WHITE PAPER ON
GUANGZHOU FOREIGN
TRADE AND ECONOMY
2011
White Paper on Guangzhou Foreign Trade and Economy 2011
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Review and Outlook of Guangzhou’s Foreign Trade & Economy

I. The Development of Guangzhou’s Economy and Foreign Trade in the Eleventh Five-Year Plan

During the period of the Eleventh Five-Year Plan (2006-2010), the GDP of Guangzhou has maintained an average annual growth rate of 13.5%. Its GDP in 2010 reached RMB 1060.45 billion yuan, an increase of 13%, making Guangzhou the third city in Chinese mainland with GDP over RMB 1 trillion yuan following Shanghai and Beijing. The GDP per capita is estimated to exceed RMB 100,000 yuan. The total fiscal income is RMB 334.8 billion yuan with the local budgeted fiscal income of RMB 87.27 billion yuan. The deposit and loan balance of national and foreign currency of financial institutions are RMB 2.395 trillion yuan and RMB 1.628 trillion yuan respectively.

In 2010, Guangzhou’s successful holding of the 16th Asian Games and the 1st Asian Paralympics won a good reputation around the world. The Asian Games have successfully promoted the development of Guangzhou’s economy and society; The passenger throughput of Guangzhou Baiyun International Airport topped 40 million person-time, ranking among the top 15 of airports worldwide; Port’s cargo throughput and container throughput have topped 400 million tons and 12 million TEU respectively, both among the top 6 in the world; The total mileage of highway has reached 537 kilometers, and that of subway in operation 236 kilometers. In the past five years, Guangzhou has been honored State Environmental Protection Model City, National Sanitary City, Nationally
Designated Garden City, National Forest City, and it has been rewarded by the World Water Forum the first prize of water environment treatment and has won the prize of Sustainable Mobility, realizing the goal of having “bluer sky, cleaner water, smoother transportation, cleaner houses, prettier city”.

The proportion of Guangzhou’s three industries has been adjusted from 2.5; 39.7; 57.8 in 2005 to 1.8; 37.2; 61 in 2010, the tertiary industry’s role as the mainstay enhanced. In 2010, the added value of Guangzhou’s tertiary industry reached RMB 646.48 billion yuan, a 13.2% increase on that of 2009 and as twice as that of 2005, registering a 61.2% contribution rate to economy, among which the added value of finance industry at RMB 61.55 billion yuan, a 8.2% increase on 2009 and as 3.1 times as that of 2005. With the fast development of modern commerce and trade industry, the year 2010 witnessed a total retail sales of social consumer goods of RMB 447.64 billion yuan, a total sales of commodities of RMB 2.12 trillion yuan, an increase of 1.3 times and 1.9 times on that of 2005 respectively, ranking Guangzhou No. one in the list of “Forbes 2010 China Best Commercial City”; The added value of culture and culture-related industry in 2010 reached RMB 84.35 billion yuan, a 13.6% growth on that of 2009.

The development of advanced manufacturing industry is accelerated to upgrade and become capital-intensive, technology-intensive and talent-intensive industry. The total industrial output value of industries above designated size reached RMB 1.47 trillion yuan, a 17.6% increase on that of last year and as 2.1 times as that of 2005, realizing an industrial profit of RMB 97.03 billion yuan, as 2.4 times as that of 2005.

Independent innovation capability continued to grow while high-tech industry was developing fast. It is estimated that the expenditure on science and technology research accounted for 2.4% of Guangzhou’s GDP in 2010, an increase of 0.75 percentage point than that of 2005. Quantity of patent applications and patent authorizations topped 20,000 and 15,000 respectively, up by 88.8% and 163.6% than 2005. The output value of high-tech products manufactured by large industrial enterprises in Guangzhou accounted for 38.5% of total industrial output value of large enterprises, an increase of 10.1 percentage point than that of 2005.
During the Eleventh Five-Year Plan, Guangzhou’s foreign trade went hand in hand with Guangzhou’s economy and society. In 2010, Guangzhou’s total import and export value amounted to US $ 103.78 billion, an increase of 35.3% and as 1.9 times as that of 2005, out of which, export US $ 48.38 billion, up by 29.4%; import US $ 55.4 billion, up by 41%. The structure of export products is under continuous optimization. During the Eleventh Five-year Plan, the export value of mechanical and electrical products was US $ 104.44 billion, as 2.5 times as that of the Tenth Five-year Plan, realizing an average annual growth rate of 14.2%, raising the proportion of export value in foreign trade from 50.3% to 54.6%. The export value of high-tech products reached US $ 37.78 billion, realizing an average annual growth rate of 12.1%, accounting for over 20% of Guangzhou's total export value. Besides, service trade has developed quickly, with a total turnover increasing from US $ 5.42 billion in 2005 to US $ 16.48 billion in 2010, striking an annual growth rate of 24.9% with the triple increase in gross volume.

During the Eleventh Five-year Plan, Guangzhou has attracted 4,799 Foreign Direct Investment (FDI) projects in accumulation and US $ 17.58 billion was actually utilized, as 1.1 times and 1.4 times as that of the Tenth Five-year Plan respectively. The proportion of investment in service industry in the total foreign investment was raised from 33.3% in 2005 to 53.6% in 2010. By 2010, 174 of the world's top 500 multinational companies has invested in Guangzhou, and has established 411 FDI companies with a total investment of US $ 17.8 billion. By the end of 2010, foreign invested companies have set up total 35 Chinese headquarters or regional headquarters in Guangzhou. During the Eleventh Five-year Plan, 963 large projects have been introduced into Guangzhou, each with investment capitals more than US $ 10 million.

During the Eleventh Five-year Plan, Guangzhou has invested in 241 foreign companies abroad, an increase of 3.1 times as that of the Tenth Five-year Plan. The accumulated investment from Chinese side hit US $ 1.6 billion, as 15 times as that of the Tenth Five-year Plan; The value of foreign economic contract amounted to US $ 1.96 billion and the business volume accomplished was US $ 1.58 billion, as 2.7 times as that of the Tenth Five-year Plan.
II. A Review of Guangzhou’s Foreign Trade and Economy in 2010

Cargo Trade

Guangzhou with total import and export value of US $100 billion in 2010 has ranked among the six large foreign trade cities in China boasting of a total import and export value over US $100 billion.

The export value of processing trade in 2010 reached US $25.97 billion, up by 30.4% and accounting for 53.7% of the total export value. The export value of the general trade reached US $20.26 billion, up by 26.4% than that of 2009, accounting for 41.9% of the total export value.

In 2010, Guangzhou’s import and export to its five major trade partners maintained a fast growth rate. The export increase rate to USA, EU, Japan and ASEAN is 24.8%, 24.2%, 28.2% and 29.1% respectively. The export value of mechanical and electrical products stood at US $26.4 billion, an increase of 31.9% and accounting for 54.6% of Guangzhou’s total export value. The export value of high-tech products reached US $9.9 billion, up by 30.3% and accounting for 20.5% of Guangzhou’s total export value.

<table>
<thead>
<tr>
<th>Country</th>
<th>Export</th>
<th>Growth Rate</th>
<th>Import</th>
<th>Growth Rate</th>
<th>Export Market Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU</td>
<td>78.7</td>
<td>24.2%</td>
<td>85.0</td>
<td>28.2%</td>
<td>EU 16.26%</td>
</tr>
<tr>
<td>Japan</td>
<td>28.0</td>
<td>28.2%</td>
<td>111.6</td>
<td>39.4%</td>
<td>ASEAN 8.32%</td>
</tr>
<tr>
<td>China HK</td>
<td>25.4</td>
<td>35.2%</td>
<td>8.5</td>
<td>7.0%</td>
<td>China HK 25.93%</td>
</tr>
<tr>
<td>USA</td>
<td>91.8</td>
<td>24.8%</td>
<td>43.6</td>
<td>20.7%</td>
<td>USA 18.97%</td>
</tr>
<tr>
<td>ASEAN</td>
<td>40.3</td>
<td>29.1%</td>
<td>79.8</td>
<td>57.3%</td>
<td>Japan 5.78%</td>
</tr>
</tbody>
</table>

Service Trade  In 2010, Guangzhou’s service trade continued to grow with its total income and payment reaching US $16.5 billion, up by 31.5% than that of 2009. The trade surplus is US $1.05 billion. The structure of service trade continued to be optimized. In terms of the proportions of different industries, transportation-related industry accounted for 22.1% of service trade, tourism 16.3%, architecture, installment and labor contract service 13.3%, patent utilization and licensed fees 8.5%, computer and information service 2.6%, other service trades (including transit trade and trade commission, operating
lease service, law, accountancy, management consultancy and public relations service) 35.3%. In terms of the proportions of different partners in the export of service trade, HK accounted for 49%, USA 13.3%, Japan 4.6%, South Korea 3%, and UK 2.8%. In terms of the proportions of different partners in the import of service trade, HK accounted for 27.4%, USA 19.4%, Japan 12.7%, Singapore 11.4% and Canada 4.1%.

**Foreign Direct Investment (FDI)**

In 2010, Guangzhou approved the establishment of 980 FDI companies, up by 16.1% than that of 2009; Guangzhou attracted contractual foreign investment amounting to US $ 4.97 billion, up by 31.4% than that of 2009, and actually utilized foreign funds of US $ 3.98 billion, up by 5.4% than that of 2009. By 2010, the total accumulated amount of foreign investment in Guangzhou has reached US $ 51.17 billion.

In 2010, 163 large projects (83 projects newly approved, 80 projects with capital increase) were approved, each with an investment of over US $ 10 million, an increase of 18 projects than 2009, registering a growth rate of 12.4%. Contractual foreign investment reached US $ 4.13 billion, up by 9.9% than that of 2009, accounting for 83% of Guangzhou’s total contractual investment.

In 2010, 11 of the world’s top 500 companies set up FDI enterprises in Guangzhou while 22 of the world’s top 500 companies increased capital in their Guangzhou-based enterprises with total investment striking US $ 1.25 billion, and the contractual foreign investment US $ 390 million.

428 capital increase projects of foreign-investment enterprises were approved, up by 18.2% than that of 2009; Contractual foreign investment in those capital increase projects were US $2.36 billion, up by 36.66% than that of 2009, accounting for 47.5% of Guangzhou’s contractual foreign investment. The average amount of investment in the capital increase projects reached US $5.51 million, its growth rate and investment amount registering the highest level since the financial crisis in 2008.

The actually utilized foreign investment in the three pillar industries amounted to US $ 820 million, a growth of 50.3% than that of 2009, accounting for 44.5% of the actually utilized foreign investment in manufacturing industry, of which the
actually utilized foreign investment in communication equipment, computer and electronic equipment manufacturing industry reached US $330 million, a growth of 45.2% than that of 2009; that in transport equipment industry US $290 million, a growth of 33.1% than that of 2009; and that in chemical materials and chemical products manufacturing industry US $190 million, an increase as once as that of 2009.

The contractual foreign investment in service industry stood at US $3.3 billion, an increase as 1.1 times as that of 2009, accounting for 66.4% of Guangzhou’s total contractual foreign investment; The actually utilized foreign investment amounted to US $2.13 billion, up by 13.1% than that of 2009, accounting for 53.6% of Guangzhou’s total actually utilized foreign investment. Both the contractual foreign investment and actually utilized foreign investment in information transmission, computer and software service industry, financial industry, transportation, storage and postal service industry, tenancy and commercial service industry grew in 2010. Information transmission, computer service and software industry, financial industry, transportation, storage and postal service industry developed very fast, their contractual foreign investment year-on-year growth rate standing at 245.8%, 52.9%, and 13.4% respectively, actually utilized foreign investment year-on-year growth rate reaching 66.1%, 50.1%, and 32% respectively.

**Economic Cooperation with Overseas Countries and Regions**

In 2010, 98 overseas investment projects were approved with investment of US $490 million from Chinese side, up by 15% than that of 2009; The contract amount of newly-signed overseas contract projects and overseas labor projects stood at US $820 million, up as once as that of 2009; Business turnover of overseas investment projects reached US $470 million, up by 21% than that of 2009.

There are 7 projects with total investment over US $10 million all over the year and 28 ones over US $5 million, accounting for nearly one third of the total projects, including 7 Manufacturing-related projects, 9 R&D-related projects, 5 software industrial projects, 21 service-related projects, with almost 50% belonging to non-trade projects. Of the 98 overseas investment projects approved
in 2010, 40 are located outside of HK and Marco, accounting for 41% of the total projects.

III. The Development Goals and Key Points for the Twelfth Five-Year Plan

During the period of the Twelfth Five-Year Plan (2011-2015), the overall goals for Guangzhou’s foreign trade and economy are: Efforts will be made to achieve significant progress in transforming the pattern of foreign trade development, to improve the quality and benefit of development, to realize coordinated growth of foreign trade, foreign investment utilization, and overseas investment; The average annual growth rate of the total import and export value should exceed 7%, making the import and export value hitting US $ 150 billion in 2015; The average annual growth rate of the actually utilized foreign direct investment should be over 5%, making the actually utilized foreign direct investment exceed US $ 6 billion; Two to three multi-national companies with international competitiveness and international influence should take initial shape.

During the Twelfth Five-Year Plan, the key points of Guangzhou’s foreign trade and economy are: Treating technology, brand, service and quality as the core, strengthening the ability of self-development, further exploring international market through improving the quality of export commodities and innovating the pattern of trade development, pushing the transformation from the expansion of quantity to the improvement of quality, accelerating the development, transformation and upgrading of foreign trade, speeding up developing such projects as ITO, BPO, and KPO, vigorously fostering new growth points, actively exploring new development modes, and realizing the leapfrog development of the service trade.

Initiatives should be taken to optimize the structure of foreign investment, to innovate modes of investment promotion, to expand the channel of bringing in foreign investment, to further give play to the active role of foreign investment in independent innovation, upgrading industries, and establishing the system of modern industries. Focus should be put on bringing in strategic high-end projects, R&D institute of foreign investment, and high-end talents,
strengthening the strategic cooperation with multi-national companies, intensifying absorbing investment form developed countries like USA, EU, and Japan, increasing the proportion of investment from development countries, improving foreign investment admission and assessment system, and giving priority to the location of high-tech, large, profitable and environmental-friendly companies in Guangzhou.

Efforts should be made to speed up the pace of “going global”, to improve the quality of investing in foreign countries, to guide companies to establish international marketing network and R&D center in traditional export markets like EU, USA, Japan, Korea, and the like, to undertake service outsourcing, in order to growingly strengthen the comprehensive competitive edge of our companies. Companies should be encouraged to transform form being trade-oriented to conducting investment cooperation in various fields like energy resources, infrastructure, R&D and design, processing and manufacturing.
Key Industries
Auto Industry

I. The Current Development
The auto industry is one of the pillar industries of Guangzhou. In 2010, the auto output in Guangzhou reached 1.3584 million units, accounting for 7.44% of the national total (18.2647 million). In 2010, the auto industry of Guangzhou registered the output value of RMB 287.844 billion yuan, up by 26.21% and accounting for 19.55% of the aggregate industrial output value of Guangzhou. As such, the auto industry has evolved into an growth engine of Guangzhou’s pillar industries.

The development pattern of Guangzhou auto industry has basically taken shape, with the production of sedan cars as its focus, coupled with the coordinated development of passenger cars, trucks, special purpose vehicles and auto components. By the end of 2010, Guangzhou has attracted 448 projects concerning auto and component production, involving a total investment volume of US $9.258 billion and a paid-in capital volume of US $2.557 billion. An auto industry cluster has been established, with Guangzhou Honda Automobile, Dongfeng-Nissan, Hino Guangzhou Auto and Guangzhou Toyota as its core manufacturing companies.

In 2010, the export volume of Guangzhou auto vehicles components arrived at US $1.734 billion, making Guangzhou the second largest city in China in terms of auto export. In 2010, 552 enterprises exported their vehicles and auto components to the world. In 2010, the import volume of auto vehicles and components amounted to US $3.281 billion, up by 29.12%.

By the end of 2010, a total of 1,355 patents concerning auto vehicles and
components have been accredited, among which 327 are inventions, 73 are licenses and 955 are utility models. Trumpche, an indigenously-manufactured auto brand has achieved European IV emission levels. Trumpche was awarded the “Best First Car” in the 2010 Beijing International Auto Exhibition and was designated as the special purpose vehicle of the 2010 Asian Games. A host of R & D institutes have been successively established, mostly notably the R & D center of Guangzhou Honda Automobile, the passenger vehicle technology center of Dongfeng-Nissan and Honda Production Technology (China) Company. China National Electric Apparatus Research Institute and Guangzhou Mechanical Engineering Research Institute are capable of providing such services as auto and component tests to auto companies according to a variety of domestic and international auto industry standards.

In May of 2010, Guangzhou was approved by four ministries to become a national pilot city where energy-efficient and new-energy vehicles are promoted. For Guangzhou Automobile Group, its technological upgrading of electric coaches and hybrid cars with independent brand were listed among the top 500 projects of Guangzhou modern industries. The electric four-wheel drive program is adopted by Guangzhou Automobile Group to manufacture its first hybrid car of independent brand, which reduces oil consumption by 25% to 30% as compared with traditional vehicles. This hybrid car also excels traditional vehicles in acceleration time by two to three seconds. The eight-meter-long pure electric city bus manufactured by Guangzhou Automobile Group Bus Company Ltd was designated as the special purpose bus for the 2010 Guangzhou Asian Games. Camry sedans with a new-generation hybrid system manufactured by Guangzhou Toyota have been rolled off the production line, which can reduce oil consumption by 40%. Guangzhou has signed a memorandum of understanding for joint development of electric vehicles with Nissan Motor Company Ltd. Between 2010 and 2012, Guangzhou will popularize some 2,600 energy-efficient and new-energy cars, with over 1,500 charge stations and piles. The production capacity of hybrid buses will reach 1,000 per year before 2013, and the output of pure electric buses will amount to 400 per year.

Guangzhou is now home to 600 auto component manufacturers, which specialize in the production of engines, brake systems, drive axles, gear boxes, absorbers,
meters, steering gears, lamp assemblies, seats, tyres, stereo systems, auto glass and auto electronics. Guangzhou auto industry has had 70% of its vehicles assorted domestically. By the end of 2010, Guangzhou has had an auto inventory of over 2.1 million, with some 300 4S stores of automobile brand sales, some 2,000 auto parts and supplies stores and some 8,000 auto maintenance stores. The exhibition area of the Eighth China (Guangzhou) Auto Show amounted to 160,000 square meters. The exhibition attracted 87 auto manufacturing companies, some 600 manufacturers of auto parts and auto accessories and 487,000 visitors. Some 890 new cars were put on display. Guangzhou Auto Show has become one of the three biggest auto exhibitions in China.

II. Automobile Industry Bases

Guangzhou Automobile Industry Base, with a planned area of 135 square kilometers, comprises three main parts, namely, eastern, southern and northern automobile industry clusters. In September 2007, the city of Guangzhou was entitled of “State Auto and Auto Parts Export Base” by the Ministry of Commerce and the National Development and Reform Commission. In March 2008, Guangzhou Municipal Government identified Huadu District, Nansha Development District, Guangzhou Development District, Panyu District, Zengcheng City and Conghua City with “Guangzhou Sub-base of State Auto and Auto Parts Export Base”.

i. Eastern Automobile Industry Cluster. The cluster is composed of the The Automobile Industry Base of Guangzhou Development District, Huangpu Automobile Industry Park and Zengcheng Automobile Industry Base. Priority is given in the cluster to the production of sedans and business vehicles sidlined with the development of supporting industries such as manufacturing and trade of auto parts and logistics. It is planned to build functional zones including the production zone of whole vehicles and auto parts, the zone of auto research and development, the zone of auto logistics, the zone of auto testing and the zone of auto exhibition.

(i) Automobile Industry Base of Guangzhou Development District. The base has been built with a planned area of 20 square kilometers. Nowadays it boasts of over 120 auto and auto parts enterprises as well as an auto parts supply
chain serving three Japan-related auto giants (Guangqi Honda, Dongfeng Nissan and GTMC), General Motor, Ford, Volkswagen, Opel and Mazda from Europe and the US, as well as Hyundai from South Korea. In 2010, the base seized a gross value of auto industrial output of RMB 24.5 billion yuan. The value is expected to reach RMB 27 billion yuan in 2011.

(ii) **Huangpu Automobile Industry Park.** Covering a total area of 2.77 square kilometers, the park is home to 16 auto and auto parts enterprises including Guangqi Honda No. 1 Plant and Dongfeng Honda Engine Plant. In 2010 it reaped the gross value of auto industrial output of RMB 73.4 billion yuan. The number is estimated to reach RMB 77.95 billion yuan in 2011.

(iii) **Zengcheng Automobile Industry Base.** With a planned area of 22 square kilometers, the base is home to Guangqi Honda No. 2 Plant which possesses the annual production capacity of 120,000 sedans in its phase-one project and the number will reach 240,000 in the phase-two project. The 300,000 business vehicle project of BAIC Group has been signed for its set-up in Zengcheng. Nearly there are 76 auto and auto parts enterprises in the base. The base gained the gross value of auto industrial output of RMB 31.41 billion yuan in 2010. The number is estimated to reach RMB 36.12 billion yuan in 2011.

### ii. Southern Automobile Industry Cluster

The Southern Automobile Industry Cluster consists of Nansha Development Zone Automobile Industry Base and Panyu Automobile Industry Base. The former, headed by GTMC, gives priority to research, development and production of whole vehicles and auto parts, sidelined with related service industries like auto logistics and trade. The latter lays emphasis on supporting the development of self-developed brand vehicles and auto related products in the Auto Production Base of Guangzhou Automobile Group Co., Ltd. (hereinafter refers to GAGC) in Panyu.

(i) **Nansha Development Zone Automobile Industry Base**

With an area of 22.5 square kilometers, the base is divided into GTMC Auto Park and Pearl River Industry Park. In the base there are 49 auto parts enterprises and supporting logistic and service enterprises including GTMC complete vehicle and engine projects as well as Denso projects. GTE will boast the annual production capacity of 700,000 auto engines while GTMC will turn out 400,000 sedans. In
2010 the gross industrial output value of the base was registered at RMB 70.8 billion yuan, which is estimated to reach RMB 80.5 billion yuan in 2011. There are 10 100,000-ton container berths in the Nansha Development District Dock put into operation. The sixth-generation container ship can be berthed in Nansha Port. The base sets up Nansha Automobile Dock of Guangzhou Port, the first dock especially for automobiles in the country, with an area of 420,000 square meters. The dock is equipped with a container yard of 370,000 square meters, 48 container loading terminals and a parking lot with the capacity of 3,600 vehicles, which has made it the largest marine auto logistics hub in Asia.

