beidou industrial base, promoting the gathering of high-end talents in Beidou, and focusing on the formation of a new 100-billion-level industrial cluster.

Space Segment	Matrix Sirc, Rongchuang Micro, Maxwell, Haige
Ground Segment	Flyover, Xingyuetianxuan, Matrix Electronic Beidou No. 3 Ground Control
User Segment	Bynav

Investment Advantages

Deep integration of industry, academia and research in the field of Beidou

Beidou satellite navigation system is a global satellite navigation system developed independently by China, and most of its core technologies originate from the National University of Defense Technology in Changsha. Changsha is one of the three demonstration zones for BeiDou satellite navigation applications in China, and has a number of open sharing platforms for resources such as the Hunan branch of the National BeiDou Data Center, the 2301 Quality Inspection Center for BeiDou satellite navigation products, and the Open Laboratory for Satellite Navigation Simulation and Testing (Changsha).

Investment Sites

Changsha High-tech Industrial Development Zone

With more than 90% of the enterprises in Changsha engaged in the Beidou navigation industry, it has a more complete industry chain in the application section of Beidou system in China. It has introduced and nurtured a number of backbone enterprises such as Beiyun Technology, Matrix Electronics and Aerospace Electronics.



Investment Cases

Beidou Microcore

Hunan Beidou Microcore Industry Development Co., Ltd. was founded on July 13, 2016 as a high-tech enterprise and academician expert workstation-licensed enterprise dedicated to the research, development and application of core technologies related to high-precision location services. The project is expected to be completed and put into operation in 2020, and the annual output value will be no less than 10 billion yuan after its completion.

Industrial Policies

Policies on Deepening the Application of Beidou in Changsha (Chang Zheng Ban Fa [2019] No.41)



Detailed rules of several Policies on Deepening the Application of Beidou in Changsha (Chang Gong Xin Shu Zi Fa [2020] No.33)



A low-angle, upward-looking photograph of several modern skyscrapers. The buildings are primarily glass and steel, with some featuring horizontal bands of darker material. The sky is a vibrant blue with scattered white clouds. In the foreground, a building with a large glass facade reflects the surrounding structures and sky. The overall composition emphasizes the height and architectural details of the urban environment.

04

THE TOP
INVESTMENT SPOTS

List of regions

Xiangjia New District

Xiangjia New District	Mainly located in Yuelu District	Advanced manufacturing, cultural tourism, financial industry
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Hunan Free Trade Zone Changsha District

Changsha Economic & Technical Development Zone	Changsha County	Construction machinery, Automobiles and parts, Electronic information
Airport-related Zone	Changsha County	Air transportation, General aviation
Exhibition Zone	Yuhua District	Modern service industry, Exhibition service industry
Yuhua Zone	Yuhua District	Business and trade enterprises, Cultural and creative enterprises, Financial industry
Furong Zone	Furong District	Modern agriculture, Trade enterprises

National Zone

Wangcheng Economic & Technical Development Zone	Wangcheng District	Non-ferrous metal deep processing, food, electronic information
High-end equipment manufacturing, mobile Internet, new energy	Liuyang City	Biomedical, electronic information, food
Ningxiang Economic & Technical Development Zone	Ningxiang City	Food, home appliances, new materials
Changsha High-tech Industrial Development Zone	Yuelu District	High-end equipment manufacturing, mobile Internet, new energy
Changsha Economic & Technical Development Zone	Changsha County	Automobile, engineering machinery, electronic information manufacturing

Provincial Zone

Longping High-tech Industrial Development Zone	Furong District	Biological breeding, e-commerce
Changsha Tianxin Economic & Technical Development Zone	Tianxin District	Big Data, Human Resources
Yuelu High-tech Industrial Development Zone	Yuelu District	Advanced manufacturing, biomedical
Changsha Jinxia Economic & Technical Development Zone	Kaifu District	Intelligent logistics, assembly type building
Changsha Yuhua Economic Development Zone	Yuhua District	Artificial intelligence, parts industry
Ningxiang High-tech Industrial Development Zone	Ningxiang City	Energy storage materials, advanced equipment industry