(ii) Panyu Auto Industrial Park
Covering 5.77 square kilometers, the base is made up of Auto Base of Panyu Modern Industrial Park (5.05 square kilometers) and Wanzhou Auto Parts Industrial Park (0.72 square kilometers).
In the park GAGC’s auto research and development project in Panyu covers 1.18 square kilometers. The whole vehicle plant boasts the production capacity of 100,000 vehicles per year in the phase-one project and 200,000 vehicles per year in the phase-two project. The engine plant can turn out 100,000 units per year in the phase-one period and 250,000 units per year in the phase-two period. The first independent IPR sedan of the project, Trumpche, was launched on the market in September 2010.
There are over 60 auto and auto parts enterprises in the base. In 2010 the gross auto industrial output value stood at RMB 12 billion yuan. It is predicted to reach RMB 15 billion yuan by 2011. Through the integration of resources at home and abroad, a comprehensive R&D base with design and development, experiment and manufacturing capacity for whole vehicle, power train and key parts.

iii. Northern Automobile Industry Cluster
The Northern Automobile Industry Cluster comprises Huadu Automobile Industry Base (hereinafter referred as Huadu Auto City) and Conghua Vehicle and Auto Parts Industry Base. Huadu Auto City, led by Passenger Vehicle Company of Dongfeng Motor Co., Ltd. will top its priority to research, development and production of auto parts and related services. Consequently, the whole vehicle production zone, the auto parts industry park, the auto trade service zone, the auto logistics center, the auto institute, the auto research and development zone,
the motorcycle and parts production base and corresponding supporting facilities are mainly built here. Conghua Auto and Auto Parts Industry Base will build itself into a modernized industry base focused on research, development and manufacturing of business cars, trucks and parts by accelerating the construction of business vehicle projects with emphasis on production of high-grade heavy truck, tractors, radial tires, car seats, air conditioners, interior accessories, stamping parts and car lamps.

(i) **Huadu Automobile Industry Base**

With a planned area of 50 square kilometers, the base has introduced 116 auto-related projects from World 500 Top Enterprises including Nissan, Alpha Automotive parts, Unipres, Hitachi Unisia Automotive and Calsonic Kansei. Passenger Vehicle Company of Dongfeng Motor Co. Ltd. boasts a production capacity line of 360,000 vehicles and 360,000 engines. In 2010 an investment of RMB 3.25 billion yuan was increased for the construction of phase-two plant under Guangzhou Fengshen, which will render gross production capacity to exceed 600,000 vehicles. Out of the 30 first-tier auto parts suppliers of Dongfeng Nissan, 28 have settled down in Huadu. Guangzhou Automobile College of South China University of Technology has offered a wide range of subjects including auto production, trade, marketing and maintenance. There are 15,000 full-time students majored in automobile subjects, providing rich human resources for auto sector. In 2010 the gross value of auto industrial output of Huadu reached RMB 106.8 billion yuan, which is estimated to rise to RMB 110.7 billion yuan in 2011.

(ii) **Conghua Vehicle and Auto Parts Industry Base.**

With an area of 6.67 square kilometers, the base boasts the production project of Guangqi Hino with a total investment volume of RMB 414 million yuan which was put into operation in 2009. The base mainly produces high-class heavy trucks, tractor trucks and light trucks. It is planned that in the first phase 20,000 heavy trucks and 30,000 light trucks will be turned out. In the base there are 23 auto parts enterprises settled down. In 2010, the gross value of auto industrial output amounted to RMB 3 billion yuan and the number is predicted to increase to RMB 3.5 billion yuan in 2011.
III. Development Priorities
i. Development Objectives
It is estimated that by 2015, the annual auto output will have reached three million units, while the annual output value will have amounted to RMB 500 billion yuan, of which RMB 350 billion yuan is generated by vehicles and RMB 150 billion yuan is generated by auto components. The export volume of vehicles and parts will have stood at US $ 3.6 billion, up by 15% annually. Guangzhou will be developed into a platform for international exchanges and cooperation in auto industry, an international auto manufacturing base and a logistics distribution center.

ii. Key Projects
(i) New-energy Vehicle Projects
These projects mainly focus on the production of the following vehicles and auto components: pure electric cars (BEV, solar-powered cars included), plug-in hybrid vehicles, fuel cell electric vehicles (FCEV), hydrogen engine cars and other new-energy cars (such as efficient energy storage devices, methyl ethers); car lithium-ion batteries and management systems; electric vehicle drive motors, including induction motors, switched reluctance and permanent magnet motors; motor controllers, motor drive systems; electric vehicle control systems; electric power steering systems, energy feedback electric power control systems, electric air conditioners; cathode materials for lithium ion batteries, anode materials with high density, membrane and electrolyte materials, vehicle insulated gate bipolar transistors; LNG storage tanks; high-power fast charging equipments, on-vehicle chargers, battery replacement equipments, intelligent charge management systems, drive motors and other key auto parts.

(ii) Key Technological Projects
These projects focus mainly on the production of auto safety technology, auto environmental technology, auto energy-saving technology, auto anti-theft technology, development and application technology of intelligent traffic management system, development and design technology of modern auto bodies, special chassis design and manufacturing technology of buses and special cars, auto body mould design and manufacturing technology.
(iii) The Catalogue of Encouraged Auto Industries
The catalogue will be as follows: the design and the development of systems for whole vehicles, engines and key parts, the automatic transmission production, the auto light weight technology of automobiles, the production of eco-friendly new materials, the precision forging of key auto parts, multi-stage molding and casting, the development and manufacturing of detecting systems for automobile testing and maintenance, the development and manufacturing of diesel motors for vehicle use, the development and manufacturing of urban low-floor buses, development and manufacturing of unibody coaches, development and manufacturing of passenger car chassis and key parts, development and manufacturing of high-performance special vehicles, design and manufacturing of automotive body moulds, development and manufacturing of high-tech automotive electronics, high-performance automotive security products.

(iv) Investment Promotion Orientation
To strengthen project promotion in Japan, Korea and European countries, with a focus placed on soliciting investment for projects of Guangzhou Honda Automobile, Dongfeng-Nissan, Guangzhou Toyota, Hino Guangzhou Auto, Changfeng Guangzhou Automobile and independently-developed brands by Guangzhou Automobile. Projects of new-energy cars will be vigorously introduced, while support policies will be implemented to encourage the expansion of passenger car projects. Guangzhou automobile companies and auto part manufacturers will be encouraged to conduct cooperation with foreign counterparts. Centering on auto vehicle manufacturing enterprises, great effort will be exerted to advance the extension of auto part industrial chains and to attract auto accessory manufacturers to establish factories in Guangzhou so that agglomeration of auto industry can be achieved. Investment solicitation for auto accessory manufacturers will focus on the following: auto electronic chips, control platforms, drive platforms, information platforms, sensing platforms, execution platforms, design platforms, key technologies such as manufacturing of auto moulds and vehicle design, engine parts, chassis parts, auto bodies and accessories, commonly-used spare parts, function parts that improve security, energy conservation and environmental friendliness in auto manufacturing, automotive chemicals.
Petrochemical Industry

I. The Current Development
Petrochemical industry is one of the mainstay industries in Guangzhou. In 2010, the output value of petrochemical manufacturing industries above the designated size amounted to RMB 196.837 billion yuan, an increase of 18.5% over the previous year, taking up 13.37% of the total output value of industries above the designated size in the entire city.

i. Competitive Overall Industrial Scale
Focused on oil refining, ethylene, composite materials, coating, fine chemicals and rubber processing, the petrochemical industry in Guangzhou has formed an industrial chain characterized by a big variety, extensive range, large scale and international competitiveness. According to statistics in 2008 on petrochemical industry, the total asset of petrochemical industry covering petroleum and gas exploitation, petroleum processing, coking and nuclear fuel processing, chemical feedstocks and chemicals manufacturing, rubber products, etc, reached about RMB 107.5 billion yuan, and the total revenue of core businesses was up to RMB 182.4 billion yuan, the enterprises 2,357 and employees 150,000. China Petroleum & Chemical Corporation Guangzhou Branch (hereinafter referred to as SINOPEC Guangzhou) located in Huangpu District, has ranked the 7th in major oil refining petrochemical enterprises.

ii. Cluster of Transnational Companies
In 2010, 22 foreign investment projects were newly approved in Guangzhou petrochemical industry, with the contracted foreign capital of US $440 million, an increase of 84.19% over the previous year and the paid-in foreign investment
of US $324 million, an increase of 75.32% over the previous year. Up to now, the foreign investment projects in Guangzhou petrochemical industry with an investment capital above US $50 million amount to 48, with a total investment volume of US $9.805 billion which mainly flows to lubricant manufacturing, petroleum product storage, rubber and tire production, fine chemical industry, daily chemical industry, etc. Renowned enterprises such as Colgate, Exxon Mobil, Dow Chemical, DuPont, Owens Corning from the USA, BP, Shell, Imperial Chemical Industries Limited from Britain, BASF and Bayer from Germany, TOTAL from France, Akzo Nobel from Holland, Lonza from Swiss, Nippon Oil Corporation, Tosoh, Marubeni, Idemitsu Kosan, Asahi Chemical Industry, Itochu from Japan, LG Chem from Korea, Formosa Plastic from Taiwan, and Blue Moon have gathered in Guangzhou.

iii. Favorable Industrial Environment

Guangzhou petrochemical industry has an edge in market position, infrastructure, industrial supports, service systems, etc. Guangdong with Guangzhou at the core is the largest consumer market of petrochemicals nationwide in terms of market volume and scale. Guangzhou has well-established infrastructure such as exclusive terminal facilities for petrochemicals, delivery line for petroleum products, swinging mooring facilities for crude oil, and convenient waterway and roadway transportations. Regarding industrial supports, Guangzhou is the prime industrial manufacturing base where heavy and chemical industries covering automobile, electronics, steel, shipbuilding, heavy machinery equipments, etc flourish. In respect of service systems, with the product pricing system preliminarily formed, Guangzhou has three exchange markets of national influence and radiation, i.e., Guangzhou Chemical Exchange Center, South China Petrochemical Exchange Center, Guangdong Plastic Exchange. Many professional petrochemical research institutes and universities/colleges including School of Chemistry and Chemical Engineering of Sun Yat-Sen University, School of Chemical and Energy Engineering of South China University of Technology, Lonza Fine Chemistry Research & Development Center, etc are located in Guangzhou, providing technology and talent resources.
II. Investment Priorities

i. Oil refining, ethylene and petrochemical processing

Oil refining and ethylene projects will be promoted and innovated, and major diesel oil hydrogenation units will be constructed to improve the quality of petrol and diesel oil; focus will be put on major projects inclusive of catalytic cracking energy saving and gas separation capacity expansion, catalytic dry gas for phenylethane making and optimization of hydrogen resources; major high density polyethylene units and polypropylene units will be built to increase the productivity of ethylene and propylene; large scale aromatic hydrocarbon manufacturing units will be established to accelerate the development of synthetic fibre, synthetic resin and specific & fine chemical industries. Natural gas utilization projects and LNG refilling station will be set up in Guangzhou. High-end lubricant, road asphalt and other industries of petroleum deep processing will be spurred in line with the domestic demands.

ii. Chemical feedstocks and chemicals production

Enterprises both at home and abroad will be encouraged to develop basic organic chemical feedstocks such as benzene, methylbenzene, xylene, glycol and their derivatives, as well as the production of supporting raw materials of synthetic materials, synthetic fibre feedstocks, synthetic rubber, spices and essence, environment-friendly printing ink and organic polymer materials, etc. Driven by the strong demands for petrochemicals in automobile, electronics, shipbuilding industries, etc, priority will be attached to the production of automobile coatings, radiation curing coatings, marine coatings and container coatings, etc.

iii. Fine chemistry production

Based upon Guangzhou Development Zone and Nansha Development Zone, the fine chemistry industry in Guangzhou will be further strengthened and expanded. Foreign enterprises will be encouraged to invest in new products and technologies of catalyst, auxiliary agent and additives, commercialized processing technology of dye/paint, high-tech chemicals for electronics and paper making, food and feed additives, oilfield auxiliary agent, surfactants, water treatment reagents,
cementing compound, inorfil, inorganic nano materials and deep processing of pigment coatings, etc.

iv. Daily chemicals production
By taking advantage of the cluster effect of well-known daily chemicals manufacturers including P&G, Colgate, Bawang, Blue Moon, etc as well as the huge market capacity and strong radiation force, initiatives will be taken to enhance the industrial brand and scale effect, and to introduce domestic and international high-end brands covering cosmetics, personal care, home care, etc.

v. Petrochemical special equipments production
Focus will be put on manufacturing of oil exploring, drilling, gathering and transmission equipments, of techniques and key equipments for aminophenol, enzyme preparation and food additives, of comprehensive utility units of scrap tires and of key equipments of large ethylene complete unit.

III. Investment Projects
i. Huangpu Petrochemical and Fine Chemistry Industrial Base
Project profile: Huangpu Petrochemical and Fine Chemistry Industrial Base is located north of Guangzhou petrochemical industrial district with an area of about 700 hectares, among which, Guangzhou petrochemical industrial district and oil refining district take up about 365 hectares; the land in the north of the petrochemical industrial district and between the industrial district and the oil refining district cover an area of 250 hectares. Based on the upgrading and innovation as well as the industrial chain expansion of Guangzhou petrochemical industrial district and guided by the ideal of “ecological environment, high technology, fine industry and efficiency cluster”, the industrial park will be planned from a high starting point in line with high standards. Focus will be put on fine chemical industries including fine chemicals, daily chemicals and chemical-related industries which have wide user coverage, high added value and great potential. Projects to be admitted into the park must be safe, environment-friendly and with economic efficiency.
ii. **Nansha Fine Chemistry Industrial Base**
Project profile: the land used for fine chemistry industrial base concentrated on Xiaohu Island and the central and southern part of Shazai Island, with an area of 3 square kilometers.

iii. **Petrochemical Industrial Base in the East**
Project profile: reforming project on oil refining system of SINOPEC Guangzhou; innovation and expansion project of Guangzhou petrochemical ethylene unit.
Electronic Information Manufacturing Industry

I. The Current Development
Electronic information manufacturing industry is one of the three pillar industries in Guangzhou. Through years of development, it has sharpen its competitive edges with a certain scale and gradually showed the trends of being high-end, international and clustered. In 2010, the total output of the electronic information manufacturing industry in Guangzhou reached RMB 180 billion yuan, an increase of 32.8% compared to that of the corresponding period last year, maintaining a good momentum of rapid growth.

i. To Have High-End Industrial Structure
The proportions taken up by flat panel display, communications and digital audio and video among the electronic information manufacturing industry in Guangzhou have climbed to 22%, 16% and 14% respectively, drawing themselves to the spotlight of growth. Their total increase rate has exceeded 40%. Besides, software and modern information service sectors keep up a great momentum of sound development.

ii. To Achieve Great Progress in a Number of Major Special Projects
An agreement has been signed with LG Corp. to co-develop the 8.5 generation LCD panel production line with an investment of US $ 4 billion, aiming to stimulate the growth of related industries whose values are estimated to be US $ 15.6 billion; a number of key projects such as South China Research and Development Center of China Mobile has been established and National Digital Home Application Demonstration Industry Base has also been put into operation. Moreover, efforts have been made to attract other major projects such as DiiVA
Research & Development Headquarters and its Testing and Certification Authority, as well as AVS Guangzhou Research & Development and Industrialization Center.

**iii. To Better the Environment of Industrial Carrier**

Titles have been awarded such as National Electronic Information Manufacturing Base, Electronic Information National High-Tech Industrial Base and National Digital Home Application Demonstration Industry Base, Guangdong Modern Information Service Industry Base and Guangdong Satellite Navigation Industry Base. Furthermore, a number of electronic information industrial parks have taken shape such as Guangzhou Science City, Tianhe Software Park, National Digital Home Application Demonstration Industrial Base, Huanghuagang Information Park, Zhongxin Knowledge City, Nansha Information Technology Park and East E-Commerce Industrial Zone.

**II. Investment Priorities**

**i. To Construct Flat Panel Display Cluster**

By seizing the opportunity that LG 8.5 generation panel production line will settle in Guangzhou, the industrial chain will be guided vigorously to extend both upstream and downstream. Priorities will be placed on glass substrates to accelerate the industrial gathering of raw materials, driver chips, glass substrates, backlight modules, color filters, polarizer chips, LCD modules, digital high-definition TVs, 3D TVs and equipments. By so doing can a complete flat panel display industrial cluster be formulated. While efforts are made in facilitating the new technology development of flat panel display, emphasis should be laid on introducing electronic paper and e-books and other related industries.

**ii. To Build Digital Home Industrial Cluster**

Based on the development trends of industry and consumption market, initiatives will be taken to exploit technologies of 4C integration, namely integration of computer, communication, consumer electronics and content, and of the triple play, to wit, combined services of cable TV, broadband Internet and digital phone. Besides, foreign leading enterprises will be further brought in to enhance the centralized development of new technologies, products and services such as home entertainment, home security, home network, home health care, family education, intelligent home, home storage and household information.
Furthermore, the digital home enterprises and chip designing enterprises will be encouraged to co-develop chips to increase innovation capacities.

iii. To Make Broadband Communications Manufacturing Industry Stronger
Centered on TD-SCDMA, efforts will be made to develop the third generation mobile communication base station systems, indoor coverage, antennas, chips and intelligent terminals, as well as WAPI broadband and broadband optical access products and digital trunking systems. The research and development as well as industrialization of the next generation key network technologies such as TD-LTE, the medium & high-speed sensor network, next generation of Internet, new generation of radio and television networks will be accelerated. Emphasis will also be laid on promoting the infrastructure construction of broadband information network and pre-commercial testing of TD-LTE.

iv. To Foster Transportation Electronic Manufacturing Industry
In compliance with the trends of digitalization, networking and intellectualization of transportation industry, efforts will be made to foster the transportation electronic industry, prioritizing the development of automotive electronics products such as tire pressure sensors, reversing radars and videos, car entertainment, vehicle navigation, electronic control systems and vehicle information and communication systems as well as train control and diagnosis systems, safe driving systems, passenger electronic information systems, passenger information display systems, electrical and control systems, central control systems, gates, ticket vending machines and ship electronic products, thus facilitating the formation of transportation electronic industrial chain.

v. To Encourage the Development of Internet of Things
Great efforts will be made to build the industrial system of the Internet of things so as to advance the construction of intelligent cities. Centered on RFID, the growth of RFID chip design, two-dimensional codes, sensors and embedded intelligent terminal equipments will be encouraged. In particular, the industrial development of the Internet of things will be sped up in the fields of chip design on sensor nodes and equipment manufacturing, satellite navigation chip design and terminal manufacturing, intelligent equipment manufacturing, software and system integration services and information application services in order to forge a series
of industrial cluster of the Internet of things with distinctive features and a certain scale.

vi. To Vigorously Stimulate the Development of LED Industry
Mainstay LED manufacturers and corresponding research and development institutions with core technologies will be clustered, focusing on the development of LED chips, epitaxial slices, advanced packaging, driver chips and key raw material technologies and equipments, as well as automotive lighting, road lighting, decorative displays, LED backlighting and general lighting products. Moreover, initiatives will be taken to support the exploitation of highly efficient thin film solar technologies, equipments and products, such that energy conservation demonstration application will be adopted in urban buildings.

vii. To Deploy the Implementation of “Tianyun Plan”
Striving to take the initiative of the fresh round of global information technology competition, efforts will be made to launch a supercomputer center project, to plan the Cloud Computing Technology Park and the Asia-Pacific Information Engine and to construct an international platform for cloud computing centers, thus facilitating the application and industrialization of cloud computing technologies. A public service platform of cloud computing will be built in the fields of e-government, health care, culture, education and urban management. In an effort to popularize the intelligent living mode, a number of demonstration sites of intelligent homes, intelligent buildings, smart communities and intelligent city? (Tianhe Intelligent City, Nansha Intelligent Island and Huangpu Intelligent Port) will be built.
Shipbuilding Industry

I. The Current Development
i. The Industry Layout Has Been Constantly Optimized.

The shipbuilding industry represents one of the prioritized manufacturing industries of Guangzhou. In 2010, the industry registered a total industrial output value of RMB 29.503 billion yuan, up by 37.68%. Guangzhou is home to 60 shipbuilding and maintenance companies, among which 33 are shipbuilding companies, 24 are maintenance companies and three are specializing in the production of auxiliary products. By the end of 2010, Guangzhou has attracted 37 projects of shipbuilding and spare part production, which involved a total investment of US $ 493 million and a paid-in capital volume of US $ 106 million. Among them, five projects involve an investment of over US $ 10 million. The shipbuilding industry of Guangzhou has significantly improved its competitiveness by conducting strategic cooperation with famous overseas shipbuilding enterprises. As things stand today, a development pattern has taken shape, which is centered on the production of large crude oil vessels, large ore carriers, Panamax bulk carriers, handy-max product tankers, small and medium sized container ships and marine engineering ships, with conventional and high-end ship maintenance and spare part production as its support.

Guangzhou boasts world-class shipbuilding featured products. Guangzhou Shipyard International is the first listed shipbuilding enterprises of Guangzhou, which leads among its domestic counterparts in shipbuilding efficiency. Chemical and oil tankers with a handling capacity of 30000-50000 tones are world-class handy max tankers. Handy container ships (1000-2000 TEUs) manufactured by
Wenchong Shipbuilding account for 25% of global market share. Containers with a handling capacity of 1300 TEU and 1700 TEU account for over 10% of the global market share. Dredgers manufactured in Guangzhou occupy 11.4% of the global market share. Internationally-advanced frigates manufactured by Huangpu Shipbuilding are employed in China’s escort missions in the Gulf of Aden. Marine salvage vessels, high-powered anchor-handling and supply vessels, deep survey ships, offshore boring platforms and other marine engineering projects achieve international standards. In addition, marine anchor-handling and supply vessels of 16,000 horsepower by Guangzhou Panyu Yuexin Shipbuilding, wave-piercing aluminum-alloy catamarans by Afai Southern Shipyard and special ships and engineering ships by Guangzhou Panyu Lingshan Shipyard and Guangzhou Hangtong Shipbuilding and Shipping Company all achieve first-rate standards in domestic and international market segments.

**ii. The Export Volume Has Skyrocketed.**

The export volume in shipbuilding has increased from US $477 million at the end of the 11th five-year plan period to US $2.453 billion in 2010, up by five times, making Guangzhou the fifth largest city in China in terms of shipbuilding export volumes. The export volume accounts for 6.09% of the national total (US $40.3 billion). In 2010, thirty-one shipbuilding enterprises exported their products overseas.