Key Areas

Yuelu Mountain National University Science and Technology Town	Yuelu District	Artificial intelligence, digital economy, life and health
Hunan Financial Center	Yuelu District	Financial industry, Hotel service industry
Malanshan Video Cultural & Creative Industrial Park	Kaifu District	Video industry, Animation and game, Digital publishing
Changsha Airport-related Economy Demonstration Zone	Changsha County	Air transportation, General aviation
High-speed Rail Convention & Exhibition New Town	Yuhua District	Conference and exhibition, hotel services
Southern Fusion City Area	Yuhua DistrictTianxin District	Geographic information, cultural tourism and recreation

Hunan Xiangjiang New District

Strategic

It is a high-end manufacturing R&D and transformation base and an innovative and creative industry cluster, a new-type urbanization demonstration area with integrated production and urban-rural development, a national "two-type" society construction leading area, and an inland open highland along the Yangtze River Economic Belt.



Regional Overview

Located west of the Xiangjiang River, the planning area covers the entire Yuelu District of Changsha City, the entire territory of Gaoxin District, eight streets and towns in Wangcheng District and five streets and towns in Ningxiang County. It covers three national parks, namely Changsha High-tech Industrial Development Zone, Ningxiang Economic and Technological Development Zone and Wangcheng Economic and Technological Development Zone, and two provincial parks, namely Ningxiang High-tech Industrial Development Zone and Yuelu Science and Technology Industrial Park.

Outstanding Strategic Position

Hunan Xiangjiang New Area is a major strategic platform for the country to promote reform and opening-up and innovative development. At the provincial level, Hunan Xiangjiang New Area is managed under a separate plan and enjoys municipal and partial provincial management authority, so that the new area can be run by the new area.

Xiangjiang New District Investment advantages

Rich in innovative elements

Changsha High-tech Zone, Yuelu Mountain University City and Yuelu Science and Technology Park together form a pan-Yuelu Mountain innovation and creative industry circle, with more than 40 academicians from two academies, three 211 key universities and more than 300,000 university students, and in May 2016, the new area was approved as one of the first 28 dual-innovation demonstration bases in China.

Strong industrial advantages

Advantageous industrial clusters such as advanced equipment manufacturing, electronic information, new materials, biomedicine, new energy and energy-saving environmental protection have basically formed. Meanwhile, major projects such as Changsha Evergrande Children's World with a total investment of 50 billion yuan, Meixi Lake Evergrande International Health City with 30 billion yuan and Meixi Lake Yida Health Science and Technology City with 20 billion yuan have been introduced.

Superior business environment

It is the first in the province to realize online processing of all approval matters, and the online availability rate of approval business reaches 100%, and all 78 administrative approval matters are realized "most run once". It has become the new district with the least number of approval links, the most transparent procedures and the highest efficiency.

Policies

- Interim Measures for the Management of Industrial Land Use in Hunan Xiangjiang New Area and its supporting rules
- Interim Measures for the Management of Hunan Xiangjiang New Area Industrial Development Fund
- Implementation Measures on Supporting the Development of Headquarters Economy



China (Hunan) Pilot Free Trade Zone Changsha Area

Strategic

With system innovation as the core, replicable and extendable as the basic requirement, fully implement the requirements of the central government on accelerating the construction of a strong manufacturing country and implementing the strategy of rising in the central part of the country, take advantage of the transition zone between the eastern coastal region and the central and western regions, the Yangtze River economic belt and the coastal open economic belt.



Regional Overview

On September 21, 2020, China (Hunan) Pilot Free Trade Zone was officially approved. The Changsha Area of Hunan Pilot Free Trade Zone covers a total area of 79.98 square kilometers (including 1.99 square kilometers of Changsha Huanghua Comprehensive Free Trade Zone). Changsha area accounts for two-thirds of the total area of China (Hunan) Pilot Free Trade Zone, which is divided into five blocks: Changsha Economic Development Block, Airfield Block, Exhibition Block, Yuhua Block and Furong Block. Among the 121 pilot reform tasks in the overall program of Hunan Pilot Free Trade Zone, Changsha Block has undertaken 113 pilot reform tasks and formulated implementation plans to form 320 specific implementation initiatives.

Complete industrial base

The zone is a high-end equipment manufacturing base. At the same time, the park is grasping the development of "three smart and one core" (smart equipment, smart cars, smart terminals and power chips) industry, focusing on the Changsha High-tech Zone and Changsha Economic Development Zone, vigorously developing smart equipment manufacturing, a new generation of information technology, automotive and parts and other industries, leading the construction of world-class advanced manufacturing clusters.

Significant location advantages

South is the "transition zone" between the eastern coastal region and the central and western regions and the "combination" of the Yangtze River open economic belt and the coastal open economic belt, connected to the middle reaches of the Yangtze River city group to the north and the Pearl River Delta coastal economic belt to the south. The division of the three large areas closely links the two economic sectors with the most open potential and open vitality in China, and becomes an important economic corridor linking the two main economic axes. It also provides a strong guarantee for the development of high-end service industries such as exhibition economy.

Unique policy advantages

Changsha is the venue of the first China-Africa Economic and Trade Fair and will also be permanently located in Changsha in the future. At present, based on Hunan Gaoqiao Grand Market, the construction of China-Africa Economic and Trade Innovation Demonstration Park has been accelerated to build a distribution center and trading center for African products in China and a cross-border RMB center for China-Africa, vigorously develop new business modes such as market procurement and cross-border e-commerce, and deeply explore new paths and mechanisms for China-Africa economic and trade cooperation.

Supporting Policies

- Issuing the "Three-Year Action Plan (2021-2023) for Changsha City to Build an Open Highland in the Inland Region"
- Issuing the "Notice on Making Good Use of the Economic and Social Management Authority Delegated to China (Hunan) Pilot Free Trade Zone at the Provincial Level and Implementing Minimal Approval in Changsha Area"
- Issuing "Several Policies on Talent Gathering and Development in Changsha Area of China (Hunan) Pilot Free Trade Zone" (for trial implementation)
- Issuing the "Several Opinions of Hunan Provincial People's Government on Accelerating the High-Quality Development of China (Hunan) Pilot Free Trade Zone"
- Issuing the "Notice of Hunan Provincial Development and Reform Commission on the Delegation of the Authority to Record Overseas Investment by Enterprises"