**iii. The Structure of Export Products Has Been Upgraded and Optimized.**

In 2010, Guangzhou Longxue Shipbuilding Company exported three 230,000-DWT ore carriers, becoming the first company of Guangzhou to have exported super-large vessels. Guangzhou exported a total of 3,292 vessels in 2010, up by 61.28%. The majority of the exported vessels are bulk carriers, oil tankers and container ships, among which the export volume of bulk carriers amounts to US $878 million, or 35.8% of all shipping export, the volume of oil tankers reaches US $638 million, 26.02% of the total export, and the volume of container ships stands at US $428 million, or 17.45% of the total export. The export volume of these three types of ships accounts for 79.27% of the total export. In addition, the manufacturing of semi-submersible vessels, roll passenger ships, multi-purpose vessels, luxury yachts, tugboats, entertainment and sports ships and marine engineering products has expanded to a certain extent.
iv. Key Enterprises Are Constantly Expanding.
Guangzhou Longxue Shipbuilding Company specializes in the manufacturing of large oil tankers, sand mining ships and container ships. In 2010, the company independently developed six large vessels, each with a total carrying capacity of 1.536 million tons. Three of them boast a carrying capacity of 308,000 tons each, with the total displacement of some 350,000 tons. As the largest oil tankers in China, these three tankers boast a cruising speed of 15.7 knots and an endurance of 20,000 sea miles and are equipped with auto navigation and anti-piracy attack systems. Guangzhou is also home to such highly internationally competitive shipbuilding companies as Wenchong International Shipyard Company, Guangzhou Huangpu Shipbuilding Company and China Shipping Industry Company. The ship maintenance sector is improving its high-tech contents and added value, becoming an important international ship repair base with its influence extending to Hong Kong, Macao and Southeast Asia.

v. Research and Development Capacity and Independent Innovation Capacity Have Been Remarkably Enhanced.
Guangzhou is home to three national shipbuilding technological centers, namely Guangzhou Shipbuilding International, Wenchong Shipbuilding and Longxue Shipbuilding. By the end of 2010, the city has registered 249 shipbuilding-related patents, among which 64 are inventions, eighteen are licenses and 167 are utility models.

vi. The Industry-supporting Environment Has Been Enhanced.
Guangzhou boasts a world-class deep-water port, with 228.4 kilometers of coastline, of which the mainland coastline stretches 102.2 kilometers and the island shoreline measures 126.2 kilometers. With unique resources of coastal and riverine deep-water coastline, Guangzhou is the largest base of modern shipbuilding, ship repair and equipment supply. The city is home to a cluster of supporting enterprises specializing in marine diesel engine production, heavy casting, deck machinery, marine electronics, communication and navigation systems, marine power generation systems, ship painting and steel structure. The shipbuilding industry of Guangzhou enjoys a sound development environment, and has promoted the development of shipbuilding industries of Zhongshan, Zhuhai and other cities in the Pearl River Delta Region.
II. The Shipbuilding and Ship Equipment Industry Base

Guangzhou is one of the national-level three ship-building bases and marine economic development pilot area. The Shipbuilding and Ship Equipment Industry Base in Guangzhou covers a planned area of about 12 square kilometers, made up of four clusters, including CSSC Guangzhou Longxue Shipbuilding Base, CSSC Guangzhou Dagang Ship Accessories Base, Guangzhou Shipyard International Industrial Park and Huangpu Shipbuilding Industrial Park. In the Mid-Long Term Development Plan for Shipbuilding Industry approved by the State Council in 2006, the Pearl River estuary centered around Guangzhou has been listed as one of the three national modern shipbuilding bases. The Outline of Pearl River Delta Regional Plan on the Reform and Development, 2008-2020 approved in December 2008 puts forward the proposal to make Guangzhou a world-level large-scale shipbuilding and repairing base.

i. CSSC Guangzhou Longxue Shipbuilding Base. The base covers a planned area of 4.33 square kilometers in total, with a 4.5-kilometer-long shoreline, 1.3-kilometer service area and four berths. It is divided into three functional zones, namely, Civil Shipbuilding Zone, Ship Repairing Zone and Ocean Engineering Zone. The base mainly builds large oil tanks, container ships, ore carriers, liquefied gas ships and special-purpose ships, repairs and modifies large ships, with an aim to grow into a world-class base for ship building and repairing.

ii. CSSC Dagang Ship Equipment Industry Base. Located at Dagang Town, Panyu District of Guangzhou, the base, with the CSSC Guangzhou Longxue shipbuilding base project as the center, is expected to be put into operation in the second half of 2011 and become the largest manufacturing base of diesel engine supplies. The base gives top priority to development of key auxiliary facilities for ships, including high-power and low-speed diesel engines, medium-speed diesel engines, engine crankshafts, marine auxiliary machines, marine compartment machinery, shaft and rudder systems, pipeline systems and intermediate products.

iii. Guangzhou Shipyard International Industrial Park: Located at the factory of Guangzhou Shipyard International Co., Ltd., the park possesses two slipways of 60,000 tons, one slipway and one dock of 50,000 tons. It is
specialized in development and building of ships such as tankers (mostly refined oil tankers), cargo ships, roll-off ships and roll-roll passenger ships, hydrofoil crafts, port machines, large-scale steel structures and ship repairing. Its products are mainly exported to the US, Europe, Middle East, South Asia and Hong Kong. The industrial park has the capacity of manufacturing 18 ships with the tonnage ranging from 30,000 to 60,000. It has laid emphasis on shipbuilding which takes tankers as the main business and cargo ships the complementary business. Meanwhile, great efforts are put to develop high-value-added products, such as roll-off ships and ro-ro passenger ships.

iv. Huangpu Shipbuilding Industrial Park: The park is composed of Guangzhou Wenchong Shipyard Co., Ltd and Changzhou Plant of CSSC Guangzhou Huangpu Shipbuilding Co., Ltd. Guangzhou Wenchong Shipyard Co., Ltd, located at Huangpu District of Guangzhou, possesses the shoreline of a one kilometer long, one ship-repair dry dock of 150,000 tons, one shipbuilding dry dock of 75,000 tons, one shipbuilding dry dock of 25,000 tons and one slipway of 25,000 tons. It’s the development priorities have been topped on the building of branch-line container ships, bulk cargo ships below 300,000 tons, large and medium size dredgers, special-purpose ships, high-performance ships and repairing ships of various types. Changzhou Plant of CSSC Guangzhou Huangpu Shipbuilding Co., Ltd., situated at Changzhou Island, Huangpu District of Guangzhou, boasts the three-kilometer-long shoreline, a 900-meter quay with water six to nine meters deep. Equipped with one floating dock of 200,000 tons, one floating dock of 5,000 tons, and one ship repairing dry dock, the plant is an important base for building and repairing bulk cargo ships, ocean engineering ships, ocean engineering platforms, anti-smuggling yachts and patrol ships in South China. It has the capacity to produce ships of 300,000 tons, repair and modify over 10 ships every year.

III. Development Priorities

i. Encouraged Shipbuilding Projects.

Design, manufacturing and repair of ships and marine engineering equipments; design and manufacturing of low, medium and high speed shipping diesel engines, design and manufacturing of low, medium and high speed diesel engine
crankshafts; design and manufacturing of diesel engine parts, mechanical ship cabins; design and manufacturing of deck machinery, marine communication systems and equipments, electronic navigation equipments, marine radars; design and manufacturing of Gyro compass autopilots; design and manufacturing of built-in public broadcasting systems; design and manufacturing of fishing vessels and yachts; design of high-tech ships and marine engineering equipments.

**ii. Investment Promotion Orientation**

To strengthen project promotion in Northern Europe, Western Europe, Japan, South Korea, Singapore and Hong Kong, with a focus placed on soliciting investment for projects by Guangzhou Longxue Shipbuilding Base and Guangzhou China Shipbuilding Equipment Base. Key products include the following: low-speed diesel engines, diesel engine crankshafts, power systems, rudder shafts, marine pipes, marine intermediate products (hatches, cabin units), marine electronics, instruments and meters, engine parts, ship deck machinery and offshore cranes, marine auxiliaries (cranes, steering engines, anchor hinge machines), marine machinery compartments, marine coating and commonly-used spare parts.
Bio-pharmaceutical Industry

I. The Current Development
Guangzhou, the “National Bioindustry Base” and “National Medicine Export Base”, has developed its biomedicine industry speedily under the “Industry Cluster” mode, which is crucial to the pattern of biomedicine development in China. In 2010, the output value of bioindustry in Guangzhou is RMB 100 billion yuan, among which, RMB 15.787 billion yuan is the high-tech output value created by the large scale medicine manufacturing enterprises, an increase of 12.1%.

i. The Innovation System Has Been Improved Constantly
The biotechnology innovating network in Guangzhou is comprised of more than 10 universities / colleges, 40 research institutes, 70 key disciplines above provincial level, 5 key laboratories at state level, 7 national engineering research center (engineering laboratory) and 400 research and development (hereinafter referred to as R&D) enterprises. Among the 16 medicine clinical research bases in Guangdong approved by the state, 15 have been established in Guangzhou. Guangzhou International Biological Island, Guangzhou Institute of Biomedicine and Health of Chinese Academy of Sciences, the South China Center for Innovative Pharmaceuticals, South China Biomedicine Institute of Academy of Military Medical Sciences have already become major components of the national innovation system.

ii. The Industrial Power Has Been Enhanced Continuously
The pattern of co-development among local medicine enterprises, renowned domestic medicine enterprises, overseas-students-run-startups and transnational
companies has been formed in Guangzhou. Bio-pharmacy, modernization of traditional Chinese medicine, molecular diagnosis, stem cell and regenerative medicine, biomedical materials, fermentation and enzyme engineering technology, livestock/poultry feed and vaccine, biotechnology outsourcing, and other technologies are up to the world's advanced levels. The leading enterprise in the locality, Guangzhou Pharmaceutical Holdings Limited has its scale and corporate efficiency ranked top nationwide. Local companies such as Xiangxue Pharmaceutical Co., Ltd and Guangzhou Improve Medical Instruments Co., Ltd. have been successfully listed. Many celebrated transnational companies such as Swiss Nycomed and Hong Kong Hutchison Whampoa, etc have gathered in Guangzhou.

iii. The Industrial Layout Has Gradually Taken Shape
The layout of biomedicine industry in Guangzhou has gradually taken shape, forming the industrial incubation center with Guangzhou Science City at the core, the industrial innovating center focused on Guangzhou International Biological Island and the radiation areas to specialty industrial parks of all districts (cities at county levels), with Guangzhou Science City, Guangzhou International Biological Island, Guangzhou Baiyun Biological Port, Guangzhou Baidi Biomedicine Industrial Park, Guangzhou Marine Biotechnology Industrial Park, etc clustered.

II. Major Industrial Bases
i. Guangzhou Development Zone Biomedicine Industrial Base
Composed by the two major domains Guangzhou Science City and Guangzhou International Biological Island as well as other expansion area, the base focuses on introduction of high-end R&D achievements, and is equipped with the supporting technologies and conditions for R & D items from upstream to downstream, ranking the top in the biotechnology industries nationwide and worldwide. Key enterprises herein include transnational companies such as Baxter International, Bayer Group, Mitsubishi Pharma Corp., etc, major domestic medicine companies covering Guangzhou Pharmaceutical Holdings Limited, Yangtze River Pharmaceutical Group Co., Ltd. and small & medium enterprises like Da An Gene Co., Ltd of Sun Yat Sen University, Xiangxue Pharmaceutical Co., Ltd, Guangzhou Consun
Pharmaceutical Co., Ltd., Porcine Fibrin Sealant Kit, etc. 4 research centers at state level including South China Center for Innovative Pharmaceuticals, Guangzhou Institute of Biomedicine and Health of Chinese Academy of Sciences, and 14 biomedicine institutes are located in the base. Focus has been put to attract the regional headquarters and R&D centers of World Top 500 biobiz, R&D centers of Chinese Top 50 biobiz, major biobiz both at home and abroad, R&D institutes at a specified level (especially those above provincial level or those of worldwide fame), Bioservice enterprises and institutes. The development priorities will focus on biomedicine, modern Chinese medicine and bioservice, etc.

ii. Baiyun District
This district is consisted of Guangzhou Biomedicine & Health Industrial Base and Guangzhou International Health Center and has 96 biomedicine manufacturing enterprises including Hutchison Whampoa Guangzhou Baiyunshan Chinese Medicine Company, Guangzhou Baiyunshan Pharmaceutical Co. Ltd., Guangzhou Wanglaoji Pharmaceutical Co. Ltd., Guangzhou Zhongyi Pharmaceutical Company Limited, etc and 38 educational and medicinal institutes covering Guangdong Medicine Research Institute, Guangzhou University of Traditional Chinese Medicine, Southern Medical University, Nanfang Hospital of Guangzhou, Guangzhou 157 Hospital, etc. Oriented at biomedicine R&D and manufacturing, Guangzhou Biomedicine & Health Industrial Base will gradually become an ecological and internationalized “Biomedicine Industrial Base”. Guangzhou International Health Center, with Biomedicine as its base, life science & research as the impetus, health at its core and ecological service in supplement, will be molded into a brand new center of health industry characterized by “internationalization, high-end, clusterization and ecologization”. Initiatives will be taken to strengthen the cooperation with Guangzhou Pharmaceutical Holdings Limited and other leading biomedicine enterprises both at home and abroad and to form cluster of biomedicine enterprises with scale-development, establishing a complete biomedicine industrial chain integrating planting, manufacturing, supplying, selling and researching.

iii. Panyu District
Guangzhou National Bioindustry Base Panyu District has undertaken
transformation of hi-tech basing on the technology and talent advantages of Guangzhou Higher Education Mega Center. With Guangzhou Pharmaceutical Holdings Limited, Guangzhou Z.S.Y Pharmaceutical Co., Ltd Third Party Logistics and Biotech Pharma settled herein, the district will lure more biomedicine R&D institutes and manufacturing enterprises. It will be constructed into an international researching and manufacturing base for biotech, which is oriented at genetic engineering, genetic pharmacology, stem cell and modern Chinese medicine, etc and supported by well-established biotech developing system, to spur development of pertinent biomedicine industries and biotech R&D that is in line with international standards. Focus will be put on attracting major brand transnational biomedicine enterprises at international level and domestic biomedicines of powerful strength to make investments or start joint ventures.

iv. Conghua City
Located in Conghua Economic Development Zone Mingzhu Industrial Park East and the scenic hot spring town “Medicine Valley”, Conghua Biomedicine Base has gathered renowned R&D and manufacturing enterprises for medicine and health products which rank top nationwide or even worldwide and own independent intellectual property rights such as Guangzhou Pharmaceutical Holdings Limited Chinese Prescription and Medicine R&D Center, Guangzhou Life Tech Pharmaceutical Co., Ltd, Jiahe Pharmaceutical, Xianqiang Pharmaceutical, Avon, etc. Such industries as Chinese patent drug, biomedicine & pharmaceutical chemicals, cosmetics will be developed, and a modern, gardenlike and open medicine and cosmetics technological base integrating R&D, manufacturing and selling, industrial culture and complying with GMP standard will be built and molded into an innovation base for medicine and cosmetics in Guangzhou and even South China.

III. Key Development Domains
i. Biomedicine: a professional logistics distribution center for biologicals will be built. Efforts will be made to attract transnational biomedicine enterprises to set up industrial base and R&D center herein, to cultivate and draw medical service enterprises of all kinds covering biological information, medical diagnosis & testing, personalized healthcare, contractual research, venture capital
investment, intermediary services, etc. Supports will be rendered to international biomedicine symposiums and exhibitions held in Guangzhou.

**ii. Modern Chinese Medicine:** development on new Chinese medicine with curative effect on major diseases will be strengthened with innovation on famous and excellent Chinese patent drug brands accelerated, cooperative fields and ranges under CEPA Agreement expanded and promotional activities held in Japan, Korea and Southeast Asia on achievements gained in Chinese medicine will be pushed forward.

**iii. Biological Agriculture:** the key doctrines will lie on biopesticides, forage and additive, controlling technology on agricultural pest, key preservation and intensive processing technology of veterinary drug and vaccine, agriculture (forestry, animal husbandry and fishery) products, key technology of agricultural ecological safety and resource recycling, control on excellent livestock and aquaculture breeds and disease, key technology of food safety testing and control, etc.

**iv. Bio-Manufacturing:** technology and products covering new fermentation and enzyme engineering, function foods, additive and biomass energies will be the focuses.

**v. Biotech Pharmacy:** continuous innovating capability, R&D and industrialization capability of new products in bio-pharmaceuticals, biological diagnosis, biotechnology, marine medicine, etc will be strengthened. Efforts will be made to attract investment on biological diagnosis reagent, small and medium sized enterprises to enter pilot scale (inclusive of botanic drugs, agricultural chemicals and veterinary drugs) and research and development on new biomedicine (genetic curative in particular).

**vi. Biomedicine Service:** focus will be put on such areas as new drug R&D contractual service, clinical diagnosis technological service, food safety testing technological service, bio-products logistics, etc. Initiatives will be taken to foster and introduce R&D and manufacturing institutes and enterprises for new biomedical materials and medical appliances.
Financial Industry

I. The Current Development
Aimed at achieving an overall target of advancing the construction of a regional financial center, Guangzhou holds on to the development strategy of becoming “a powerful financial city” in 2010, actively promotes the development of financial reform and innovation and has made remarkable achievements in realizing its overall target. In 2010, Guangzhou maintains steady development in the financial industry, with an annual added value reaching RMB 61.55 billion yuan, witnessing an increase of 8.2 percent as compared with that in the same period of the previous year.

i. To Lead in Financial Infrastructures in China
By the end of 2010, the banking electronic settlement centers in Guangzhou have handled 230 million transactions, with the amount of settlement hitting RMB 107.9 trillion yuan and the business volume ranking the front row in China. With modern payment system as the lead and supported by all types of electronic payment and clearing systems like check image exchange system and so on, the payment and settlement networks cover the whole province, extend throughout the nation and connect Hong Kong and Macao.

ii. To Be Among the Best in Transaction Scale in the Financial Market
By the end of 2010, the financial strength of Guangzhou ranks 3rd among the interior cities, with the deposits of the financial institutions reaching RMB 2.3954 trillion yuan and the loan balance reaching RMB 1.62843 trillion yuan. The security turnover reached RMB 4.1 trillion yuan. The futures commission
transaction stood at RMB 26 trillion yuan, ranking the 5th among the inland cities. The insurance market premium income hit RMB 42.56 billion yuan, ranking the 3rd among the mainland cities.

iii. To Make Rapid Progress in Capital Markets
Up to the end of 2010, 12 enterprises in Guangzhou have passed the examination and verification done by China Securities Regulatory Commission and financed about RMB 10 billion yuan, and the number of listed companies launched both in and out of Guangzhou has reached 70. Guangzhou Cultural Property Rights Exchange and Guangzhou Commodity Exchange, as well as Guangzhou Exchange Group, the first comprehensive exchange group based on property rights transaction institutions in China, were established.

iv. To Highlight the Build-up Effect of Financial Institutions
In 2010, 16 financial institutions were established and introduced, including 5 corporate financial institutions, the best record in recent years. 43 financial institutions located in the financial business district of Zhujiang New Town. With 191 commercial financial institutions and representative offices, including 86 banking institutions, 71 insurance institutions and 34 institutions concerning securities, futures and funds, Guangzhou enjoys better varieties of financial institutions and higher densities of network are in the country. In 2010 16 financial institutions located in Guangzhou, including 7 financial institutions with foreign investment and 9 Chinese-funded financial institutions.

By the end of 2010, 81 foreign-funded financial institutions has settled in Guangzhou including 27 foreign bank branches, 21 foreign-funded insurance companies, 14 representative offices of foreign banks, one auto financing company, one foreign currency exchange institution for individuals, 10 representative offices of foreign-funded insurance companies, 3 branches of foreign-invested fund companies and 4 representative offices of foreign securities.

v. To Actively Promote Financial Reform and Innovation
By the end of 2010, enterprises in Guangzhou have handled 3717 settlements in total in cross-border trade, with the cumulative amount reaching RMB 41.69 billion yuan. Pledged financing pilots of intellectual property rights have been accelerated, with 20 pledged loan agreements signed between 6 banks and 18 companies, the intended financing reaching RMB 1.32 billion yuan. Guangzhou
Aixiyi Business Service CO LTD, the first franchising institution for individual foreign currency exchange in Guangzhou, went into operation in Baiyun Airport. In 2010, 6 small-loan companies were established, the total number reaching 8. Up to the end of the same year, the loan balance of small-loan companies has amounted to RMB 820 million yuan.

II. Development Priorities

In 2011, Guangzhou will focus on making important progress in such aspects as the building of a financial market platform, the acceleration on planning and construction of functional areas, the continuation of unprecedented experiments in financial reform, etc. and comprehensively promote the construction of a regional financial center in Guangzhou.

i. To Improve Investment Carriers in Financial Functional Zones and Promote the Construction of a Regional Financial Center.

With the construction of “green channels” and promotion of “double hundred projects” for the listing of new enterprises, Guangzhou aims at adding 15 new listed companies this year.

Centered on the construction of Guangzhou regional financial center under the national strategy, focus will be put on building Zhujiang New Town, yuancun financial business district and Guangzhou financial innovation service area into a first-class base for modern financial headquarter and industrial financial innovation in China. Initiatives will be taken to promote the establishment of foreign-funded financial headquarters enterprises and to implement the various supportive and incentive measures of the headquarters-related policies in Guangzhou.

ii. To Actively Promote the Establishment of a Financial Market Platform

Efforts should be made to speed up the development of Guangzhou Exchange characterized by collectivization, professionalization and internationalization. Initiatives should be taken to accelerate in a standardization and informationized way, the infrastructure construction of professional trading platforms like private equity, environmental resources, rural property, bulk commodity, cultural property rights and so on, trying to achieve substantive progress in international
cooperation for Guangzhou Exchange Group. Also efforts should be made to win over state support and have Guangzhou high-tech zones included in the expanded pilot zones handling transfer of shares run by national agencies.

iii. To Vigorously Carry out “First Move, First Try” Work in Financial Reform and Innovation

Efforts are supposed to be made to establish more small-loan companies, guide them to strengthen financial services towards “agriculture, farmer and rural area”, small and medium-sized enterprises and individual businesses, to speed up the development of Xinhua rural bank in Panyu district and to accelerate the establishment of rural banks in Huadu, Zengcheng and Conghua districts.
Convention and Exhibition Industry

I. The Current Development
In 2010, 21 key venues in Guangzhou held 373 exhibitions, representing an increase of 32.3 percent compared with the same period of the previous year, of which there were 200 investment-oriented exhibitions, accounting for 53.6 percent of the total exhibition. 5729 conferences were held, increasing by 21.7 percent year on year. The number of people received at the exhibition was 11.39 million, an increase of 53.5 percent year on year.

i. To Have Perfect Hardware Facilities such as Venues, etc.
Guangzhou has an area of over 700,000 square meters in its exhibition venues and has the largest modern exhibition center in Asia-China Import and Export Fair Complex, which covers an area of 338,000 square meters in its indoor exhibition halls and has 3 major exhibition aggregation districts, including Pazhou International Business Exhibition Core Function Area, Liuhua Exhibition District, Baiyun District and Baiyun New Town Conference Function Area.

ii. To Have Prominent Exhibition Brand
Guangzhou has “China’s first exhibition” - China Import and Export Fair (also known as Canton Fair). The exhibition area of each Canton Fair reaches 1.13 million square meters, the single exhibition scale being the top in the world. The turnover of the 107th and 108th Canton Fair hit US $ 70.847 billion, and more than 200,000 overseas buyers attended the fair.