Panorama of National and Provincial Zone



1. Changsha National Hi-tech Industrial Development Zone

High-end equipment manufacturing, Mobile Internet, new energy



2. Changsha Economic and Technological Development Zone

Automobile, Engineering machinery, Electronic information manufacturing



3. Ningxiang Economic Technological Development Zone

Food, Home appliances, New materials



4. Liuyang National Economic and Technological Development Zone

Biomedical, Electronic information, Food



5. Wangcheng Economic and Technological Development Zone

Non-ferrous metal deep processing, food, electronic information



6. Longping Hi-Tech Park

Biological breeding, e-commerce



7. Tianxin Economic Development Zone

Big Data, Human Resources



8. Yuelu High-tech Zone

Advanced manufacturing, biomedical



9. Jinxia Economic Development Zone

Intelligent logistics, assembly type building



10. Yuhua Economic Development Zone

Artificial intelligence, parts industry



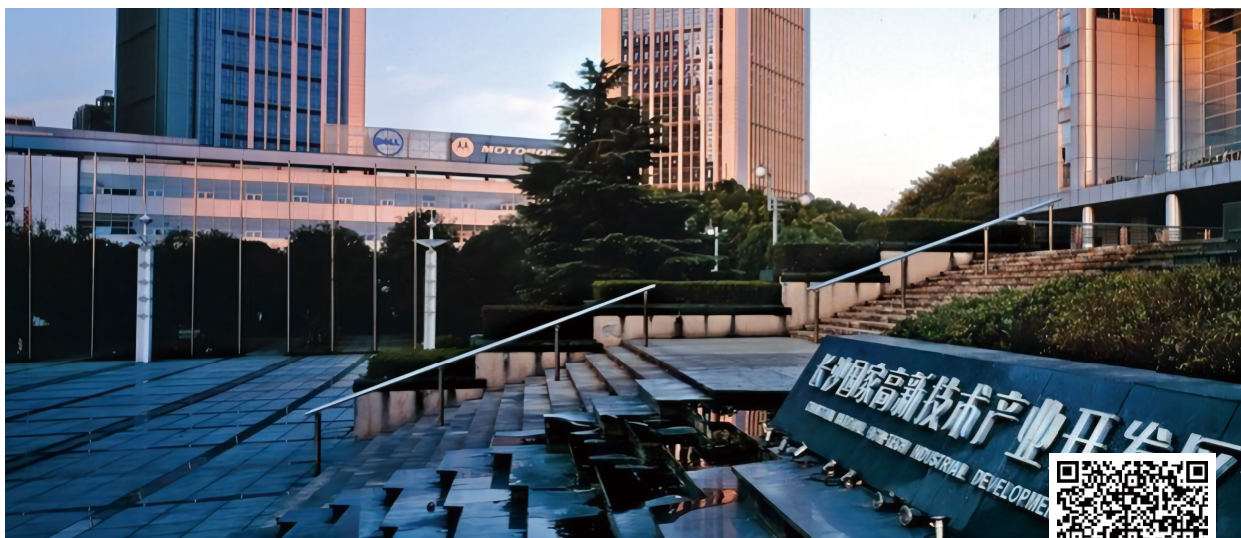
11. Ningxiang Hi-Tech Industrial Park

Energy storage materials, advanced equipment industry



National and Provincial Zone

National Zone



Changsha National Hi-tech Industrial Development Zone

One of the first 27 state-level high-tech zones approved by State Council, National-level Xiangjiang New Area, Changsha-Zhuzhou-Xiangtan Independent Innovation Demonstration Area and Changsha-Zhuzhou-Xiangtan Two-type Development Demonstration Area. With a planning area of 140 km², the zone takes advanced equipment manufacturing and new generation information technology (mobile Internet) as the core industries, and new energy and energy conservation and environmental protection industries as the special industries. Well-known companies include Zoomlion, Jingjia Micro, Anker Innovation and LIHERO Technology etc.



Changsha Economic and Technological Development Zone

Hunan's first national economic and technological development zone, with a planned area of 105 km², of which 47.17 km² is the core area of China (Hunan) Pilot Free Trade Zone. The zone focuses on advanced equipment manufacturing of construction machinery, automobile manufacturing and parts as the core industries, and electronic information industry as the special industries. Well-known companies include Sany Group, Sunward, SAIC Volkswagen, Lens Technology, and Goke Microelectronics etc.



Ningxiang Economic Technological Development Zone

The first national economic development zone created by the county government in the central and western regions, with a planning area of 60 km². The zone focuses on intelligent home appliances among advanced equipment and new materials as the leading industries, and green food as the special industry. Well-known companies include GREE, Sokan, JiaJia, CR C'estbon etc.



Liuyang National Economic and Technological Development Zone

With a planning area of 385.4 km², the zone takes electronic information, biomedicine and intelligent equipment manufacturing as core industries, health industry and remanufacturing as special industries, and display functional devices, biomedicine (including gene technology) and environmental management technology and application as advantageous industrial chains. Well-known companies include Er-Kang Pharmaceutical, Jiudian Pharmaceutical, Qitai Sensing, Horn Audio, Yashilin etc.



Wangcheng Economic and Technological Development Zone

With a planning area of 148 km², the zone targets the intelligent terminal industry, new material and advanced manufacturing industry, and food industry as the core industries. Well-known enterprises include Desay Battery, CITIC Dicastal, Suntown Technology, COFCO Coca-Cola, Want Want Foods, Sexytea etc.

Provincial Zone



Longping Hi-Tech Park

With a planning area of 18 km², the park is named after Yuan Longping-Father of Hybrid Rice. It has prominent brand advantages and enjoys all preferential policies for national class development zones. The core industry in the park is modern seed industry, and the special industry is information service industry. Well-known enterprises include Yuan Longping High-Tech, Kingdom Tech, Zhongyi Media etc.