In addition, Guangzhou has China International SME Expo, Guangzhou Fair and many brand comprehensive exhibitions and specialized exhibitions in such areas as automobile, lighting, plastics and rubber, design, machinery equipment,
beauty salon supplies and cosmetics, furniture, architectural decoration, hotel products, shoes and leather products, etc. The number of specialized exhibitions is more than 90%. At present, 11 exhibitions in Guangzhou have received UFI (Union of International Fairs) authentication carried out by International Exhibition Alliance.

iii. To Have a Definite Direction in Government Support
The leading team of convention and exhibition industry management in Guangzhou formulates and advances the release of *Measures for the management of funds in the convention and exhibition industry of Guangzhou*, planning to set up support funds and provide financial support such as venue rental subsidies and one-time awards to exhibitions meeting specific conditions such as those newly founded in Guangzhou, national and international high-quality exhibitions held in Guangzhou, exhibitions which has a substantial increase in the scale than that in the previous year (session), and exhibitions which have a high degree of specialization and are held in Guangzhou in succession for more than 10 years (10 years included) and not less than 10 sessions (10 sessions included), etc.

iv. To Have Higher Degree of Internationalization and Specialization
In 2010 Guangzhou held 69 international exhibitions, the exhibition area of which covered 4.6553 million square meters, an increase of 6.15 percent and 5.94 percent respectively as compared with those in the same period of the previous year, accounting for 73.94 percent of the annual exhibition area. At the moment, 39 foreign-funded enterprises involved in the convention and exhibition industry have located in Guangzhou and held about 30 international exhibitions in Guangzhou each year.

v. To Have a Stronger Industrial Atmosphere
As an influential platform, convention and exhibition industry has effectively fostered growth in many industries like commercial wholesale and retail business, tourism, accommodation and catering, logistics and so on. In 2010, the total sales of Guangzhou's wholesale and retail business exceeded over RMB 2 trillion yuan, the gross income of tourism over RMB 100 billion yuan and the retail sales of catering RMB 59 billion yuan or so.
II. Development Priorities

The development targets of Guangzhou convention and exhibition industry during “the Twelfth Five-Year Plan” are as follows: Focusing on the strategic target of the construction of national center of service industry with the main function of commerce and trade as well as convention and exhibition, the effect of main function and dragon head in commerce and trade, convention and exhibition will be developed further in Guangzhou to build a metropolis for convention and exhibition. The increasing speed of the average annual added-value in convention and exhibition is higher than the increasing speed of the GDP of the tertiary industry. With the continuous improvement of service function and policies system and the upgrading of development quality, a batch of dragon head enterprises and branded conventions and exhibitions connecting the world in terms of quality will be integrated to boost the development of the service platform specially serving the industrial optimization and upgrading in the Pearl River Delta.

i. To Intensify and Coordinate the Service and Promote the Development of Convention and Exhibition Industry

We shall take the advantage of Guangzhou (Pazhou) International Convention and Exhibition Kernel Area, Liuhua Convention and Exhibition Area, Baiyun International Convention and Exhibition Center Area in terms of the industrial base and convention and exhibition facilities, bring the administrative and leadership group of convention and exhibition industry into full play specially on the fields of environment improvement, market standardization, the adjustment of convention and exhibition in the same period to actively handle international and national important events.

ii. To Strengthen the Cooperation of Convention and Exhibition with Hong Kong, Macao and Taiwan

We shall utilize CEPA and ECFA while giving full play to the facilities of Guangzhou convention and exhibition as well as to the selling channel, capitals and talents and management experience in Hong Kong, Macao and Taiwan, build the multi-level and complementary convention and exhibition market between Hong Kong, Macao and Taiwan, and set up the Corridor for Convention and Exhibition connecting Hong Kong and Guangzhou. Special attention will be paid to Hong Kong Lifestyle Showcase and Taiwan Famous Expo.
iii. To Cultivate Branded Convention and Exhibition in Scale and Dragon-head Enterprises

Based on the aggregation advantage of manufacturing industry clusters in the Pearl River Delta, we shall promote the methods named as one strategy for one exhibition to actively attract the location of branded convention and exhibition in Guangzhou from home and abroad. The international dragon-head enterprises in convention and exhibition will be the important target in terms of the set-up of their regional headquarters and representative offices in Guangzhou. We shall support the cooperation between international convention and exhibition enterprises and Guangzhou enterprises by means of purchasing, merging and joint partnership, push the scaling and international development of convention and exhibition, and make the enterprises become competitive and top.

iv. To Develop and Foster the New Professional Exhibition and Convention

We shall pay more attention to the development of Guangzhou Expo, Auto Guangzhou, Guangzhou Design Week, China (Guangzhou) International Machinery Equipment Manufacturing Expo, kinds of consumption fair and other branded exhibition with characteristics. Meanwhile, we shall actively foster various shows of new and high-tech and modern service industry including finance, electronic information, creative and design, etc. This year we shall organize the green, low-carbon and environment-friendly convention and exhibition as well as the one of service outsourcing, and try to attract the professional ones of techniques-intensive like machinery equipment, electronic information.

v. To Strengthen the Construction of Public Platform of Convention and Exhibition

We shall support and develop the public service platform of convention and exhibition, speed up the construction of professional research institution, bring the associations in the industry into full play, quicken the formulation of industrial standard and operation criteria, coordinate the projects with same topics in the same period along with the government, and promote the healthy development of convention and exhibition in good order.
Logistics Industry

I. The Current Development
As a central city of the nation, Guangzhou is a national center for road, rail, air, sea and river transport and information. The city enjoys a solid economic foundation and a strategic geographic position for the development of international logistics. Its comprehensive range of air, sea, road and rail transport infrastructure and information networks facilitates the development of modern logistic industry.

i. Total Logistics
In 2010, Guangzhou cargo traffic rose 9.4 percent to hit 575 million tons, including 397 million tons for road transport, 68 million ton tons for rail transport, 102 million tons for water transport, 854,000 tons for air transport, and 7.2477 million tons for pipeline transport. In the same year, Guangzhou recorded 626 million passenger trips, an increase of 9.79 percent year-on-year, including 473 million road trips, 94 million rail trips, 57 million air trips, and 2.6513 million water trips. At present, Guangzhou is home to more than 1,300 specialized trading markets for all types of communities and 1,120 licensed international shipping agencies, making the city China’s largest commodity distribution center.

ii. Air Logistics
Guangzhou’s air logistics industry is centered on the Baiyun International Airport, which enjoys a strategic location, superb facilities, strong transport capacity, a solid marketing foundation, and preferential government policies. The industry’s growth has gained new momentum with the official launch of the Airport Bonded
Logistics Center, the approval for the establishment of the Baiyun International Airport Integrated Bonded Zone, and the steady progress of the renovation of the customs clearance process for air passengers and goods. In 2010, the Baiyun International Airport recorded 40.964 million passengers, up by 10.56 percent year-on-year and double the number of 2004. In the same year, the airport handled 1.4504 million tons of cargo and mail, an increase of 18.6 percent year-on-year. As an aviation hub, the airport is served by nearly 50 carriers, which provide regular service to more than 120 domestic destinations and 90 international ones. It handles more than 100,000 passengers on over 900 flights a day. In 2011, the Baiyun International Airport is expected to launch more international flights, including Guangzhou-Tokyo-San Francisco, Guangzhou-Vancouver, Guangzhou-Melbourne-Auckland, Guangzhou-Istanbul, and Guangzhou-Colombo flights.

### iii. Seaport Logistics

The Port of Guangzhou is equipped with 720 berths of different types (including 62 ones for ships with a gross deadweight tonnage of more than 10,000 tons). These berths, including 673 ones for productive purposes, have a total shoreline of 55,960 meters and a total annual handling capacity of 287.23 million tons of cargos, 7.4 million TEUs, 31.31 million passengers, and 330,000 roll-on/roll-off vehicles.

In 2010, the Port of Guangzhou handled 425 million tons of cargos, up by 13.33 percent year-on-year, and 12.7 million TEUs, up by 12.29 percent, consolidating its status as China’s fourth largest and the world’s sixth largest port by cargo traffic and China’s third largest and the world’s fourth largest port by container throughput. By either cargo traffic or container throughput, the Port of Guangzhou ranks among the world’s top 10. It’s China’s third port to register annual traffic in excess of 400 million tons, after the Ports of Shanghai and Ningbo. Its Nansha Operating Zone alone has 37 shipping routes, including 25 for international trade and 12 for domestic trade. In 2010, the Nansha Operating Zone handled 7.161 million TEUs, rising 9.2 percent and accounting for 57 percent of the total container throughput of the Port of Guangzhou. Of this number, there were 5.22 million TEUs for domestic trade, up by 11.1 percent, and 1.942 million TEUs for international trade, up by 4.5%. The amount of
throughput completed under the export manifest mutual recognition system surged 55 percent to hit 34,000 TEUs.

iv. The Establishment of Bonded Logistics System

In recent years, in a bid to build the city into Asia’s center for modern logistics, Guangzhou has pressed ahead with the establishment of a bonded logistics system. The city currently has five special supervisory zones for bonded logistics, including the Nansha Bonded Logistics Zone, the Guangzhou Baiyun Airport Integrated Logistics Zone, the Guangzhou Bonded Zone, the Guangzhou Export Processing Zone, and the Guangzhou Bonded Logistics Park, in addition to 40 bonded logistics warehouses and supervised export warehouses. Thus, a comprehensive range of logistics infrastructure facilities with efficient functions is now in place in Guangzhou.

In 2010, Guangzhou bonded warehouses recorded imports and exports of US $3.531 billion, including exports of US $1.296 billion and imports of US $2.235 billion, up by 31.22 percent and 82.64 percent year-on-year, respectively. In the same year, the city’s bonded zones registered imports and exports of US $2.349 billion, including exports of US $692 million and imports of US $1.657 billion, up by 85.01 percent and 48.66 percent year-on-year, respectively.

v. The Development of Third-party Logistics Enterprises

Guangzhou has become a bridgehead for global logistics giants to make inroads into the Chinese market. The leading logistics service provider FedEx has built its Asia-Pacific center in Guangzhou, and the world’s largest shipping company Maersk is involved in the development of Nansha Port. Moreover, DHL and BAX Global have both set up their regional operating headquarters in Guangzhou, and many other renowned international logistics companies, such as UPS, Nippon Express, Nippon Yusen and TNT, have also launched operations in Guangzhou. In 2010, 23 more foreign-funded transport, warehousing and mail delivery companies were incorporated in Guangzhou, involving contracted foreign capital of US $271 million and utilized foreign capital of US $283 million.

Seven Guangzhou-based companies, including Guangzhou Shipping, Nanyue Logistics, South Logistics, P.G. Logistics, and Yuzhu Logistics, are ranked among China’s top 50 logistics enterprises. Moreover, 43 logistics enterprises in Guangzhou have been certified by national authorities as Class A enterprises,
including three with a quintuple A rating and 19 with a quadruple A rating. In addition, a significant number of logistics enterprises have built logistics information platforms, and more enterprises are introducing bar code, GPS (global position system) and Vendor Managed Inventory (VMI) systems. Guangzhou leads the nation in terms of the scale and management standard of third-party logistics enterprises.

II. Priorities of Development
Guangzhou’s logistics industry flourishes on the back of the city’s superb infrastructure as an air, sea and land transport hub. Guangzhou has plans to build a number of international logistics parks and regional specialized logistics bases by introducing information technologies and by taking full advantage of the bonded logistics systems at the Nansha Bonded Logistics Zone, the Baiyun Airport Integrated Logistics Zone, the Guangzhou Bonded Zone, the Guangzhou Export Processing Zone, and the Guangzhou Bonded Logistics Park. The city is committed to the growth of modern logistics industry and to the establishment of itself as Asia’s logistics center.

i. Seaport and Shipping
The Port of Guangzhou is aimed at becoming an integrated shipping hub of the Asia-Pacific region and an international hub for container shipping. During the term of the 12th Five-Year Plan, Guangzhou will set out to build a national-class integrated hub transport system, establish itself as a hub for container shipping, vigorously grow the modern port logistics industry and shipping service industry, and gradually transform the city into an international shipping center with a different positioning from Hong Kong and Macao. In the years ahead, Guangzhou will strive to optimize the layout of its port facilities, advance the modern port logistics industry, expand shipping finance, build coastal trading platforms, grow the port leisure industry and modern shipping industry, and enhance the standard of value-added port services. Moreover, Guangzhou will promote the development of the Nansha Coastal Industrial Zone centered on the Nansha Port Bonded Area in accordance with high standards, and explore the feasibility of establishing a Guangdong-Hong Kong-Macao integrated international shipping pilot zone centered on the integrated CEPA demonstration zone. Efforts will also be made to
speed up the consolidation of regional port resources, and promote the division of labor, collaboration and balanced development among the region’s port clusters. In addition, Guangzhou will expend vigorous efforts to develop sea-rail combined transport and river-port to seaport transit, expand international transit, and increase the capacity to transfer goods in inland waterways to the jurisdiction of seaport customs authorities. There are also plans to build a “dry port”, expand direct transport to inland ports, and extend the port’s hub functions, bonded functions and e-port functions to the interior regions. During the term of the 12th Five-Year Plan, Guangzhou will spend RMB 20 billion on port development. With the funds, Guangzhou will build another 20 deepwater berths for containers and for the transport of coal, grains and petrochemicals, and expand the port’s total traffic capacity by 150 million tons, thereby achieving the targets of an annual total traffic capacity of more than 400 million tons, port handling capacity in excess of 500 million tons, and container throughput of 18 million TEUs.

ii. Airport-related Economy

The development of the airport-related economy in Guangzhou has been made a strategy for Guangzhou to enhance its functionality as a central city of the nation. In order to build an air transport industry chain, Guangzhou will not only fortify the service functions of air transport, but also build high-end air-related industries with clear-cut steering effects and foster air service functions and intellectual innovation capabilities. These efforts will help Guangzhou to build a distinctive and competitive airport industry system within the framework of the integration of the Pearl River Delta Region. The city’s air transport industry is focused on the development of businesses relating to aircraft maintenance, air catering, aircraft material supply, air freight shipping agency, private business flight agency, and bonded retailing, catering, hotel and car rental services for passengers and crew members. With a vast diversity of convenient services, the airport’s service capacity and appeal to customers will increase. In the field of air-related manufacturing, priority will be given to the development of a number of high-tech industries with strong innovativeness and steering effects, such as electronic information, biopharmaceuticals, new materials, alternative energy, and environmental protection. Furthermore, an airport intellectual innovation center will be built, technology R&D institutions established and enhanced, industry-
academia collaboration strengthened, and a cross-region industry chain built and expanded. Advanced manufacturing industries, such as the manufacturing of key auto parts and components and fine chemicals, will be developed as well.

**Development Targets:** Targets to be achieved by 2015 is as follows: An annual capacity to handle 55 million air passengers and 2.6 million tons of cargos and mails, and a consolidated status for the Baiyun Airport as a national gateway and integrated hub airport, and targets by 2020 is an annual capacity to handle 70 million air passengers and 3.6 million tons of cargos and mails, and the establishment of the Baiyun Airport as a highly sophisticated international gateway and integrated aviation hub.

**iii. Land Transport**

Guangzhou will capitalize on China’s rapid rail development, especially the high-speed rail boom, to press ahead with a number of trunk line projects, intensify the overall functionality of the city’s rail hub, speed up the establishment of an intercity rail network in the Pearl River Delta Region centered on Guangzhou, and fortify the city’s status as a leading hub of road and rail transport in China.

**Main Rail Hub Construction Projects:** Guangzhou Eastern Rail Transport Hub Station, Guiyang-Guangzhou High-speed Railway, Nanning-Guangzhou High-speed Railway, Guangdong Western Coastal High-speed Railway, Guangzhou-Shenzhen-Hong Kong Passenger Rail Line, the Guangzhou section of Guangzhou-Shantou Railway (including the outer ring line), and Guangzhou segment of Guangzhou-Zhuhai Railway, Nansha Port Railway, Datian Central Container Depot, Guangzhou Eastern (Zengcheng) Transport Hub Center, and the Guangzhou section of a number of intercity rail links, including Guangzhou-Foshan, Guangzhou-Dongguan-Shenzhen, Foshan-Dongguan, Guangzhou-Qingyuan, Guangzhou-Foshan-Zhaoping Lines and Guangzhou Foshan Ring Line.

**Expressway Network Construction Projects:** Guangzhou Dongshan-Xinlian Expressway, the Guangzhou section of Guangzhou-Heyuan Expressway, the Guangzhou segment of Guangzhou-Gaoming Expressway, Xinzhou-Hualong Expressway, Guangzhou Zengcheng-Conghua Expressway, the second phase of Guangzhou Zengcheng Shazhuang-Huadu Beixing Highway, the Lianping-Conghua section in Guangzhou Province for Daqing-Guangzhou Expressway, Baiyun Line VI, the Knowledge Town Express Road Network, Renovation of the
New Guangzhou-Conghua Express Road, and the port roadway network in Huangpu District.
Moreover, Guangzhou will accelerate the development of transport networks and rail transport, promote the seamless connection between railway and expressway networks and airports and seaports, and build a modern transport system closely aligned with the city's development and featuring remarkable overall efficiency. Furthermore, Guangzhou will endeavor to strengthen and expand the port rail logistics industry, fortify the layout planning of the logistics network, and ensure effective connection between the port cargo transport and distribution network and the trunk road transport and distribution network. Strong efforts will also be made to boost cooperation with third-party logistics enterprises in the Pearl River Delta Region and around Guangzhou, Foshan and Zhaoqing and to optimize the allocation of resources.

**iv. Bonded Logistics**

In order to establish the city as Asia’s logistics center, Guangzhou will press on with the development of its bonded logistics system by taking the following steps: Firstly, promoting the development of the Baiyun Airport Integrated Bonded Zone, ensuring the zone passes the inspection of national authorities, introducing closed management and open customs operations, and further enhancing the development of the bonded air logistics system;
Secondly, continuing to bolster the information networks for the zones under special customs supervision and for bonded sites, and building an information system for the Baiyun Airport Integrated Bonded Zone;
Thirdly, accelerating the establishment of management subsystems for bonded warehouses and supervised export warehouses, introducing digitized management for the two types of warehouses, and enhancing the business information management standard for bonded logistics;
Fourthly, fortifying the standardized management of the bonded logistics chain;
Fifthly, facilitating the Guangzhou Export Processing Zone to expand its bonded logistics functions;
Sixthly, exploring the regional consolidation and functional overlapping of special customs supervised areas, optimizing customs supervision, promoting intensive utilization of resources, and advancing the local open-style economy;
Seventh, launching the pilot program of the joint operations of between the Guangzhou Bonded Logistics Park and the port in due course; 
Eighthly, coordinating with port administration agencies to improve the mode of customs clearance for bonded logistics. 
Furthermore, for key third-party logistics enterprises which have been authorized to implement fast-track customs clearance, active efforts will be made to create the conditions for such enterprises to enjoy advanced customs declaration, expedient customs transfer, prompt external inspection, and cargo release upon guarantee.

v. Third-party Logistics Enterprises
Guangzhou will capitalize on the Baiyun International Airport and the Port of Guangzhou to build a large-scale international logistics hub, facilitate third-party logistics enterprises to build an effective and efficient cargo transport support system, and steer such enterprises to construct logistics hubs with stimulatory effects on the Pearl River Delta Region and inland provinces. High priority will be given to the promotion of investments into the development of logistics parks and port transport infrastructure, and the attraction of renowned domestic and overseas third-party logistics enterprises to invest in Guangzhou.
Service Outsourcing

In recent years, Guangzhou has seized the opportunity of international industrial transfer to develop the service outsourcing sector. With modern services elevated to a higher level, the service outsourcing sector has been ushered into a new development stage.

I. The Current Development

i. The size of service outsourcing industry expanded quickly.
Statistics from the management system of Guangzhou’s service outsourcing show that the registered service outsourcing contract amount reached US $1.834 billion in 2010, up by 167.02 percent year on year, and the executive amount was US $1.194 billion, up by 195.76 percent, of which the offshore contract amount rose by 79.53 percent to US $1.079 billion, and the offshore executive amount increased by 119.83 percent to US $764 million.

ii. Service outsourcing business integrated with high-end momentum.
Of all the offshore executive amount in 2010, software and information technology outsourcing (IPO) accounted for 30.93%, business process outsourcing (BPO) 45.85%. Knowledge process outsourcing has increased significantly, while industrial design and technical service have evolved into two shining growth points, accounting for 23.22% of the entire sector. As a result, the transformation and upgrading of Guangzhou’s manufacturing has been propelled. A host of enterprises specializing in service outsourcing get expanded, including HSBC Software, HSBC Customer Service, Pacific Century Cyberworks, Cazenove Logistics, Ericsson Mobile Data Research and Development, Samsung Telecom, Nike, Amway and Vitelic Technology.
iii. Introduction of key projects accelerated. A group of new projects have settled in Guangzhou, including Nike’s center for global order, the intelligence and health service project of Tata Information Technology, IT service of CDC Corporation, the global R & D base for new mobile phones of Samsung Telecommunications Research Institute, the South China Data Center of Centerin Data System Company and cloud computing operation and service by Hong Kong Asian Context (China) Company Ltd. A number of key projects are to be established in Guangzhou, such as the outsourcing design center of Microsoft, IBM software innovation center, the creative center of Pepsi Sports, the data security management center of Intel, the South China base of China Mobile, the Internet data center of China Telecom and Guangzhou Supercomputing Center.

iv. Outsourcing markets and regions expanded. The outsourcing business undertaken by Guangzhou mainly comes from Hong Kong, Europe and Japan. Of all the offshore contract value, Hong Kong accounts for 40.82%, Britain 19.99%, and the United States 9.50%. Back office service business from the HSBC, Bank of East Asia, Citibank and other financial institutions has been on the increase. A financial innovation base and a financial support service base of Guangzhou Science City have basically taken shape. The south headquarters of financial information platform of Xinhua News Agency has been initiated. Outsourcing business from Hong Kong and Macao has increased significantly, while professional and quality remote services have been provided to enterprises in Hong Kong, Europe and the United States.

II. Major Outsourcing Parks
In March 2008, Guangzhou Development Zone, Nansha Development Zone, Tianhe Software Park and Huanghuagang Science Park were designated as the “Demonstration Zones of Guangzhou, China's Outsourcing Base”.

i. Guangzhou Development Zone
A cluster of advantage sectors have taken shape in Guangzhou Development Zone, including software design services, research and creative design, commodity inspection and testing, financial innovation services, consulting management services, creative industry and modern logistics. The zone is home to some 250 research institutes at national, provincial and municipal levels, and to some
twenty enterprises specializing in commodity inspection. A group of outsourcing enterprises have established their foothold in Guangzhou Development Zone, including Microsoft outsourcing design center, IBM software innovation center, Pepsi Sports creativity center and Intel data security management center. Guangzhou Bonded Zone and Donghui Square have become two logistics bases. A central business incubator, a creative building, an innovation building and an international business accelerator have been put into use. The planning of a financial innovation services zone is well advanced, which will provide financial outsourcing services to international financial institutions, such as financial software development, data security and data exchange service. Located in the central business district of Guangzhou Science, the headquarters economy zone has been initiated, which covers a total area of 177,000 square meters with its overall floorage amounting to 300,000 square meters. With an investment of RMB 1.08 billion yuan, the headquarters economy zone boasts full-fledged facilities.

**ii. Nansha Development Zone**
Tremendous effort has been exerted to build an outsourcing demonstration zone, which centers on Nansha Information Science Park, Guangzhou Aoyuan, Science and Innovation Center. Nansha Puzhou High-Tech Development Park has been included into the outsourcing demonstration zone. In 2010, an outsourcing professional training center was built by Nansha Information Science Park in a plot of land that covers some 1,300 square meters. Guangdong University of Foreign Studies and Guangzhou Ambow Information and Science Company have established their training bases in the center. Underwriter Laboratory and the Nansha Research and Production Base of South China University of Technology have been established in Science Innovation Center, so have been Guangzhou Runsoft Software Base, Baley Group Software Training Project and IMB High-Caliber Personnel Training Project. The construction of the mainframe of Nanheng Outsourcing Apartment has been completed and the apartment will soon be put into use.

**iii. Tianhe Software Park**
Located in Gaotang New Area, the main park of the outsourcing demonstration zone (Tianhe Software Park) covers an area of 12.25 square kilometers. It is designated as a technology innovation core zone, a high-end modern service
headquarters and an ecological software community. A plot of land spanning 2,931 mu (one mu equals 667 square meters) has been set aside for business solicitation and research design. The land plot for business operation covers 530 mu, the one for office buildings spans 357 mu and that for residence covers 385 mu. With a gross floor area amounting to 7.7 million square meters, Tianhe Software Park constitutes the largest software development zone in China. The land plot for business purposes covers 287 mu, while the one for research design spans 347 mu. Infrastructure facilities conducive to improving the business climate of the park are well under construction, including transformer substations, southern road networks and Gaotang Boulevard. Such key projects as the South China Base of China Mobile, the Internet Data Center of China Telecom and Guangzhou Supercomputing Center have been attracted to the park. The eastern region of the park, which centers on business incubation, complements the western region that focuses on the development of information and communication industry.

iv. Huanghuagang Science Park

Huanghuagang Science Park is divided into ten zones, namely, Huihua, Wangson, Fengwei, Yunshan-Promenade Terrace, Zhongqiao, Shuifeng, Onelink and Health Industry Park of Sun Yat-sen University. With 150,000 square meters in space, the science park features three industrial agglomeration areas, namely, an information industry park, a creative industry park and a health industry park. A total of RMB 150 million yuan has been invested in the Taihegang core area, the first-phase project of Creative Boulevard, with a focus placed on building a headquarters agglomeration area of creative enterprises, a public research and development zone and a public service zone. Integration and industrialization projects of comics creation and production system will be implemented to provide the following services to small and medium-sized enterprises: supply of generic technologies, project recommendation, product exhibition and transformation, IPR transformation and personnel training. The park is currently home to some 1,500 enterprises. A host of reputed outsourcing enterprises have established their presence in the park, including HSBC Electronics, AIA Information, Bank of America Electronics, Next-Generation Data Center, Superlink Software, Alpha Animation and Culture, Sochi Digital,
which specialize in software development, animation production, financial outsourcing and call center.

III. Development Priorities
i. To attract quality outsourcing projects. The priority is placed on the top 100 international outsourcing companies and domestic leading outsourcing enterprises. Another priority is to strengthen exchanges and cooperation with Indian counterparts and to attract outsourcing personnel training institutions from India, to facilitate communication with the outsourcing sector and to attract outsourcing enterprises from India.

ii. To further strengthen cooperation in outsourcing. Cooperation in outsourcing among Guangzhou, Hongkong and Macao should be further strengthened with a focus placed on promoting exchanges in the realm of financial back office service, customer service, call center, data processing, telecommunication service, supply chain management, research and development and personnel training. It is imperative to facilitate the building of Nansha Demonstration Zone of Hong Kong-Guangzhou-Macao Cooperation. On the basis of the strengths of Nansha Intelligence Island for Hong Kong-Guangzhou Cooperation, great importance will be attached to encouraging Hong Kong outsourcing enterprises to invest and expand in Guangzhou, which will lay the groundwork for the development of Nansha Intelligence Island.

iii. To build facilities necessary for outsourcing development. Building on the opportunities presented by the development of China-Singapore Knowledge City, tremendous importance will be attached to advance the cooperation with Singaporean outsourcing industry and knowledge industry. In accordance with the strategy of contracting the second industry while expanding the service industry, key outsourcing industrial zones will be built successively in Liwan, Haizhu, Panyu and Huangpu.
Functional Zones for the Headquarters-related Economy

With years of robust growth, Guangzhou’s headquarters-related economy is now on the fast track. In 2010, Guangzhou released The Implementation Opinions on Accelerating the Development of the Headquarters-related Economy (GZ Gov. [2010] No. 2) and The Notice on the Distribution of Supporting Documents for the Implementation Opinions on Accelerating the Development of the Headquarters-related Economy (GZ Gov. Office [2010] No. 75). Under these documents, newly established headquarters enterprises in Guangzhou are eligible for a reward of up to RMB 50 million yuan, a reward of up to RMB 5 million yuan for outstanding business contributions, and a subsidy of up to RMB 5 million yuan for the expenses of office premises. These documents also provide for greater incentives for professional personnel employed by headquarters enterprises, and stipulate that about 100 key personnel from headquarters enterprises which pay taxes of more than RMB 50 million a year into the coffers of the municipality and the district (county-level city), will be given preference in housing and healthcare services.

At the end of 2010, there were 35 Guangzhou-based foreign-invested enterprises which had been recognized as headquarters enterprises. These enterprises have invested in or have been authorized to manage more than 700 enterprises, including over 200 ones with corporate status. The presence of these enterprises has strongly consolidated Guangzhou’s position as a central city of the nation. The rapid growth of the headquarters-related economy has inspired companies ranking
among the world’s top 500 to invest in Guangzhou. In 2010, companies ranking among the world’s top 500 set up 11 enterprises with foreign direct investment and injected more funds into 22 existing investment projects, involving a total investment of US $1.245 billion. As of December 2010, 174 companies ranking among the world’s top 500 have set up 411 enterprises with a total direct foreign investment of US $17.802 billion. According to The Plan on the Development of the Headquarters-related Economy in Guangzhou (GMDRC Trade [2009] No. 12), by 2015, headquarters enterprises are expected to contribute about 25 percent of the city’s total enterprise tax revenue, and by 2020, Guangzhou is projected to emerge as the most dynamic “capital of headquarters-related economy” in the Asia-Pacific region, exerting strong stimulatory effects on the regions in and around the Pearl River Delta, commanding an significant influence on the entire country, and featuring sharp orientation towards the world.

Following years of cultivation and steering, the previous dispersive layout of Guangzhou’s headquarters-related economy has been replaced by a “center-to-periphery” development structure featuring “stimulatory effects on various zones and multi-polar enhancement; as a result, considerable spatial clustering has been gaining momentum. In the center of the city, two areas of the headquarters-related economy-“Zhujiang New Town-Yuancun-Pazhou” and “North Tianhe-West Huanshi-Dongfeng Road” -are being developed as two priority zones. They are expected to become the functional core for the city’s headquarters-related economy.

I. The “Zhujiang New Town-Yuancun-Pazhou” Area

This area comprises the Zhujiang New Town Central Business District (Financial Business District) and the two clusters of headquarters enterprises at Yuancun and Pazhou. The Zhujiang New Town Central Business District (Financial Business District) is focused on developing the economy relating to financial headquarters. Through policy guidance, efforts are intensified to attract transnational companies, domestic and overseas financial institutions, headquarters of trading firms, investment companies, and national-class corporate headquarters to the district, so that it will evolve into the managerial hub of the regional financial center. Proactive efforts will also be made to facilitate the
growth of the headquarters relating to legal, accounting, design, consulting and creative business services, build a digitized CBD, and establish a headquarters-enterprises clustering center, a resource allocation center and an international cultural exchange base with multiple functions, such as international finance, commerce, trade, foreign affairs, tourism, and sightseeing. The cluster of headquarters enterprises at Yuancun is devoted to the growth of the economy relating to the headquarters of accounting, audit, appraisal, advertising, consulting and planning service businesses and the modern commerce and trade industry; it will also set out to vigorously grow the creative cultural industries, attract the branches of transnational companies and the headquarters of leading enterprises above the provincial level, and build a waterfront cluster of business and leisure headquarters. The cluster of headquarters enterprises at Pazhou is dedicated to boosting the profile of the “Canton Fair” and tapping the stimulatory effects of Pazhou as the premier destination in China for conventions and exhibitions; it will set out to bring in the regional headquarters of transnational companies and domestic enterprises engaged in business conventions and exhibitions, and to build a headquarters cluster with integrated functions, such as large-scale conventions and exhibitions, international business, trading of the light industries, information exchange, science and technology services, sightseeing and tourism.

II. The “North Tianhe-West Huanshi-Dongfeng Road” Area
This area comprises the North Tianhe Central Business District, the East Huanshi-Dongfeng Road Central Business District, and the Liuhua headquarters cluster. The North Tianhe CBD is devoted to the growth of the economy relating to the headquarters of banking, insurance, information services and business services; It will also continue to strengthen the clustering of the South China headquarters of transnational companies and the management, settlement and marketing centers of large-scale domestic and foreign enterprises, thereby evolving into the most dynamic and vibrant cluster of the headquarters-related economy on Guangzhou’s new central axis. The East Huanshi-Dongfeng Road CBD will take advantage of the accelerating construction of the Garden City Plaza and the Creation Avenue on Central Xianlie Road to develop the economy relating
to the headquarters of commerce, trade, information services, business services, culture and media. The Liuhua headquarters cluster is dedicated to attracting the headquarters of domestic and foreign professional service providers for conventions and exhibitions, the headquarters of enterprises engaged in modern commerce and trade, and the headquarters of design centers, thereby forming a cluster of headquarters of modern exhibition and trading businesses.

In the peripheral districts, strong efforts will be made to foster and grow distinctive clusters of specialized headquarters and build multiple growth engines for the headquarters-related economy, thereby achieving “multi-polar enhancement”. (See the table for the spatial layout of Guangzhou’s headquarters-related economy)
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Districts and County-level Cities
Yuexiu District

I. Overview
In 2010, the regional GDP of Yuexiu District reached RMB 163.98 billion yuan with an increase of 10.1% over the previous year and accounting for 15.46% of the city’s total, the 2nd among all districts. The tax revenue hits RMB 29.26 billion yuan. The retail volume of social consumption goods and the sales volume of commodities amounted to 83.70 billion RMB and 435.28 billion RMB respectively. The fiscal general budget income stands at RMB 3.36 billion yuan, up by 6.0%.

II. Development Positioning
According to the space strategic new layout by Guangzhou government, greater efforts will be put in the strategic development and positioning of the conglomeration of modern service industry in the center of the Guangzhou city. 2010, Yuexiu government established the northern region as Function Promoting District of Metropolitan Core Industry characterized by green, low carbon, humanity, high-end, and creativity. Based on “three zones and one belt” industrial layout, the function promoting district is to focus on high-end knowledge technology intensive service industry and to strengthen comprehensive business services function. In terms of the southern region, Yuexiu government hoped to shape Beijing Rd. International TBD into Guangdong Culture TBD under the full use of Yuexiu’s unique charm of Guangdong culture and Millennium Business City.
III. Industrial Development and Investment Promotion Focus

Business and Trade
Efforts will be made to greatly develop retail and wholesale markets. Apart from this, by further improving the upstream of industrial chain and driving Liuhua-Mineral Circle upgrade and transformation, we will put large program in motion such as “Liuhua International Fashion Festival” and “Liuhua Exhibition Center”.

Exhibition
Fully excavating the advantage of logistics, exhibition resources, catering, high-end business market in Liuhua district, we will emphasize on the development of tour show and professional exhibition. We will endeavor to attract the world top 50 international exhibition leading enterprises to establish regional headquarters and agencies in our district. In the long term, we hope to build a regional small and medium-size exhibition gathering area characterized by the Liuhua exhibition center.

Creative Industry
In full use of the advantages of exceptional locations and rich creative resources, Yuexiu District focuses on the development of creative industry with animation&cartoon, online game, creativity with digital content and value-added web service as the breakthrough. Yuexiu District has seized the first mover advantage in the development of creative industry by the establishment of the first creative industrial park and the introduction of supporting measures for creative industry in Guangzhou, also drawing up the first creative industry development planning in Guangdong Province, setting up the first association of creative industry in south China, introducing the famous Golden Dragon Award for Original Animations and Comics produced in Chinese and make it permanently settled in Yuexiu. Creative Avenue will be built as the main focus, the largest scale and most extensive core zone for urban creative industry, high concentration of knowledge-intensive service industry as well as the model zone for industry upgrading and a new bright spot to promote the rapid development of emergent industries.

Information Service
The main focus is to develop computer, telecommunications, system integration, and software development. Gathering with a batch of leading enterprise with
independent innovation products and technical innovation ability, we try to accelerate information network infrastructure and promote the telecom network. IT industry of Yuexiu District plays an important role in Guangzhou, with the Avenue of Creation, the Huihua Sub-park of the Huanghuagang Information Park, and the Herun Sub-park of the Guangzhou Creative Industry Park being industrial cluster zones.

Service Outsourcing
Based on the construction of Huanghuagang Sci-tech Park, Yuexiu District accelerates the development of service outsourcing industry with modern information service, creative industry, healthcare & pharmaceutical industry as the three leading industries. After recent years of development, with information technology outsourcing (ITO) and business process outsourcing (BPO) as the main field, Yuexiu District has gradually formed the type of outsourcing business mainly including software development, testing and product support, logistics, financial management and data processing, call center and so on.

Logistics
Measures should be taken to carry out the Outline of Developing Plan of Guangzhou Modern Logistics Industry. It is essential to give full play to the advantages of Yuexiu as the transportation hub of southern China. It will take the Guangzhou Port Group and Guangdong Transportation Group as the leading enterprises to build up the logistics area along Yanjiang Lu area. This zone will be focused on modern logistics and management industries, and gather relevant upstream and down stream industries.

IV. Investment Focus
i. Huangshidong Intelligence Headquarter District (IHD)
Relying on the first mover advantage and unique cultural resource of Huanshidong CBD, we’ll strive to provide a comfortable environment to international businessmen, including high-standard medical service, adequate educational institution, and convenient living facilities. Focus will be put on attraction of business service, media and publication, modern international trade and international medical project.
ii. Huanghuagang Creative and Net Economic District (CNED)
Relying on the strong research strength of CAS and integrate the important resource of Creative Avenue, we’ll try to structure a Guangzhou culture creativity and technology services pilot area. Focus will be put on attraction of architectural design, information service, high technology and education services.

iii. Liuhua Fashion Brand Operating District (FBOD)
Over 100 professional large-scale and high-quality wholesale markets, such as Liuhua area, Yidelu & Haizhu plaza, Haiying area and Yongfu area, can bring advantage and build up a series of industry benchmark with worldwide influence in cloths, leather goods, cosmetics and watches if we make full use of the accumulated resource from numerous specialized markets in Yuexiu District throughout the means of promotion and reform. Focus will be put on attraction of cloths, leather goods, cosmetics of design and marketing headquarters.
Haizhu District

I. Overview
Located in the central part of Guangzhou City, Haizhu District is encircled by the sea-route of the Pearl River system. This island-type district is well-known for its rich river tributaries as well as its fine spring views. The Guangzhou new urban axis is passing right through the middle of the district and its north-eastern region has been integrated as a key component of the Grand Commercial Zone of Guangzhou. Being named as the “Guangzhou’s Southern Lung”, the ecological Massive Orchard protection area is situated at the south alongside with the Haizhu Lake Wetland Park. Being endowed with abundant science, education and cultural resources and a huge consumption market potentiality, Haizhu District is also reputed as “Millennium-old Port”. The district covers a total area of 90.45 square km with a registered population of 952,500 and resident of 1,438,000. In 2010, the GDP amounted to RMB 71.015 billion, increased by 13.6% year on year, among which 80.9% is contributed by the tertiary industry.

II. Development Positioning
Taking the opportunities of the implementation of “Outline of the Plan for Reform and Development of Pearl River Delta Region 2008-2020” and the development of Modern Service Industry, the Haizhu District will proactively speed up construction of three Key Functional Areas (Pazhou Exhibition Complex, Central Service Center of the new southern central axes, Leisure Commercial Region by the side of White Swan Bay). For this purpose, Haizhu District will exert its resource advantages in human talent, science and education, ecology to aim at
establishing a modern central urban appropriate for both residing and business. This program will establish a modern industrial system focusing on the development of a modern tertiary industry with exhibition industry, HQ economy, trade and business service, creativity industry and hi-tech industry as the supporting sectors so as to facilitate the rapid and healthy economic development in the district.

III. Industrial Development and Investment Promotion Focus

i. Commercial Convention & Exhibition Industry

Taking the opportunities of implementation of Opinions on Facilitating Guangzhou Convention and Exhibition Industry initiated by the Guangzhou government and the new round of development of the convention and exhibition industry in Pazhou region, we will spare no efforts to push forth the internationalization, brand names and professionalization of convention and exhibitions. Adequate attention shall be paid upon relevant industries and effort shall be made for the project of Pazhou Central Business Region. We will proactively attract a certain number of enterprise headquarters to enhance the strength of the economy, so as to achieve a sound industrial structure. With the leading advantage of relocation of Canton Fair in Pazhou, we will make best use of market, exhibition and other relevant resources. Leading enterprises and brand exhibition will gather in Haizhu District to make first-stage advantage into long-term growth, individual strength into integrated effect. Relying upon the local advantages in professional trade markets for textile, automobiles and hotel utilities, convention and exhibition brands embodied with local industrial features shall be established to enhance the convention and exhibition functions of the grand professional markets. Moreover, internet conventions and exhibitions integrating market development and physical exhibition activities will be piloted by the government. Meanwhile, convention and exhibition enterprises are encouraged to actively apply for relevant international qualifications, to explore ways of exhibition in overseas markets and to develop spontaneous brands so that the convention and exhibition industry can be internationalized.
Following are key enterprises and projects to be introduced:

(i) Well-known exhibitions.
(ii) Host enterprises.
(iii) Service enterprises.
(iv) Special affiliated service sectors for exhibitions.
(v) High-end commercial & trade project
(vi) Headquarters economy project

**ii. Creativity industry**

The implementation of *Measures for Supporting Software and Cartoon Industry Development in Haizhu District* and *Probation Measures for Identifying and Supporting Creativity Industry Base (Park) in Haizhu District* will be further reinforced. Taking the opportunities of Industries Upgrading and Old Town, Village, Factory Rebuilt, Haizhu District will attract creative resources such as design, comic, planning, and advertising to facilitate the construction of the creativity industry garden. Relying on demands from both exhibition and professional markets, intellectual resources from well-known high school in the Area, economic development shall be enhanced in garment design, exhibition plan and design, corporate cultural exchange & design etc.,

Key areas for promoting investment:

(i) Creative Park for Guangzhou TIT Textile Garment. This area will be grown to a grand garment creativity zone integrating garment brand and design enterprises and affiliated perfect exhibition, information, inspection and professional training and other public service platforms.

(ii) Movie and TV Cultural Creative Base in Pearl River Film Group. It will focus on the development of copyright production for movie, TV and Cartoon programs, publication of audio and visual programs, music composition, design of advertisement, integrating movie theaters and fashion cultural plaza etc.,

(iii) Taikoo and Osaka Creative Industry Park. Taikoo will be constructed as a new type of ecological park integrating administration, foods and drinks, art exhibition, sight-seeing, leisure and entertainment and other services; Osaka will be reformed to an in-house gymnasium and the affiliated buildings will be used as office building and food and coffee house.

(iv) Lianxing Cultural Creative Industry Park. It has been listed among the first
provincial cultural creativity industry parks by Guangdong government. It will focus on the construction of a theme commercial ring with cultural industry as the core and commercial, entertainment, catering and other service projects as affiliations.
Liwan District

I. Overview
Liwan District lies in the west of Guangzhou City. Covering an area of 62.4 km² and hosting 1.03 million permanent residents, Liwan District boasts of distinct Lingnan culture among urban districts in Guangzhou and sits at the heart of the Guangzhou-Foshan Metropolis. In 2010, Liwan realized RMB 61.25 billion yuan in GDP, 13.2% more than the previous year, recorded RMB 18.82 billion yuan in fixed assets investment (statistics based on project location), 27% more than the previous year, and registered 107 enterprises with a registered capital above RMB 5 million yuan each and a total registered capital of RMB 2.930 billion yuan, 64.62% and 114.53% more than the previous year.

II. Development Positioning
Liwan District will, in line with the construction of the Heart of Guangzhou-Foshan Metropolis, implement the five strategies of Culture Leadership, Commerce and Tourism Drive, Industry Transformation, Innovation Propulsion and Environment Optimization, build Central Adjustment demonstration zone, Guangzhou-Foshan integration pivot, concentration area for modern service industry and showcase of Lingnan culture, and become a cultural district, Low-C district, intelligent district and welfare district. Liwan District will save no efforts to promote the construction of the Bai’etan Economic Zone and improve the plan of the Thirteen Hongs Commercial Zone.
III. Key Industries and Projects

Liwan District will focus on the industry layout projected as Pearl River’s Leadership, Two Zones Drive and Concentration in Three Areas to create highly concentative and influential industrial areas, develop modern service industry and emerging industries and achieve leapfrog development in local economy. Liwan District will further explore business resources to develop high-grade service industries, concentrate industrial sectors to boost emerging industries, promote informatization and upgrading in industrial development, and develop cultural industry to enhance cultural creativity.

i. Develop Modern Service Industry on Priority

(i) Development of Headquarters Economy

On the basis of the advantageous ecological environment of the Bai’etan Economic Zone along the Pearl River, Liwan District will create a high-grade modern service industry zone, build high-quality office properties for medicine, cultural, creative, commercial and trading enterprises to establish their regional headquarters, R&D headquarters and marketing headquarters, and concentrate headquarters economy in Bai’etan Economic Zone, Kangwang Road and Zhongshan 7/8 Road.