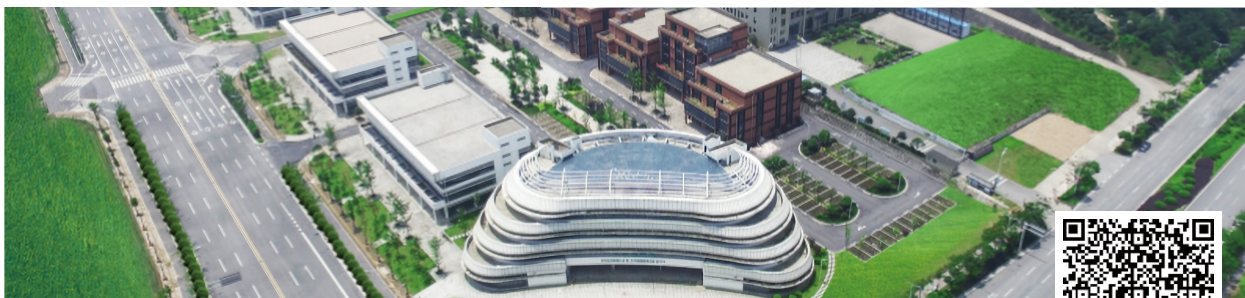
Tianxin Economic Development Zone

With a planning area of nearly 60 km², it is the only economic development zone in Changsha that focuses on high technology service industry. The zone focuses on digital economy industries such as big data and geographic information as the core industries, and human resource service industry and cultural advertising industry as the special industries. Well-known enterprises include Hunan Siji, Orbita Aerospace, Southern Surveying and Mapping, Vastitude Technology, Baidu MC Technology etc.



Yuelu High-tech Zone

With a planning area of 46 km², There are 822 enterprises of all kinds stationed in the zone, 62 high-tech enterprises and 6 potential listed enterprises. The zone forms an industrial system with the inspection and testing industry as the leading industry, the new generation information technology industry such as artificial intelligence and intelligent network-connected vehicles as the special industry, and other industries such as medicine, logistics and creativity as the supporting industry. Well-known enterprises include GEOSUN Hi-technology, Science Environmental Protection, Zhongda Testing, Schaeffler, CiDi etc.



Jinxia Economic Development Zone

With a planning area of 84 km², the zone is the only comprehensive modern logistics park in Hunan Province that integrates the advantages of "water, land, railway, pipeline and air traffic" in a transportation network. The park takes intelligent logistics as the core industry and intelligent manufacturing with export characteristics as the special industry. Well-known enterprises include LBX Pharmacy, Quatenas Supply Chain, Zhongnan International Land Port etc.



Yuhua Economic Development Zone

With a planning area of 23 km², it is the youngest zone among the National and Provincial Zone in the Changsha, and also one of the most promising and vigorous zone. The zone takes new energy vehicles and parts as the core industry and artificial intelligence and sensors (including CNC machine tools) as the special industry. Well-known enterprises include BYD, Chaint Robotics, Teda Robotics etc.



Ningxiang Hi-Tech Industrial Park

With a planning area of 65 km², it is national energy-saving and environment-friendly new materials high-tech industrialization base, national new industrialization industry demonstration base, and the first batch of low-carbon zone in Hunan Province. The zone focuses on advanced equipment manufacturing as the core industry and energy storage and new materials industry as the special industry. Well-known enterprises include Shanshan Energy, Brulp Recycling, Sany Automobile Hoisting, Sinoboom Heavy etc.

Key Areas



Malanshan Video Cultural Creative Industrial Park

With a planning area of 15.75 km², Among them, the core area covers an area of 5 km². The park is centered around the core of digital video content production, forming a full industry chain cluster of digital video with deep extension, full development of supporting industries and synergistic development. Well-known enterprises include Tvzone Media, Mango Excellent Media etc.



Yuelu Mountain National University Science and Technology Town

With a planning area of 23.19 km², It is positioned as a nationally renowned talent innovation demonstration area and a first-class quality university science and technology town. Focusing on the directions of artificial intelligence, mobile internet, digital economy, culture and creativity, life and health, new materials, etc., it will incubate and import high-quality science and innovation enterprises, and commit to building a leading national independent innovation curator, a place for transformation of scientific and technological achievements and a gathering place for high-end talents. Well-known enterprises include Jingdong Cloud Computing, Huarui Financial Technology etc.



Airport Economic Demonstration Zone

With a planning area of 140 km², It will focus on the development of aviation related industries such as base aviation, aviation maintenance, aviation logistics, aviation supporting and support for aviation operation, aviation backstage service, aviation information software, and strive to build an important comprehensive transportation hub in the Yangtze River economic belt. an inland open highland in the central region an international well-known aviation logistics center, a new ecological city of knowledge-based modern service industry, and the integration of industry and city. The "two types of pilot demonstration areas" will be built into a National Airport Economic Zone Model with high-end industry, outstanding characteristics and excellent environment.



High Speed Railway Exhibition New Town

With a planning area of 46.9 km², it insists on taking high-speed railway hub and conference and exhibition industry as the double engines, constructing three main functional sections of the new city: high-speed railway business area, exhibition function area and garden expo cultural tourism area, integrating high-speed railway city, exhibition city and expo city. It will create a new area for international medium and high-end conference and exhibition hosting and modern service industry gathering.



Hunan Financial Center

With a planning area of 6.8 km², it is located in the core area of the National Xiangjiang New Area and the only financial center at provincial level in Hunan. It focuses on the development of science and technology finance, green finance, cultural finance, Internet finance, wealth management institutions and other financial industries, with the goal of building a national regional financial center based in central China and the radiation of western China. Well-known enterprises include Bank of Changsha, Jixiang Life Insurance, Bank of Sanxiang, Kaiyuan Securities, Jianghai Securities etc.



Southern Fusion City Area

With a planning area of about 294 km², it is developed with digital intelligence industry and intelligent equipment industry as the core, based on the green heart to develop cultural tourism and recreation industry, and also based on city heart to prosper high-end business service industry and build three major centers such as high-end services center for daily life, public service center and manufacturing service center in Chang-Zhu-Tan.



05

APPENDICES

Appendix I. Service Agencies

Changsha Commerce Bureau

Address: 10F, the People's Government of Changsha City, No. 218,
Yuelu Avenue, Changsha City
Tel: 0731-88668012\88665558
Fax: 0731-88666068\88665423

Component of Changsha Municipal People's Government, consisting of 16 departments, including the Administrative Examination and Approval Office, the Investment Liaison Office, the Investment Management Office, the Economic Cooperation Office, the Foreign Trade Office, and the Service Trade Office.

Major responsibilities in attracting investment:

- Providing policy advice;
- Coordinating with relevant government departments and projects
- Assisting in meeting arrangement for business executives and government officials
- Offering enterprises with complaints handling

Changsha Investment Promotion Center

Address: 23F, Jinlu International Office Building, Yuelu District, Changsha City
Tel: 0731-88667738
Fax: 0731-88667739

Deputy county-level public welfare institution under the Changsha Commerce Bureau; works closely with various investment departments to provide comprehensive and professional investment policy consultation, negotiation, project site selection, and other services for domestic and foreign investors.

Main responsibilities:

- Promoting policies and activities related to Changsha's investment promotion and regional economic cooperation, etc.;
- Organizing and servicing various investment promotion activities;
- Providing advisory and information services
- Liaising and cooperating with local and foreign investment promotion agencies, trade associations, and business associations;
- Providing services to small and medium business trade enterprises.