(ii) Optimization of Traditional Commercial Industry

Liwan District will upgrade wholesale markets to suit the target of building an International Business Center, transform traditional commercial and trading industry while improving urban environment and developing local tourism, and build a modern showcase and transaction center that features Fortune World Plaza, Metropolitan Plaza and World Trade Clothing Market.

(iii) Development of Local Xiguan Tourism

Liwan District will brush up the cultural brand of Xiguan Tourism, complete the tourist consumption industry chain, construct the Five-Zone and One-Street cultural and commercial area where the Litchi Bay Creek is located, promote the local cultural and tourist resources, plan greenway, water villages, Pearl River leisure trip, Litchi Bay culture trip, Xiguan food trip and other special tour routes, and build well organized food quarters and souvenir street to carry forward the Xiguan food culture.

(iv) Construction of Waterfront Creative Industry Belt
On the basis of Julong Village, Xinyi International Club, 1850 Creative Park and 922 Honsa Creative Park, Liwan District will renovate and convert old workshops and warehouses along the Pearl River into creative industry parks to introduce low energy consumption, low pollution and high yield modern service industries and create in Guangzhou a creative district of distinct features.

**ii. Encourage Industry Concentration and Develop Emerging Industries**

Liwan District will take advantage of the construction of China Tobacco Guangzhou Facilities to develop the tobacco industry; promote Dongsha Modern Industry Base and other industry parks to concentrate high-grade industries; continue with the construction of Guangdong Optoelectronic Industry Base, China FPD Plaza and Guangdong Xilang CNC Equipment Base, exert the demonstrative role of Guangdong Plastics Exchange to upgrade production service center to informatized transaction platform for purchase and wholesale, online transaction and electronic business, and strengthen biomedicine and information industry to foster new growth poles.

**IV. Investment Promotion Activities in 2011**

i. 2011 Guangzhou Liwan Spring Investment Opportunity Fair- “New Liwan, New Opportunity” Spring Investment Opportunity Fair in Hong Kong, which also includes:

( i ) Bai’etan Economic Zone Promotion Symposium

(ii) Guangzhou Liwan Creative Industry Belt Promotion Symposium

(iii) Guangzhou Liwan Cultural Tourism Promotion Symposium

ii. Guangdong Plastics Exchange promotion activities to introduce R&D and marketing enterprise headquarters

iii. Assist Zhanxi Shoes Market to promote regional brand as well as Liwan’s investment climate and brands

iv. Guangzhou World Trade Clothing Market Promotion Fair

v. Participate in Guangdong and Guangzhou’s investment promotion activities
Tianhe District

I. Overview

Tianhe District, located in the geographical center of Guangzhou, covers 137.4 square kilometers and has a permanent resident population of 1.18 million. The district enjoys a developed transportation network, improved hardware, agreeable business atmosphere and high concentration of high-end talent. It is one of the rare urban centers with a central business district (CBD) and an intelligent business district (IBD).

The successful holding of the 16th Asian Games in Tianhe District significantly improved Guangzhou’s reputation and influence internationally. Tianhe has increasingly become the economic pillar, financial center, core of headquarters, the priority choice of foreign investment, and the city of trading of the national central city. In 2010, Tianhe’s GDP reached 183 billion yuan, up 13% YoY; the added value of the tertiary industry accounted for 85% of the GDP; the total retail sales of consumer goods reached 84 billion yuan, an increase of 19.8%; the contractual foreign investment was US $794 million, an increase of 2.3 times.

II. Development Positioning

In accordance with Guangzhou’s strategic target of developing the city into a national central city and comprehensive portal city, Tianhe District focuses on building the dual-core layout with CBD and IBD as the strategic engines so as to take a lead in building a modern service system and a demonstration area of intelligent Guangzhou, low-carbon Guangzhou and happiness-pursuing Guangzhou with the headquarters economy as the leading force, the financial and business
service sector, emerging intelligent sector, trade and tourist service sector as the dominant forces.

III. Industrial Development Orientation and Investment Promotion Highlights

i. Headquarters Economy
Continue to give rein to the driving effect of the headquarters economy in northern Tianhe District, speed up the building of the financial headquarters base of Zhujiang New Town - Yuancun, foster a batch of new Class-A business office buildings as the headquarters economy demonstration base, improve the spatial layout of the headquarters economy base, and actively attract Fortune 500 corporations and China’s top 500 enterprises, multinational corporations and central enterprises to settle in Tianhe CBD.

ii. Financial Service Sector
Earnestly carry out various preferential policies on developing the financial service industry of Guangdong, Guangzhou and Tianhe, accelerate the building of Yuancun financial business district. Try to attract the financial regulatory departments to settle in Zhujiang New Town-Yuancun financial business district, introduce more domestic and overseas financial and insurance enterprises to set up headquarters and provide backstage services in Tianhe District.

iii. Business Service Sector
Build up a “regulated, network-based, easy and international” business service system, vigorously support accounting, law, audit and human resource services, marketing study and scheming, management consulting, evaluation and certification services, encourage the development of agency, brokerage, auction and other commodity market intermediary services. Introduce and foster a batch of business service brands, actively introduce world’s Top 100 law firms, 4A advertisement companies, world famous audit institutions, world’s Top 25 market investigation companies and other leading enterprises of the sector.

iv. Information Technology Sector
Relying on the national software industrial base and the Internet industrial park, Cloud Service Industrial Park and other special industrial parks, accelerate the introduction of giga-supercomputer into the district. Vigorously develop the high-
end electronic and information industry, boost the digital home industry integrating 4C (computer, communications, consumer electronics and content). Speed up the building of the intelligent city and e-commerce, the Internet of things and integration of the information technology application and the service industry.

v. Cultural and Creative Sector
Give play to the advantage of the intelligent resources of universities and research institutes, enhance the creative design and incubation and constantly stimulate the cultural and creative industry. Give priority to the online games and animation, advertisement and media, film and TV production, brand scheming and the relevant fields relying on the national online games and animation base, Guangdong digital publication base and Guangzhou North Bank Cultural Harbor, so as to boost the aggregation and development of the cultural and creative industry.

vi. Technical Service Sector
Further give play to universities and research institutes in Wushan, speed up development of Wushan industrial base of technical services. Forge a public information platform for the technical service institutions and form a relatively improved regional information sharing and exchange system.

vii. Business Services Sector
Actively build “the No. 1 Business Circle of South China”, introduce a batch of large business and trade company group headquarters and regional headquarters, form a cluster of business brands and high-end consumption center serving the whole country and connecting the domestic and overseas markets. Encourage the development of the new business types of chain operations and e-commerce and other new business forms and constantly enhance the business mode innovation. Actively enlarge the market influence of IT, household furnishing, clothes, automobile and other professional products, formulate and release Shipai IT product price index and form Guangzhou Price of IT products.

viii. Urban Tourism Sector
Meticulously design exclusive travel products to the new city central axis, Asian Games venues, and Guangzhou ecological parks and extensively explore the business tourist products, food tour products and other special themes to actively forge the urban tourist brand of Tianhe.
Baiyun District

I. Overview
Baiyun District has a total area of 795.79 square km. In the north of the District lies the largest airport in Asia - Guangzhou New Baiyun International Airport and in south, China’s largest railway marshalling station. Guangzhou Railway Station and the Provincial Bus Station are near the south of the District. In 2010, it achieved a GDP of 93.036 billion RMB yuan, up by 13 percent. The general financial budget income hit 3.32 billion RMB yuan, up by 12.5 percent. The total industrial output value was 68.938 billion RMB yuan and the product sales volume 58.047 billion RMB yuan, up by 8.1 and 21.4 percent respectively. The total economic output and economic growth ranked among the top of the city.

II. Development Positioning
Development Orientation is as follows: an innovation style district with vigor condensed by ecology and airport; a composition of Guangzhou urban area, sub-center of municipal level, an urban ecological function area; an important transportation hub of Asia-Pacific Region; an airport-related industrial base and modern tertiary base.

III. Industrial Development and Investment Promotion Focus
i. Airport-Related Industry
On the basis of the airport-related eco-economic development, Baiyun District will establish an airport-related industrial zone, with focus on promoting Guangzhou
Baiyun Airport Comprehensive Free Trade Zone, advanced manufacturing area of the East of Airport and Zhongluotan Area, supporting business services area of Baiyun International Airport, Airport Logistics Park, FedEx supporting Industrial District, Guangzhou electrical industry cluster areas, the new energy industrial base and the large central kitchen core business area etc. In this zone, enterprises of commercial, travel, logistics, manufacturing, export processing, exhibition, information intermediary are going to be set up. Meanwhile enterprises of bonded processing, bonded trade, bonded logistics and service will be introduced.

**Investment Promotion Focus:** China Southern Airlines City, Hainan Airlines Guangzhou Base, Guangzhou Baiyun Airport Comprehensive Bonded Zone (South Zone), Baiyun International Airport supporting business services area, Private Science and Technology Park in Guangzhou - Guangzhou 863 Industrialization Promotion Center.

**ii. Modern Logistics Industry**

Baiyun District possesses the advantage of developing airport and integrated logistics zones, large-scale wholesale markets and logistics bases. Logistics industry is programmed to be “Two Circles and Three Zones”. Led by integrated logistics circle, the airport driven logistics circle, airport logistics industry zone, the surrounding area is supposed to be shaped into a multimodal transport logistics industry circle, to take the initiative radiation of Baiyun Airport and Federal Express Asia-Pacific Transshipment Center. Measures will be given to the leading role of the third-party logistics firms such as UPS, TNT, ZJS, Tianjin Daejeon, Jointown pharmaceutical logistics. Airport Free Trade Zone has been approved, and the surrounding roads and other infrastructure construction have started. The urban function design of Guangdong, Hong Kong and Macau (Taiwan) distribution services cooperative experimental zone has been completed.

**Investment Promotion Focus:** Guangdong, Hong Kong and Macau (Taiwan) distribution services cooperative experimental zone, Guangzhou Baiyun Airport Comprehensive Bonded Zone (South Zone), Baiyun Mondern Logistic Industry Cluster Zone.

**iii. Bio-Pharmaceutical Industry**

Baiyun District belongs to Guangzhou biology industrial base expansion area. In
the park, there are 96 biopharmaceutical manufacturing enterprises, including WangLaoji Pharmaceutical, Hutchison Whampoa, Baiyunshan Pharmaceutical etc; 38 relevant scientific research institutions, i.e. Southern Medical University, Guangzhou University of Traditional Chinese Medicine, Guangdong Medicine Research Institute and Guangzhou Regeneration Resources Institute etc. As a gateway to the Pearl River Delta, Baiyun District has a good ecological and airport advantage to be a bridgehead for the pharmaceutical industry leaders to enter the South China market.

**Investment Promotion Focus:** Guangzhou Bio-pharmaceutical Industrial Base, Guangzhou International Health-related Industry City

**iv. Modern Service Industry**

With Baiyun New Town as a core, a world’s high-end business center will be built, with focus on the development of modern service industries such as commerce, finance and business offices. By making comprehensive utilization of Guangzhou Gymnasium, Baiyun International Conference Center, Guangdong Audio-visual City and International Audio-video Expo Exhibition Hall, Baiyun District will promote the convention and exhibition industry so to create the clustering effect of convention and exhibition industry.

**Investment Promotion Focus:** Baiyun New Town, Baiyun Wanda Plaza, Central Hotel, Jiahehui Commercial Center, Creative Industry Gathering Zone in Baiyun District and South Lake Ecological Airport-related Economic Headquarters project.

**v. Hi-tech Industries**

With the advantage of Baiyun Airport, Baiyun district mainly develops the aviation electronic software and hardware system, establishes airport electronic scientific industry cluster area, speeds up the construction of south modern logistic public information exchange center, and promotes the development of software and information service, and the research and application of Internet of Things.

**Investment Promotion Focus:** the Innovation Base of Guangzhou Private Scientific Enterprises, energy conservation and new energy industry base, Science and Technology Park of Sun Yat-Sen University, Science and Technology Park of South China University of Technology, No. 863 Industrialization Promotion Center
in Private Scientific Park.

vi. Fine Chemicals
Baiyun District is an important manufacturing base for cosmetics as well as a
distribution center for raw materials and finished products nationwide. A complete
industrial chain for cosmetics has been set up. The total number of cosmetics
enterprises accounts for 70 percent of that in Guangzhou with famous enterprises
like Guangzhou Bawang Limited Corporation, Guangzhou Caisy Cosmetics Limited
Corporation and Guangzhou Houdy Cosmetics Limited Corporation etc. The
district has more than 2000 cosmetics enterprises and two mega wholesales
cosmetics markets, which is Yifa Plaza and Xingfa Plaza. As a famous production
and processing base among the cosmetics industries nationwide, Baiyun District is
established as the testing area by the National Cosmetics Quality Management
Association concerning “the safety guarantee system of cosmetics quality”. The
National Cosmetics Quality Management Association and Guangdong Standard and
Investigation Center for Cosmetics have both entered Baiyun District, which has
brought in the safety guarantee system of cosmetics quality for professional trading
market of cosmetics.

Investment Promotion Focus: Bawang Chinese Medicinal Herb Personal Care
Chemical Products Industrial Park, Fine Chemical Industrial Park of Private
Scientific Park

vii Urban Agriculture
The transformation from traditional agriculture to modern urban agriculture will be
promoted. Special attention will be focused on helping and directing enterprises
and farmers to develop species with distinctive local characteristics, fish species
with good quality and rare aquatic species, and at the same time exploring other
functions of agricultures such as leisure, sightseeing, entertainment, as well as
developing the “Nongjiale” projects in Maofeng Mountain and Baiyun Mountain.
The aim is to develop tourism and entertainment industries to establish a central
leisure area.

Investment Promotion Focus: the Large Central Kitchen Core Business Area,
“Nongjiale” projects of Toubei Village in Maofeng Mountain
Huangpu District

I. Overview
Located in east Guangzhou and at the convergence of Pearl River and the estuary of Dongjiang River, Huangpu is an important traffic hub of the Pearl River Delta, which is 120 km away from Shenzhen, 65 nautical miles apart from Hong Kong, and 40 km from Baiyun International Airport. Guangzhou Port, the biggest one in South China, also situates here. As the center of the advanced manufacturing industry as well as high- and new-tech industrial zone in east Guangzhou, Huangpu District, offering the complete industrial supporting system, is the major supply base of energy and power in Guangdong Province, where Guangzhou's pillar industries like automobile and petrochemical industries develop as well. It covers 90.95 km² with a population of 400,000 permanent residents. In 2010, its total output value and gross industrial output value above designated size amounted to RMB 56 billion yuan and RMB 165.2 billion yuan respectively, an increase of 10.1% and 10.5% respectively over the previous year.

II. Development Positioning
At the beginning of the Twelfth Five-Year Plan, Huangpu District will insist on the subject of scientific development, the main line of accelerating the transformation of the economic development pattern and give full play to the positive effects of post-Asian-Games.
III. Industrial Development Orientation & Investment Promotion Priorities

i. Prioritize the development of modern service industry. We will give priority to the development of modern service industry as the strategic importance for industrial structure optimization and upgrading, comprehensively improve the development level, and practically strengthen the promotion of regional economic growth.

ii. Optimize the development of advanced manufacturing industry. We are dedicated to promoting the traditional advantageous industries to develop in a high-end, clustering, intensive and ecological way, with base on Huangpu's features and advantages that its existing pillar industries are consistent with the development orientation of Guangzhou's three major pillar industries.

iii. Cultivate and develop the emerging industries of strategic importance. We will stick to integration of overall development with key breakthrough, research and formulation of development planning for emerging industries of strategic importance, increase of investment and policy support for the industries, thus cultivate them into the leading and pillar enterprises for regional economy.

iv. Implement the main functional area strategy. Based on the current and thinking long term, we will implement the main functional area strategy by fully displaying the leading function of planning in promoting the urban area development pattern transformation.

v. Key Investment Areas and Projects

(i) Guangzhou (Huangpu) Port-front Business District
Guangzhou (Huangpu) Port-front Business District is one of the six major modern service industry functional areas of Guangzhou, starting from Guanyuan Expressway (East) in the north, to the east 2nd Ring Expressway in the east, to the Huangpu district boundaries in the south and west, with a total area of 45.92 square kilometers, and the urban design has already been completed.

(ii) Guangzhou Riverside New Town
It covers a total area of 28.18 square kilometers, plans to be built into a riverside ecological demonstration new town in Guangzhou focusing on modern city integrated services.
(iii) **Changzhou Island Cultural Tourism Cluster Area**
Changzhou Island is an eco-pearl on the Pearl River, with an area of 11.5 square kilometers, rich in tourist resources, having many historic and scenic attractions such as the site of the Whampoa Military Academy, with well preserved fruit trees, fish ponds, fresh air, and honest people.
Dazhouwei Yacht Club and resort hotel project is located in eastern Changzhou Island Shenjing community, neighboring Guangzhou University City across a strip of water. The land area is about 450 mu (about 300 thousand square meters), with the nature of planning of the C2 (commercial and financial land).
**Changjing Resort Hotel project** is located in Jinzhou Road of Changzhou Island, covering about 50 mu, with a total floor area (including underground space) of about 38,000 square meters.
**Changzhou Shenjing Enterprises Club project** is located in Jinzhou Road South of Changzhou Island, with an area of 64 mu, total construction area of 88,045 square meters, nature of planning for the E62 (land for the village economic development), mainly the land returned from the university town and Xinzhou-Hualong expressway acquisition Land.

(iv) **Petrochemical And Fine Chemical Industry Base**
Huanpu petrochemical and fine chemical industry base is located in the north of Sinopec Guangzhou, with a total land area of about 700 hectares, of which Sinopec Guangzhou petrochemical complex and refining zone area is about 365 hectares.

(v) **National Online Game and Animation Industry Base Huangpu Park**
The park formally launched in October 2005, with Guangzhou International Toys and Gifts City, Asia Steel Building, Guangzhou Maritime College and the cultural and creative center as the main carriers, the second three-dimensional animation technology and software technology as the leading industries.

(vi) **Guangzhou Yunpu Industrial Park, Huangpu Section**
It covers a total planned area of 460 hectares, and has completed the “six supplies and one leveling”.

(vii) **Strategic Base For Emerging Industries**
The strategic base for emerging industries is located between North Fengle Road and Shihua Road, north of green belt of Guanyuan Expressway, with the total
land area of about 771,000 square meters land.

(viii) **Huangpu China (International) Mechanical City**  
The project is located on sides of the development’s Road, south of Guangyuan East Expressway, north of Guangzhou-Shenzhen Road, east of Guangzhou-Shenzhen rail line, with a planned land area of 1534 acres.

(ix) **Cultural and Creative Center Of Huangpu District**  
The center is located in south of Hulin Road, covering about 80,000 square meters, plans to build facilities such as libraries, cultural arts centers, science museums (Science and Technology Center for Creative Experience), archives, youth amusement center, exhibition hall and conference reception center.

(x) **Huangpu Sports And Culture Center**  
The project is located in downtown Huangpu Dasha with an area of 14750 square meters, close to the district government, with subway line 5 Dasha east station exit set up within the area.

(xi) **Commercial Projects for the Reconstruction of the Village-in-city**  
Currently there are two mature commercial projects for the reconstruction of the village-in-city in Huangpu, i.e. village-in-city reconstruction project of Hengsha and Wenchong community.

(xii) **Guangzhou Chemical Business Park**  
Guangzhou Chemical Business Park project is located in the first section of Miaotou, Huangpu East Road, the former Huangpu Dongfeng Chemical Plant and Dongfeng Chemical Plant subordinated to Guangzhou Chemicals Group. It plans to introduce the commercial real estate developers with strong strength to construct and operate such project.
Huadu District

I. Overview
In 2010, Huadu realized a GDP of RMB 66.023 billion yuan, with a growth of 15.5% and a Gross Industrial Output Value RMB 157.76 billion yuan, grown 24.5% compared to the same term last year.

II. Development Positioning
Focusing on the goal of ‘making a strong economy district, building a garden city, and constructing a harmonious Huadu’, efforts have been focused on developing its economy of industrialization and urbanization, optimization of the industries, towns and environment. Four strategies will be implemented; industry cluster, international companies leading economy, revitalizing the district through science and education and harmonious development. Moreover, five major tasks need to be completed, which are: automobile leading economy, developing airport-related economy, cluster developing, system innovation and forming harmonious society, emphasize on creating a modernized sub metropolis of Guangzhou.

III. Industrial Development and Investment Promotion Focus
Huadu had formed six major pillar industries, with two economic development ‘engines’ which are auto industry and airport economic, two new industries which are locomotive and LED production, along with two conventional industry clusters of leather and jewelry. The Huadu (International) Auto City was approved to be the ‘Guangdong Provincial Auto Industry Base’, ‘State Torch
Plan - Guangzhou Huadu Auto and Components Industry Base’, the first group of provincial ‘Guangdong Industry Cluster Upgrading Demonstration Zone’, ‘China Auto Components Industry Base’. Huadu Shiling was awarded ‘Capital of China’s Leather Products’ by China Light Industry Union and China Leather Industry Union, and also approved to be the second group of ‘Guangdong Industry Cluster Upgrading Demonstration Zone’.

i. Automobile and Components Industries
Huadu district will support the Dongfeng-Nissan Passenger Vehicle Co. Ltd Production Expansion Project, and integrate companies in its upstream and downstream businesses, thus promoting investments from enterprises in various levels and extend automobile chain. Other efforts will be taken to accelerate the construction of the second and third phase of the Huadu Auto City. The investment promotion focus is in the area of automobile design, automobile trading, automobile finance, and automobile culture and automobile sports ect. Huadu government encourages the development of automobile parts companies in industrial specialty and high technology. By 2010, the overall layout to automobile industry will be basically completed; with annual automobile production over 500 thousand and annual general automobile industry output over RMB 100 billion yuan. The Gross Industrial Output for Huadu Auto Industrial Base had surpassed RMB 100 billion, taxation 10 billion, the Auto City will strive to achieve a doubled figure within 5 years and tripled in 10 years time, becoming the most influential and most competitive auto zone. At the same time, great efforts had been made to attract the projects of Nissan electric car project and Renault as well as other European and American series of auto assembly plant to form a compatible automobile manufacturing base.

ii. Airport-related Industry
By utilizing the benefits of the airport, the development policy of “promoting logistics on the base of Airport, promoting industries on the base of logistics, to make a win-win solution for the airport and Huadu District” has been carried out. Based on the plan of integrating “Five Clusters”, including Airport High-tech Industrial Zone, Airport Commercial Zone, FedEx Supporting Industry Park, Guangzhou International Logistic Park and Sports, Living & Leisure Facilities Zone, Huadu aimed at building northern Guangzhou as aviation city in accordance
with the guideline of Guangzhou Aviation Economy Development Plan. By setting up airport-based concept, Government of Huadu will continue to strengthen all plans of aviation economic development and actively strive for the support to build up a world-class aviation city.