County-level Investment Service Agencies

Economic Development Bureau of Xiangjiang New District, Hunan

Address: No. 850, Lujing Road, Yuelu District, Changsha
Tel: 0731-85573221
Fax: 0731-88995247

China (Hunan) Pilot Free Trade Zone Changsha District

Address: 2F, Greenland Changsha Intercity Space Station, Yuhua District, Changsha
Tel: 0731-85666683

Commerce Bureau of Furong District

Address: Room 1036, No. 189, Renmin East Road, Changsha
Tel: 0731-84683578
Fax: 0731-84683578

Commerce Bureau of Yuelu District

Address: 4F, Building 10, the People's Government of Yuelu District, No. 517, Section 1, Jinxing North Road, Changsha
Tel: 0731-88999558
Fax: 0731-88999283

Commerce Bureau of Tianxin District

Address: Room 320, 3F, South Building, No. 298, Xiangfu Middle Road, Changsha
Tel: 0731-85899320

Commerce Bureau of Kaifu District

Address: 5F, No. 1 Office Building, Government Compound, Kaifu District, Changsha
Tel: 0731-84377671
Fax: 0731-84558013

Commerce Bureau of Yuhua District

Address: 5F, No. 1 Office Building, People's Government of Yuhua District, Wanjieli Road, Yuhua District, Changsha
Tel: 0731-85880218
Fax: 0731-85880218

Commerce Bureau of Wangcheng District

Address: 8F, Administrative Center, No. 1688, Leifeng Avenue, Wangcheng District, Changsha
Tel: 0731-88080489

Commerce Bureau of Changsha County

Address: No. 598, Wangxian East Road, Xingsha, Changsha County
Tel: 0731-84011081
Fax: 0731-84013303

Commerce Cooperation Bureau of Liuyang City

Address: 27 Baisha Road, Liuyang City
Tel: 0731-83331116
Fax: 0731-83331112

Investment Promotion Service Center of Ningxiang County

Address: 1F, East Building, Administrative Center, Ningxiang County
Tel: 0731-88980033
Fax: 0731-88980033

Investment Service Agencies of the Park

Commerce Bureau of Administrative Committee of Changsha Hi-Tech Industrial Development Zone

Address: No. 668, Lugu Avenue, River West, Changsha
Tel: 0731-89755147
Fax: 0731-89755174

Investment Promotion and Cooperation Bureau of Administrative Committee of Changsha Economic & Technical Development Zone

Address: No. 2, Sanyi Road, Changsha County
Tel: 0731-84011108
Fax: 0731-84020060

Investment Promotion Bureau of Administrative Committee of Ningxiang Economic & Technical Development Zone

Address: Entrepreneurship Service Building, No. 2, Jinzhou Avenue, Ningxiang County, Changsha, Hunan
Tel: 0731-88981799
Fax: 0731-88981509

Investment Promotion and Cooperation Bureau of Administrative Committee of Liuyang Economic & Technical Development Zone

Address: No. 9, Kangning Road, Economic & Technical Development Zone, Liuyang
Tel: 0731-83219688
Fax: 0731-83280666

**Investment Promotion and Cooperation Bureau
of Administrative Committee of Wangcheng
Economic & Technical Development Zone**

Address: No. 1, Tongxin Road, Wangcheng District
Tel: 0731-88068778

**Investment Promotion Bureau of Administrative
Committee of Longping Hi-Tech Park**

Address: No. 2, Xiongtian Road, Zhanggongling,
Furong District, Changsha
Tel: 0731-84638788

**Investment Promotion and Cooperation Bureau
of Administrative Committee of Changsha Tianxin
Economic & Technical Development Zone**

Address: 108 Nanhu Avenue, Tianxin District, Changsha
city
Tel: 0731-86947188
Fax: 0731-86947188

**Investment Promotion and Cooperation Bureau
of Administrative Committee of Changsha Jinxia
Economic & Technical Development Zone**

Address: Administrative Committee of Jinxia
Economic & Technical Development Zone, Furong
North Road, Kaifu District, Changsha
Tel: 0731-88482588

**Investment Promotion and Cooperation Bureau
of Administrative Committee of Changsha Yuhua
Economic & Technical Development Zone**

Address: No. 18, Section II, Wanjiali South Road,
Yuhua District, Changsha
Tel: 0731-85079666
Fax: 0731-85079679

**Investment Promotion and Cooperation Bureau
of Administrative Committee of Ningxiang Hi-
Tech Industrial Development Zone**

Address: 001 Xintian North Road, Changsha city
Tel: 0731-83208888
Fax: 0731-87806662

**Investment Promotion and Cooperation Bureau
of Administrative Committee of Yuelu Hi-Tech
Industrial Development Zone**

Address: No. 8, Xueshi Road, Yuelu District,
Changsha
Tel: 0731-88532206
Fax: 0731-88532200

Contacts of Six Areas

**Management Committee of Yuelu Mountain
National University Science and Technology Town**

Address: 442 Lushan South Road, Changsha city
Tel: 0731-85120806
Fax: 0731-88999283

**Maranshan (Changsha) Video Cultural and Creative
Park Investment and Cooperation Bureau**

Address: No. 1, Yazipu Road, Kaifu District,
Changsha
Tel: 0731-84490075
Tax: 0731-84459829

**Management Committee of Changsha
Airport-related Economy Demonstration Zone**

Address: 6F, Complex Building of Changsha
Huanghua Comprehensive Bonded Zone, Dayuan
Road, Huanghua Town, Changsha County
Tel: 13507487971
Tax: 0731-89610572

**Management Committee of Changsha Highspeed
Rail Convention & Exhibition New Town**

Address: 3rd Floor, Building 9, Exhibition Xing
Street, No.230 Xiangzhang East Road, Huangxing
Town, Changsha County
Tel: 0731-88969211
Tax: 0731-88969201

Hunan Financial Center

Address: 101, Building 1, Xiangjiang Fund Town,
No.188 Xiaoxiang Landscape Road, Yuelu District
Tel: 0731-89923272

Appendix II: Investment Elements References

Electricity Price

Electricity Category	Electricity Price Per K					Basic Electricity Price	
	<1KV	1-10KV	35-110KV	110KV	≥ 220KV	Maximum Demand	Transformer Capacity
Residential Electricity	0.5880	0.5730	0.5630	/	/	/	/
General Industrial/Commercial/Other Electricity	0.7003	0.6803	0.6603	0.6403	/	/	/
Large-scale Industrial Electricity	/	0.6437	0.6147	0.5867	0.5627	30	20
Agricultural Electricity	0.5487	0.5287	0.5087	0.4887	/	/	/

Reference: Notice of the Development & Reform Commission of Hunan Province of Electricity Price of Provincial Power Distribution Grid 2020-2022 (Xiang Fa Gai Jia [2020] No. 833).

Water Supply Price

Water Supply Category			到户水价
Category I	Residential Water Consumption Differences in three-tiered pricing: 1:1.5:3	Tier I	2.88
		Tier II	3.64
		Tier III	4.39
	Meter-shared Consumer	Before the End of December, 2015	2.68
		Since January 1, 2016	2.88
		Residential Water Price for Non-residential Consumer	4.39
Category II	Non-residential Water Consumption	Residential Water Price for Non-residential Consumer	4.53 / 4.19
		Business Water Consumption	4.53
Category III		Special Water Consumption	7.47

Note: All prices above are for reference only. Actual quotes shall prevail. Unit: Yuan/Ton

Gas Supply Price

用户类别	气费价格	
Residential Consumer	Annual Gas Consumption $\leq 390\text{m}^3$	2.650
	Annual Gas Consumption between $390\text{-}600\text{m}^3$	3.180
	Annual Gas Consumption $\geq 600\text{m}^3$	3.975
Industrial/Commercial Consumer	/	3.330
Schools, Senior Care Agencies and Other Consumer of Welfare Nature	/	2.910

Unit: Yuan/ m^3

Real Estate Price

Category	CBD Office Building Rent Price	Office Building Transaction Price	Industrial Land Use Standard Price	New-built Commodity Housing Transaction Price
	Average Price (Yuan/ m^2 * Day)	Average Price (Yuan/ m^2)	Minimum Price (Yuan/ m^2)	Average Price (Yuan/ m^2)
Changsha	2.5-3.9 元	12685	490	9099

Note: All above are average prices in key areas in 2020 and are for reference only. Actual quotes shall prevail.



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引资项目表

Scan the QR code for Investment
Promotion Project Brochure



扫描二维码进入
长沙产业投资数字地图

Scan the QR code for
Changsha Digital Map of
Industrial Investment