The Guangzhou Baiyun Airport Comprehensive Free Trade Zone had been approved by the National Affairs Authority. The zone covers 7.385 km². The central and northern free trade zones are located in Huadu, they are key areas for free trade services, which include customs, tax free processing, logistics, International trade, conference and exhibitions, financial services, research and development as well as other services multiple functional zone. The emphasis will be on areologistics, conference and exhibitions, electronic information etc that can be clustered around the airport.

iii. Locomotive Industry

The CRH (China Railway High-speed) Guangzhou Manufacturing and Maintenance Base is a key project of State Railwork Department and Guangdong Province. It is one of the five CRH locomotive maintenance bases newly built in China that can manufacture the high power locomotives. With the CRH maintenance technique and innovation, products such as equipments, electronics, steel, chemicals and cables need to be complied with. The estimated productivity can generate 3 billion in the first year of production according to the designed scale.

iv. LED Industry

Guangzhou (Huadu) Photo electronic Industry Base will rely on Guangzhou Baiyun International Airport, forming a brand new industrial development center. The planned size of the base is 15 km², with a focus on e-business, LED upstream accessories, chip research and manufacture, mid-stream packaging and downstream application, as well as green materials and bio-pharmaceuticals, forming a scale and cutting edge green industrial zone with prominent industrial features, innovative and filled with talents. With 3-5 years development, Huadu will strive to create the largest semi-conductor LED research and development, manufacturing center, and strive to upgrade to ‘State Semi-Conductor Lighting Industry Base’.
v. **Leather Industry**
Named as the “Chinese Capital of Leather Products” and “Central Leather Town”, the industrial zone for leather products in the District will further support and cultivate the large-scale leather product enterprises and famous brands. Endeavors will be made to build such center to be the Leather Product Manufacturing, Design and R&D, Information Exchange, Quality Certification, Trade and Logistics and Headquarter for Innovation and Branding. The Leather product industry will be promoted in the direction of standardization, branding and high yield, so as to strengthen the influence and competitiveness of Huadu’s leather and leather product industry.

vi. **Jewelry Industry**
The present jewelry processing zone in the Huadu district will be perfected and the cluster development of the jewelry industry will be encouraged. The International Exhibition and Trade Center for Huadu’s Jewelry, the Jewelry School, Jewelry Tourism and the Jewelry Theme Park will all be built to create a jewelry processing center, trade center and cultural center in the hope of making the brand of “Capital of Chinese Jewelry” known worldwide, thus making Huadu into the capital of jewelry with highly clustered industry and the perfect service environment.
Panyu District

I. Overview
Located in southeast of Guangzhou, Panyu District is an important transport hub linking east and west banks of the Pearl River Delta and connecting Guangzhou, Shenzhen and Zhuhai, covering a total area of 786.15 km² and with a household population of 989,200.

Guangdong Province and Guangzhou have been building large scale urban infrastructure and supporting service facilities in Panyu District, such as Guangzhou University City, Guangzhou South Railway Station, Guangzhou New City and 2010° Asian Games Village. In recent years, Panyu District Government has been trying hard to build a new south equipment Industry base with an area of 50 km² and a northeast high-tech Industry base with an area of 30 km², focusing on “flagship” projects such as CSSC Marine Diesel Engine Manufacture and Marine Supporting Project, Guangzhou Automobile Own-Brand Car Project, Bio-Industry Base Panyu Park, Tsinghua Science Park Guangzhou Innovation Base, Guangri Elevator Industry Park, Guangzhou Panyu Park of National Network Games and Animation Industry Base, National Digital Home Application and Demonstration Industry Base, which have effectively promoted our economic development. In 2010, the GDP of Panyu District was 105 billion Yuan, increasing by 15.5% over the previous year.

II. Development Orientation
In order to build new modern urban area of Guangzhou and based on technical innovation, Panyu District accelerates the formation of a modern industry system
composed of modern service industry, advanced manufacturing industry and emerging strategic industries.

III. Focus of Industrial Development

i. Industries of motor vehicles and parts, ships and supporting facilities, digital home and digital TV, bio-medicine, animation and games, lighting and audio, CNC machine tools, transmission, distribution and substation, and jewelry;

ii. Modern service industries of exhibition and trade, finance and venture capital investment, headquarters economy, creative R&D and design, service outsourcing, education and scientific research;

iii. Strategic new industries like new generation of information technology (Internet of Things), new energy and energy-saving.

IV. Major Investment Promotion Areas

We shall energetically construct 7 major areas including Guangzhou University City, Guangzhou New City, Panyu New City, Guangzhou South Railway Station Area, Guangzhou Major Equipment Manufacturing Base (Dagang), Panyu Modern Industry Base and Guangzhou International Commodity Exhibition & Trade City, and develop high-level service center covering business, economy and trade, tourism, convention and exhibition, information, education and culture.

**Guangzhou University City**; With a planned area of 43.3 km², it is a national first-class university park and Guangzhou’s future “Information Port” and “Intellectual Center” of South China. There is a national digital home application and demonstration industry base, consisting of digital home R&D Park, digital home business park and digital home manufacturing park. It will carry out trade standards formulation, research and development of core technology, key generic technology and major products of the digital home industry, focusing on introduction of embedded basic application software, integrated circuits, intelligent gateway, home storage, 3G mobile communications equipment, audio-video equipment, integral digital TV machine and its peripheral equipment, so as to promote a rapid development of the flat panel display, digital appliances, digital security and prevention facilities and e-commerce industries.
Guangzhou South Railway Station Area: with a planned area of 36 km² it will be built into an integrated passenger transport hub in South China, forming a corporate headquarters base and a modern service gathering area in the Pearl River Delta and in Hong Kong and Macao region as well. It will be divided into 7 functional areas including Guangzhou South Railway core business district, west business office area and east living area, etc. It will focus on development of modern commerce and trade industry, finance and insurance industry, headquarters economy, information service industry, cultural and creative industries.

Panyu New City: It covers an area of 80 km². The overall development orientation is “headquarter economy CBD + business district + leisure resort area + transport center + modern residential area”, building a modern service development area covering commerce and trade, tourism, convention and exhibition, and building “Pearl River Delta 1-hour Living Area” and Guangzhou-Foshan metropolitan core.

Guangzhou Major Equipment Manufacturing Base (Dagang): The preliminarily planned area is 50 km², mainly devoted to large equipment manufacturing industry and its supporting industries. It will be a modern industrial cluster area centralized in manufacture, R&D and design and services. It will mainly develop seven key functional areas, including marine supporting equipments and marine engineering equipment functional area, whole and complete sets of equipments functional area, transport vehicle parts function area, modern manufacturing service functional area, specialized production center functional area, R&D and design functional area and “reduce the secondary industry and develop the tertiary industry” undertaking functional area.

Panyu Modern Industry Base: It covers an area of about 30 km². It will be built into an own-brand automobile R&D and production base, biomedical R&D production base, national digital home application and demonstration industry base, electronic information service base, and industry design and modern logistics service center. It will focus on introduction of motor vehicles and spare parts R&D and production, biomedical R&D and production, digital home manufacture, electronic information services, industry design and logistics industry.
Guangzhou International Commodity Exhibition & Trade City: It covers an area of 3.2 million square meters. The total construction area is about 5.76 million square meters and total investment is 15 billion Yuan. It will become the largest center for import and export, R&D and exhibition worldwide. It is mainly composed of 5 functional areas consisting of large-scale trade exhibition, logistics and warehousing (bonded), financial information, business hotel and life support. Meanwhile, a super large complex professional market, including delicious foods, entertainment, community services and passenger transport central facilities, will be available.

Guangzhou Panyu Park of National Network Games and Animation Industry Base: It mainly includes Guangzhou Xingli Animation and Games Industry Park and Guangzhou Huachuang Animation and Cartoon Industry Park.

● Guangzhou Xingli Animation and Games Industry Park
The total investment is about 600 million Yuan. The first 3 phases cover an area of about 160 mu, with a building size of about 100,000 m², which has been completed and put into operation. There are more than 150 animation and games companies operating in the park, thus forming a products trading platform with a fairly strong influence among the animation, cartoon and games enterprises nationwide.

● Guangzhou Huachuang Animation and Cartoon Industry Park
The total planned area is about 1,000 mu and 408 mu is developed for the first phase, with a planned construction area of 400,000 m². Now, construction of 210,000 m² was completed and there are more than 30 animation and games enterprises operating inside the park. There is an animation and games enterprise R&D incubator base. It is divided into international animation and cartoon area; animation and cartoon show area, technologic R&D area and living supporting area.
Nansha Development Zone (Nansha District)

Gangzhou Nansha Development Zone (NDZ) is located in the south-east section of Gangzhou, on the west coast of the Ling-Ding Sea. It covers a total area of 528 km² for planning, and it is Gangzhou’s only estuary to the sea. The Nansha Water-way is only 38 nautical miles to Hong Kong, and 41 nautical miles to Macao. NDZ is right at the geographical centre of the Pearl River Delta, where the most economically prosperous city group of China lies within a radius of 100 km.

Nansha District includes a state-level economic and technological development zone, high-tech development zones, bonded port area and other functional areas and enjoys a municipal approval authority. It is also a part of Gangzhou Demonstration Zone, one of China’s outsourcing base cities, and a sub-base of National Automotive and Parts Export Base. Nansha is appointed by the Outline of the Plan for the Reform and Development of the Pearl River Delta and the Hong Kong/Guangdong Cooperation framework agreement as the key development area and it is the only pilot and comprehensive demonstration zone for CEPA in Guangdong Province. Nansha has set up 3 modern industry systems: modern service industry, harbor-related advanced manufacturing industry and hi-tech industry. It has formed 6 industrial bases: automobile, iron & steel, shipbuilding, machinery and equipment, high-tech and port logistics. Currently, the world’s top 500 enterprises have invested 48 projects in Nansha and 14 central state-own enterprises have invested 27 projects in Nansha. Gangzhou is the culture and technology centre of southern China. Gangzhou has 39 institutes of higher learning, over 200 vocational & technical schools and over 400 technology
research organizations. Guangzhou University Mega Center is only 10 km to the north of Nansha, with 10 colleges & universities enrolled. Approximately 40 thousand students graduate from those schools each year, providing an adequate HR support for the development of Guangzhou and Nansha. In the future, Nansha will focus on high-end port development, the regional development Integration and city functions internationalization and speed up the completion of port logistics hub in Asia, South China Harbor Advanced Manufacturing base, Guangzhou Nansha pilot and comprehensive demonstration zone for CEPA, the Pilot Zone for Smart Guangzhou and the New International Ecological Coastal City.

**Industrial Development and Investment Promotion Focus:**

**Guangzhou Nansha Pilot and Comprehensive Demonstration Zone For CEPA**

Deepen cooperation in urban planning, construction and management, professional services, technological innovation and R & D, education and training, leisure & tourism, health services, logistics, cultural creativity and film & TV production.

**Smart Island**

Develop Smart Island infrastructure, technology innovation center, cloud computing center, smart industrial park, smart port, smart enterprises headquarter, smart community, smart products trading center, high-level institutions and smart administrative center.

**Low Carbon City**

Develop green ecological community, green traffic, distributed energy stations, electric cars, LED industry and low-carbon tech R&D.

**Nansha High-end Healthcare City**

Develop disease prevention and control center, neurological disease prevention and control center, reproductive medical center, plastic medical center, Facial Ward (ophthalmic) center and set up diagnosis and inspection equipment.

**Nansha Outsourcing Demonstration Zone**

Develop Information Technology Outsourcing (ITO) ( software R&D, IT R&D, information system maintenance ), Knowledge Process Outsourcing ( KPO ), Business Process Outsourcing ( BPO ).
**Nansha Cultural and Creative Industry Base**

It will be build into an international new generation of professional animation industrial park, film location and theme park, 3D post-production industrial park, movies education industrial parks, movies and cultural leisure resort, film exhibition Expo Center and film tourism industry.

**Nansha High-tech Industrial Development Zone**

Taking the advantages of the incubator function of Nansha IT Park and Nansha Science& Technology Innovation Center, Nansha will build the Development Zone with great industrial agglomeration effects to create Smart Nansha.

**Guangzhou Nansha Bonded Port (GNBP)**

It will be built into a bonded logistics base connecting Guangdong/HK/Macao and influencing Pan-Pearl River Delta and Southeast Asia. Businesses include: international transfer, foreign trade, international procurement, distribution and delivery, testing and maintenance service, merchandise display, processing, leasing, and offshore trade offshore finance, etc.

**Nansha Nuclear Power Equipment Industrial Park**

Develop nuclear island steam supply system, conventional island main equipments and Nuclear Power supporting equipments.

**Nansha Electronic information Industry Park**

Develop liquid crystal display (LCD), semiconductor photoelectric technology, integrated circuits, internet of things, sensor manufacturing, intelligent product manufacturing and focusing on the high-end R&D and design.

**Nansha Fine Chemical Industrial Base**

Guangzhou Development District
( Luogang District )

I. Overview

Guangzhou Development District (GDD for short), established in 1984, is one of the first of state-level economic and technological development districts. GDD, covering a total planned area of 78.92 square kilometers approved by the State Council, applies a new “four-zone-in-one” administration system (GETDD, GHIDZ, GFTZ and GEPZ). In April 2005, Luogang District, also approved by the State Council, and based on present GDD and rural areas around, was established, covering an area of 393.22 square kilometers. Currently, GDD is actively developing and building Guangzhou Science City, Sino-Singapore Guangzhou Knowledge City and Guangzhou International Biological Island, focusing on the development of advanced manufacturing, modern service industry and cultivation of strategic emerging industries.

Today, GDD has attracted enterprises from more than 60 countries and regions worldwide with over 2,500 foreign-invested projects, including 105 from Fortune 500 corporations and forming six pillar industries, i.e., IT, automobiles, metal refining, biopharmaceutical, fine chemicals, food & beverage.

In 2010, the GDP of GDD reached RMB 161.783 billion, up 18.60% year on year; GIO totaled RMB 422.752 billion, up 21.26% year on year; newly added GIO achieved RMB 115.9 billion, up 16.72% year on year; its tax revenues amounted to RMB 38.856 billion, up 24.78% year on year; completed fix assets investment hit RMB 31.781 billion, up 20.12% year on year; export volume
totaled USD 13.677 billion, up 33.67% year on year. The actual utilization of foreign investment registered USD 1.226 billion, an increase of 5.23% over that of the previous year. The main economic indexes maintain the first or top place among the 54 state-level development zones. The GDP of Luogang District reached RMB 136.179 billion, up 16.6% year on year, boasting a growth rate ranking top in the whole city. Its main economic indexes surpass the planned objectives set in the 11th Five-Year Plan. Its GDP, newly added GIO, gross industrial profit, financial revenue, tax revenue, foreign-funded enterprise tax revenue and other main economic indexes have maintained the leading position among the state-level development zones. The district has generally achieved the transformation from a single industrial zone to a comprehensive economic zone with advanced manufacturing, hi-tech industries and modern service industry as the leading force, laying a solid foundation for the transformation, upgrading and scientific development in the 12th Five-Year Plan period.

II. Industrial Development and Focus of Investment Promotion

i. Boosting the introduction of projects from advanced manufacturing industry, and focusing on introduction of new supporting projects for the upper and lower industrial chains and expansion of existing projects, mainly including:

(i) Advanced manufacturing on flat panel display (FPD), focusing on: accelerating the construction of the flat panel industrial base, and strengthening the introduction of the LG project and the supporting plants in the upper and lower industrial chain. With the approval and settlement of the LGD 8.5G LCD project in Guangzhou, a group of related industrial enterprises producing glass, back light units, polarizers, colorful polarizing filters, new electronic components, new flat panel display components and special industrial gases rapidly cluster in the area. We’ll grasp the opportunity and leverage the influence of leading enterprises to actively introduce the supporting and related projects in the upper and lower industrial chains, forge a complete flat panel display industry chain and speed up the construction of the flat panel display industrial base in the district.

(ii) Steel manufacturing industry, focusing on: the capacity expansion of Lianzhong Stainless Steel Corporation and the introduction of supporting projects.
(iii) Biomedical industry, focusing on: the R & D and introduction of production projects of biomedicine.

ii. Great efforts in boosting key service sectors, including finance and insurance, commercial conferences and exhibitions, modern logistics, cultural and creative industry, inspection and test, IT and service outsourcing.

The development will focus on headquarters economy, scientific and technological research and development, financial service, industrial design, cultural and creative industry, network games and animation design, test and certification, modern logistics, GIS, E-commerce and other high-end service industry. Also, education and training, life and health and service outsourcing and other emerging industries will be actively nurtured. We'll speed up the introduction of headquarters economy projects, support enterprises’ upgrading into regional headquarters, accelerate the construction of modern service industrial bases including Guangzhou Financial Innovative Service Zone, National New Modernization (Industrial Design) Industrial Demonstration Base and National Music Creative Industrial Base and apply for Guangdong National Digital Publication Base. Great effort will be given to develop service outsourcing industry, drive the construction of inspection and certification industrial park, promote the clustering development of certification industry, boost international logistics in batches, beef up the construction of international wine transaction center and food exhibition center, propel the development of supporting service industries including real estate, community service, commerce, tourism and leisure service.

In addition, relying on the clustering advantage of the manufacturing industry, we'll greatly develop the production-oriented service industry and further improve supporting services. In order to build a comprehensive industrial park suitable for business startup, development and residence, star hotels, commercial services and other service industry projects will be developed accordingly. Moreover, commercial outlets, daily life services and consumption environment will be improved.

iii. Speeding up the cultivation of emerging strategic industries. With “two cities and one island” as core carriers, we’ll accelerate the cultivation of emerging strategic industries including new generation IT, biomedicine, new energy, new
materials, energy-saving and environmental protection and high-end equipment manufacture industries. Electronic information, biology, environmental protection new material and other state-level hi-tech industrial bases will be strengthened. The construction of Guangzhou new generation telecommunication equipment and terminal manufacturing industrial base, Guangzhou Internet of Things industrial base and other strategic emerging industrial bases will be accelerated. Relying on the electronic information industry’s development basis, we’ll focus on hi-end value chain and sophisticated technologies to promote the clustering development of new generation information technology. Also, we’ll improve public technology platforms for biological industry to speed up the clustering of biological technical projects and promote the leap development of biological industry. The development of high-end manufacture industry including numerically controlled machine tools, intelligent control, automation plant and other key equipment will be boosted at a higher speed.
Conghua County-level City

I. Overview
Located in South China, Conghua is a livable city and the hometown of lychee, Sanhua plum and waxberry. The coverage of forestry is up to 68%, which makes Conghua “the oasis on the Tropic of Cancer”, “Back Garden” and “North Green Lungs” of Guangzhou.

Rich in flat land resources with coverage of 1,985 sq. km, Conghua is the only area around Guangzhou that can provide a whole piece of unexploited land more than 3,000 mu for industrial development.

It takes only 35 mins to drive to downtown of Guangzhou by Beijing-Zhuhai and Jiekou-Beixing (Guangzhou-Daqing) Expressways, and only 2 hours to Shenzhen, Zhuhai, and even Hongkong, Macau, etc, 25 mins to the Baiyun International Airport, 1 hour to Huangpu Port in Guangzhou. Conghua has become a part of Guangzhou’s half-an-hour economy life circle.

II. Development Focus
For Great Transportation, Great Tourism, and Great Industry, Conghua will adjust actively the industrial structure, focusing on the development of auto and auto parts, household appliances, electronic communication, cosmetics, handicrafts, food processing and pharmaceutical industries, to build a new industrial system. The western zone is the most important industrial block, focusing on the development of advanced manufacturing industries, as well as the south central region should develop high and new technology industries with the supports of Guangzhou Sino-Singapore Knowledge Town and Airport Economic
Zone. The industry of Conghua will have a clear comparative advantage in the Peal River Delta, South China and even the whole country.

III. Investment Promotion Focus
With a total area of 450 sq. km, the mid-south region includes Jiekou Street, Jiangpu Street, Chengjiao Street, Taiping Town and Economic & Technological Developing Zone, and part of Wenquan Town, for optimizing development, mainly for commerce, culture, modern service and hi-tech industries, as well as moderate development of real estate.

The north region is a functional zone includes Lvtian Town, Liangkou Town, Liuxi Hot Spring Resort, Liuxihe Forestry Farm, Dalingshan Forestry Farm and part of Wenquan Town. With a land of 1075 square kilometers, it will be put mainly into the development of recreational tourism industry and ecological agriculture.

The western part, including Aotou Town, Pearl Industrial Park and some part of Chengjiao Stree, with an area of 460 square kilometers, will be put mainly into the development of modern industry, modern agriculture and modern logistics.

IV. Investment Promotion of Key Industries

Automobile and Parts
Conghua, Guangzhou Base of the National Auto & Auto Parts Export Base is located in Pearl Industrial Park of Guangdong Conghua Economic Development Area. According to the auto industry development strategies of Guangzhou, Conghua is becoming the forth industrial block of auto and auto parts, focusing on the commercial-use vehicles and parts. Covering about 6 sq. m., based on the principles of sophisticated planning, high-standard construction, high-speed development and efficient management, the land and the infrastructure should be exploited synthetically and developed comprehensively.

Biomedicine Industry
Covering totally 6000 mu, the base mainly develops Chinese patent drug, biomedicine and chemical medicine industry. Integrated in research, development, production, marketing and industrial culture, the modern, garden-like and open hi-tech base of medical cosmetics will become a new base of
innovative industry of medical cosmetics in Guangzhou that meets the GMP standards and even in the whole South China Region. Now the base has become an important part of the National Pharmaceutical Product Export Base.

Electronic Communication
The electronic communication base is located in the middle area of Conghua Economic & Technological Development Zone (hereinafter as CHETDZ for short) with a planning area of 3139.8 mu. It enjoys the following advantages: firstly, it lies in the northern edge of Pearl River Delta and close to Guangzhou, Hua Ruan Software College of Guangzhou University, Sun Yat-Sen University, South China Agricultural University etc. can provide plenty of talents for corporate recruitment every year; Secondly, in 2007, the municipal government issued the Preferential Policies for Encouraging the Investment to support the electronic industry; Thirdly, Conghua is the only city around Guangzhou that is capable to supply a complete unexploited land more than 3000 mu to hold the whole industrial chain of large-scaled enterprises.

Animation
Located in Yuanzhougang Village, Taiping Town, the Guangdong Animation City is an industrial base of animation and software in northern Guangzhou, covering about 2 sq. km. It has been awarded as “Southern Animation Co-Production Center of National Animation Industrial Base”, “National Flash Design Industrial Base in Guangzhou”, and “Guangdong International Animation City”, and has been listed among the New 10 Projects of Guangdong Province.

Manufacturing Industry of Household Appliances in Conghua
Located in the Pearl Industrial Park with a planning area of 21.7 sq. km., it is an important development platform for household appliances with four functional parts: core manufacturing area of complete domestic appliances, manufacturing area of home appliances accessories, logistics section and Guangzhou Wanbao Industrial Park in Conghua. Now Wanbao Air Conditioning, HITACHI Cold Engine, HITACHI Air Compressor, Dajin Electric Appliances, Suiling Electric Appliances, etc have been put into operation.

Modern Service
Located in the south of CHETDZ, the Modern Service Industrial Zone covers a planning area of 728.8 mu and is making its best to develop modern service
industries, including: IT industry; business service industries such as law service, accounting service, auditing service and exhibition service with systematic operation, standard management and social service level; service outsourcing industries.

**Modern Logistics**
Covering a planning area of 4.4 sq. km, Conghua Logistics Park is located in the intersection of several expressways, close to Baiyun International Airport and near the exit of Beijing-Zhuhai Highway. The Park is dedicated to providing multi-functional logistics supporting service for Pearl Industrial Park. It will become an important highway logistics center and airport logistics center in Pearl River Delta and even in South China.

**Ecological Hotspring Tourism**
With a planning area of 29.28 square kilometer, the Liuxi Hotspring Tourist Resort is situated along the Liuxi Riverside of northern Guangzhou. North to the Wenquan (Hot Spring) Town which is well known around the world and south to the Liuxi River National Forestry Park which is called the Another Mount Lu, here three functional areas and more than 20 facilities projects are under construction, which includes the international business conference area, Spa health area, public leisure areas.

**Supporting Service for Airport and Knowledge Town**
Located in the south of CHETDZ, it covers a planning area of 2000 mu. Lying the nearest to the core of Airport Economy Zone and the Knowledge Town, CHETDZ will focus on airport economy and supporting service of Knowledge Town, including data treatment centers, note treatment center, document management center, customer service center, R&D center, training and education center of banks and insurance companies, providing 24-hour efficient supporting service for the financial institutions by network and information technology.
Zengcheng City

I. Overview
Zengcheng City is located in the east of Guangzhou with a total area of 1,616 square kilometers and registered population reaching about 800,000. In recent years, as Guangzhou implements the strategy of “advancing towards the east”, the east plate of Guangzhou - Zengcheng has stepped onto the rail of fast and excellent development. In 2010, its GDP reached RMB 68.35 billion with an increase of 16% ，and the basic competitive force of intra-county economy continued to take the lead in Guangdong Province, and developed from the 19th to the 9th in China at the end of “11th Five-Year Plan”. In the same year, Zengcheng successfully held the World Tourism Day Global Celebration & Opening Ceremony Party and part of the Guangzhou Asian Games.

II. Industrial Development and Investment Promotion Focus
In 2010, Zengcheng Industrial Park was successfully upgraded as a state level economical and technological development zone. In 2011, Zengcheng will grasp the opportunity of “advancing towards the east” strategy of Guangzhou, construct the functional area of the comprehensive gate in the east of Guangzhou, accelerate the construction of Zengcheng economical and technological development zone, promote the economic and social development leading by the development zone, emphasize in cultivating and developing new energy motor industry and develop the new economic increase point.
i. **Promote advanced manufacturing industry such as automobile and motorcycle industries to develop stronger and bigger.** Automobile and parts, motorcycle and parts and other components industries have become the important backbone industry of Zengcheng. Efforts have been made to expand scale, improve peripheral ability and optimize the industry chain. Currently, Zengcheng is accelerating the construction of such projects as Guangzhou Honda Zengcheng Factory No. 2 Product Line, Guangzhou Honda Engine, Guangzhou Honda R&D Center and Guangzhou Automobile SP Parts Logistic and Production Distribution Center basing on Guangzhou Honda Zengcheng Plant in production capacity expansion. Analyze the distribution of the Guangzhou Honda parts suppliers in Zengcheng and other areas, strive for introducing a batch of enterprises in key and core technical parts with production capacity expansion, improve the proportion of localization of key parts and accessories, complete and extend the automobile industry chain; actively create conditions for introducing big entire car manufacturers, and expand the scale of the enterprise. With such leading enterprises as Wuyang Honda, Haojin, Kawai, Gada and Motoren, focus on developing the area brand of motorcycle manufacturing; promote the motorcycle output capacity increase and parts enterprise development, support and encourage the enterprises to increase investment in R&D, support the enterprises to develop the domestic and foreign market, develop the famous motorcycle produce base and integration center in the Pearl River Delta and even entire China, motorcycle new technology and new product R&D and exhibition center and the centralized purchasing and selling center in the area.

ii. **Accelerate the development of modern service industry.** The south key development zone of Zengcheng persists in the implementation of the strategy of advanced manufacturing industry and modern service industry. The focus on south industrial part, town and street land or integrated unused land emphasizes in modern service industry, particularly automobile and motorcycle logistics industry. Emphasize in modern service industry when promoting the reconstruction of “old urban area”, cultivate such production-oriented service industries as modern logistics, finance and insurance, business trade and exhibition, R&D and design and information service. Optimized development zone in center of Zengcheng according to the demands of living functions as the
sub center, powerfully develop the science and education R&D, cultural creativity, theme park, international meeting, sports and recreation industries. The ecological industrial zone in south of Zengcheng accelerates to develop the ecological industry, promotes the construction of scenery areas, strives for creating Baishuizai 4A Scenery Area, improves a batch of matching projects for meeting and recreation, enriches the development configuration and function layout of ecological industry.

**iii. Cultivate and develop emerging industry.** Zengcheng insists on the principle of “leading by the government, promoting by the leading role and group development of the market”. With the opportunity of the settlement of South Power Grid Ultra High Voltage National Lab and Test Center and Centrin Data Systems South China Data Center, Zengcheng is actively introducing supporting enterprises of upper and lower stream, forming new industry cluster of power equipments manufacturing, mechanical equipments manufacturing and data service outsourcing. Cultivate new backbone industry and top industry chain. Emphasize in ecological industry and ecological tourism, powerfully cultivate the leading role in developing tourism infrastructure, introducing star hotel, theme park and recreation holiday projects, and form the project cluster of recreation industry.
Business Environment
Business Environment of Guangzhou

The year 2010 witnessed Guangzhou's successful holding of two Asian sports and cultural pageants with high quality and unique features—the 16th Asian games and the first Asian Para Games. Besides, Guangzhou completed the task of “big changes within ten years”, comprehensively improving its environment for business and living. A vibrant, vigorous and promising Guangzhou displays plenty business opportunities.

I. To Realize Great Changes in Infrastructures

In the preparation for the 16th Asian games and the first Asian Para Games, Guangzhou quickened its pace in infrastructures building, greatly strengthening its function as a comprehensive transportation hub. Progress in building an “informative Guangzhou” has been made obviously.

Airport: There are 173 parking lots in Guangzhou New Baiyun International Airport, 60 of which are reserved for far-flight planes. Boasting over 90 international (regional) and 120 odd domestic air routes, the airport is one of the top three airports of China. In 2010, its passenger throughput made a breakthrough to 40 million, ranking among the world top 15 Airports. The Asia-Pacific Transshipment Center of Federal Express and the Bonded Zone are very near to the airport. The year 2010 saw the cargos throughput reached 1.45 million tons. As its profound influence radiating across China, Southeast Asia and the Middle East, Baiyun Airport has become an omnibus airport centre connecting Europe, America, Australia and Pacific area.

Seaport: The international shipping of Guangzhou Seaport connects over 300 ports
in more than 80 countries and regions. In 2010, Guangzhou Port’s cargo throughput overfulfilled 400 million tons and its container handling capacity reached 12 million tons, ranking the sixth in the world.

Urban Mass Transit: The Wuhan-Guangzhou Passenger Railway which runs 350km/h has been successfully put into use. Guangzhou has quickened up in building High-speed railways as Nan-Guang (from Nanning to Guangzhou), Gui-Guang (from Guizhou to Guangzhou), Guang-Zhu (from Guangzhou to Zhuhai), Guang-Shen-Guang (from Guangzhou to Shenzhen to Hong Kong), etc. Guangzhou South Railway Station is to be one of the four railway passenger centers in China. Up to now, Guangzhou altogether has 9 subway lines with a total mileage of 236 kilometers, covering almost all districts of Guangzhou and connecting main cities within Pearl River Delta.

Expressway Network: The arterial highways are through all the way to Guangzhou downtown, including G105, 106, 107 and 324 National Way, as well as 17 expressways like Beijing-Zhuhai expressway, forming a ringlike and radially framework of expressway. The total mileage of the expressway is up to 537 km and the road density of Guangzhou reached 119 km per 100 square km.

Information Port: Guangzhou is one of the top 3 communication hubs and Internet exchange centers in China as well as the top 3 international internet gateways in the world. In 2010, Guangzhou was named as the National Pilot Information City. In order to construct the “Information Guangzhou”, the city actively builds itself into an international information hub, vigorously promotes Network Engineering and Wireless City project, constructs a rapid, interconnected, reliable and multi-service information system which covered the entire city, playing a key role in guaranteeing the 2010 Guangzhou Asian Games as a digital and networked sports meeting.

II. To Comprehensively Accelerate the Speed of Customs Clearance

Guangzhou has established the Convenient Customs Clearance Coordinating Leading Group. According to the requirements of “Large port, Large hub, Convenient clearance and Fast logistics”, Guangzhou has made every effort to create a customs clearance environment which is safe, efficient, clean and harmonious, effectively promoting the development of open economy in Guangzhou.
Guangzhou Customs and Huangpu Customs have comprehensively launched the reforms of Categorization Clearance and quickened their paces to carry out surveillance reform. The cooperation between regional was greatly promoted through customs clearance modes such as mutual recognition of manifests, data sharing, mutual recognition of faithful enterprises, and “declarations to the local customs authority and clearance at the ports”. As a result, the efficiency of custom clearance was enhanced and the detention time of cargos was obviously shortened. Nansha port promoted in an all-round way the modes of “mutual recognition of manifests” and “smooth customs clearance”. Such measures as function module of arrived report were in full operation at Nansha port and the customs clearance service for package freight was also successfully launched. Baiyun Airport is quickening its pace in the passenger and goods transfer processes reformation.

According to the statistics, of all the classified customs declarations on exports of Guangzhou Customs, 65.2 percent of the exports fit for low-risk and quick clearance. The low-risk exports accounted for 72.1 percent of all exports in Huangpu Customs. Huangpu Customs also simplified the transition and relocation procedures for processing enterprises, carried out the “Centralized Declaration” mode for the domestic sales of bonded products, and realized the electronic operation in domestic sales supervision to help enterprises realize transition and upgrading. The Inspection and Quarantine Department of Guangdong Province has actively promoted reformation of clearance mode, making Guangzhou one of the most convenient customs clearance place for quarantine and inspection.

III. To Make the City a Better Dwelling Place
Guangzhou, known as “the Flower City”, is a National Sanitary City, a State Model City of Environmental Protection, a National Garden City and a National Forest City. The “Green Asian Games” has brought huge improvement to Guangzhou, making the sky clearer, the water cleaner, the road wider, the housing prettier and the city more beautiful. The New Axis of the city, scenic belts on both sides of Pearl River as well as a batch of iconic buildings reveal Guangzhou’s cultural charm as a metropolis. At present, Guangzhou boasts 211 city parks and 52 forest parks, with per capita public greenbelt area up to more
than 15 square meters. The city's green percentage of coverage is up to 55 percent with the tree coverage hitting over 45 percent. All of the public buses and taxis in Guangzhou have used clean energy, and 97.8 percent of the days within a year are blessed with fine air quality. Guangzhou is successively awarded the top prize for water environment governance in World Water Forum and honored such titles as the “China Habitat Environment Prize (model city of water governance)”, the “International Garden City”, the “United Nation Habitat Award”, and the “Europeans Favorite Chinese Tourist City”.

**IV. To Create a Talent Bank for Gathering Talents**

According to *Guangzhou’s Medium and Long-term Outline for Talents Development (2010-2020)*, Guangzhou is to be built into a center of international talents and innovative personnel, a pilot area to reconstruct talents development system, and a model area for talents to conduct innovative undertaking and pioneering work. Currently, there are 69 academicians of the Chinese Academy of Sciences and Chinese Academy of Engineering working in Guangzhou. 3679 specialists receive the special government allowances from the state council. There are 42 post-doctoral workstations in Guangzhou and 70 post-doctoral researchers are working. The Secondary vocational education takes a leading role in the whole country and the higher education ranks among the top level compared with the cities of similar status. By 2010, the number of people with college degree or above is 2.31 million and the number of technical talents reaches 1.65 million, both of which rank the 3rd of the major cities in China.

The proposal of vigorously implementing “The Project of Gathering Overseas Talents” was put forward in 2010 Guangzhou Talents Conference. The conference also put forward that national and urban innovation bases for overseas high-level talents should be effectively constructed and efforts should be made to create international platform for talents exchange. Currently, there are nearly 30,000 returned overseas in Guangzhou. During the period of the Eleventh Five-year Plan, each of these five years saw 100,000 overseas expert working in Guangzhou, which accounted for 15 percent of overseas experts working in China. Guangzhou Development Zone which is approved as the second batch of innovation base for China’s overseas talents will take Sino-Singapore Guangzhou
Knowledge Town as an important carrier to construct a talent bank for global elites.

V. To Follow the International Practice in Handling Affairs

The municipal government of Guangzhou has released *Opinions on Accelerating the Internalization of Business Environment and Rules of Handling Affairs*, which enables Guangzhou to joint closely with Hong Kong and Macao and reach or approximate their convenience in such practices as enterprise establishing, licences acquiring, talents introducing, land requisitioning, financing, trading across borders, investors protecting, agreement honoring and accounts settling, making Guangzhou one of the most important business centers in Asia-Pacific area.

Guangzhou is active in the project of making “Sunlight Government”. The municipal government of Guangzhou is listed as a national advanced unit in governmental information opening. The reform of the administrative approval system was deepened and almost 3000 administrative approval items were rechecked, among which only 270 items of municipal level were retained.

Efforts should be made to strengthen the construction of social credit system. Guangzhou has established basic information database for enterprises, publicizing the basic information of the enterprises for free. It strengthens the legal and active publicizing according to application of such credit data as enterprises’ basic information and administrative disciplinary information. The use of credit products are advocated and guided in public administration and services.

The intermediary service organizations and guilds should be actively developed to enhance the social professional service capability. To implement CEPA (Closer Economic Partnership Arrangement) agreements, we should construct the experimental area of service cooperation between Guangzhou and Hong Kong and introduce various specialized service agencies from Hong Kong and Macao as well as foreign countries. Initiatives should be made to strengthen the communication with intermediaries of Hong Kong, Macao and foreign countries and to promote the construction of professional guilds and agencies according to international norms and standards, constantly enhancing the professional level and internationalization degree of intermediary services in Guangzhou.
Strict supervision should be carried out to maintain the order of the market economy. The evaluation of the credit and the product quality of an enterprise should be conducted in accordance with international practices and on the basis of classification regulatory principles. The assessment and certification of products should be intensified. Initiatives should be taken to cooperate with Hong Kong and Macao in talents training, procedures unanimity and mutual recognition of security inspection standard, etc. We can strengthen the supervision of food safety by taking the example of Hong Kong’s food safety monitoring mode, strengthening supervision and guaranteeing food security.

VI. To Make the Administrative Service Efficient and Superior

The municipal government of Guangzhou pays much attention to serve the enterprises and the public, providing them with convenient and considerate administrative service.

Administrative Service Center

Administrative licensing items of key departments concerning business investment, operation and management, and its related services are handled altogether in the Administrative Service Center, approving “green alleyway”. The agencies of customs, inspection and quarantine have been stationed, making it possible to provide non-stop services of registration, fixed assets investment and trade management. Administrative Service Center is in order and runs smoothly, winning itself popularity and praise from the public. In 2010, it handled 907,000 items, gaining a 100 percent satisfaction rate from the masses.

Through integration of net resources, web portal of Guangzhou municipal government has built “100 Projects of Online Government Services”. Focusing on employment, transportation, business registration, annual inspection, investment and environmental protection, over 100 administrative services could be handled completely on line. Currently, the city’s 43 government departments and 12 regional (county-level city) government departments have set up government websites. More than 90 percent of government information is published through government websites. Over 80 percent of administrative licensing items and public services are handled on line.
Illustration Seminars on Regulations and Policies
In 2010, four Illustration Seminars on Regulations and Policies were held in Guangzhou, which respectively introduced the policy of China - ASEAN free trade area, laws concerning WTO goods trading and technical barriers to trade, fund policy for SMEs (small and medium-sized enterprises) to develop international market, financial policy for import and export exchange rate, etc. Since its initiation in 1999, the Seminar has been successfully held 46 times. Over 10000 enterprises have participated in and more than 220 regulations and policies have been explained and publicized.

VII. To Effectively Protect Intellectual Property
Guangzhou attaches weight to the protection of business and personal intellectual property. A leading group of intellectual property rights and the management system and the law enforcement liaison system on intellectual property have been set up. Joint law enforcement system for foreign-related and other major intellectual property cases has also been established. In 2010, Guangzhou carried out a number of special combats against IPR (Intellectual Property Right) infringement and the producing and selling of counterfeit and shoddy goods. Law enforcement officers have been deployed tens of thousand times, checking all kinds of business entities. Law enforcement authorities of Guangzhou went to more than 30 large-scale exhibitions like the 107th and 108th Canton Fairs, the Guangzhou Exposition, the International Auto Show and the International Furniture Fair, advocating IPR protection work and assisting to settle nearly 1000 pieces of patent infringement disputes of all kinds. In 2010, Guangzhou was listed as one of the first model cities of implementing trademark strategy.

VIII. To Maintain the Order of Fair Trade
Guangzhou takes the initiative to build a working system of trade remedies in line with WTO rules to help businesses deal with international trade friction and maintain fair trade environment.
Linkage coping mechanism for trade friction has been founded. In 2010, there were 23 remedy cases of international trade in Guangzhou’s exports involving the industries of electronics, light products, electromechanical, chemical, etc.
Guangzhou has established the linkage coping mechanism jointly supported by industry organizations and companies, with a view to settling international trade friction cases in a coordinate way.

Warning and monitoring mechanism for importing and exporting has been set up. Taking the Furniture Association and Electronics Association as the demonstration sites, this mechanism serves all the key export-oriented enterprises in 12 districts (county-level cities) of Guangzhou.

Linkage coping mechanism for fair trade in PRD (Pearl River Delta) has been established. The integrated cooperation mechanism has been set up in 9 PRD cities which enjoy more developed economy and similar industry structures. This mechanism makes it possible for these 9 cities to jointly deal with international trade friction, giving full play to their strengths in such aspects as information collection and sharing, joint responding, fair trade training, and research work.
Appendixes
Notice about the Supporting Documents of Enforcement Opinions on Accelerating the Development of Headquarters-related Economy

GZ Gov. [2010] No. 75

September 16, 2010

Peoples’ Governments at (County-level) Districts, Municipal Departments and Organizations subordinated to the Municipality:


The General Office
People’s Government of Guangzhou Municipality
Conditions and Criteria for Recognizing Headquarters Enterprises in Guangzhou

With a view to accelerating the development of the headquarters-related economy, according to the Notice about the Enforcement Opinions on Accelerating the Development of Headquarters-related Economy by Guangzhou Municipal Development and Reform Commission (GZ Gov. [2010] No. 2), released by the People’s Government of Guangzhou Municipality, enterprises meeting the following conditions and criteria are allowed to apply for the recognition as Guangzhou headquarters enterprise:

I. Conforming to Guangzhou’s industry development policy.

II. Established and registered in Guangzhou (including districts and county-level cities, same below) and qualified for an independent corporate legal person.

III. Investing in or authorized to manage at least 3 enterprises within or outside of China, and exercising the management and service functions for these enterprises. (financial industry exclusive)

IV. Meeting one of the following conditions or criteria:
   i. Being the headquarter or branch of the companies listed in the World's Largest 500 Companies published by the U.S. Fortune magazine for the previous year.
ii. Being the regional headquarter of multinational corporations recognized or filed by the Ministry of Commerce (here referred to those complying with *The Provisions on Investment Companies Established by Foreign Investors*) (MOC Directive No. 2, 2004, regarding the regional headquarters of multinational corporations).

iii. Listed in China’s top 500 enterprises which are published by China Enterprise Confederation and China Entrepreneurs Association for the previous year in line with international practices; listed in the top 500 private enterprises which are published by the All-China Federation of Industry and Commerce for the previous year; or listed in China’s top 100 chain enterprises which were published by the China Chain Store and Franchise Association for the previous year.

iv. Being the headquarters or regional headquarters set up in Guangzhou by large-scale enterprises (groups) recognized by the department of the State or the Central Government (here referred to those administrated by the State-owned Assets Supervision and Administration Committee of the State Council, financial enterprises administrated by China Banking Regulatory Commission, China Insurance Regulatory Commission or China Securities Regulatory Commission, tobacco or railway enterprises administrated by any other ministries or commissions of the State Council.

v. Being the leading enterprises with operating revenue ranked among top 10 in the strategic emerging industry, such as new energy, information network, new materials, life science, oceanography, etc. The specific range and field of strategic emerging industries are to be defined by related government departments in the application documents for recognition of headquarters enterprises for the year.

vi. Enterprises not meeting the conditions specified in items i. to v. above may be recognized according to the following criteria for the relevant industry:

Industry: Operating revenue for the previous year (China fiscal year, same below) totaling RMB 1 billion or more; or the combined total taxes (including VAT, business tax and enterprise income tax) of the headquarters enterprise and its invested enterprises or enterprises managed with authorization (hereunder referred to the headquarters and their subsidiaries) in Guangzhou (including
districts and county-level cities, same below) which were paid for the previous year into the coffers of the municipality or district (county-level city) amounted to RMB 15 million or more; or total assets at the end of the previous year stood at RMB 1.2 billion or more.

Construction Industry: Grade 1 qualification is obtained and operating revenue in the previous year totaled at RMB 1 billion or more; or the combined total taxes of the headquarters and their subsidiaries which were paid in the previous year into the coffers of the municipality or district (county-level city) amounted to RMB 10 million or more.

Transport, Warehousing and Post Industries: Operating revenue in the previous year totaled at RMB 300 million or more; or total assets at the end of the previous year stood at RMB 400 million or more; or the combined total taxes of the headquarters and their subsidiaries which were paid in the previous year into the coffers of the municipality or district (county-level city) amounted to RMB 5 million or more.

Information Transmission, Computer Service and Software Industries: For enterprises in the information transmission industry, operating revenue in the previous year totaled at RMB 100 million or more; or the combined total taxes of the headquarters and their subsidiaries which were paid in the previous year into the coffers of the municipality or a district (county-level city) amounted to RMB 3 million or more; or total assets at the end of the previous year stood at RMB 1 billion or more. Enterprises in the computer service and software industry with operating revenue in the previous year totaling RMB 100 million or more; or the combined total taxes of the headquarters and their subsidiaries which were paid in the previous year into the coffers of the municipality or a district (county-level city) amounted to RMB 3 million or more; or total assets at the end of the previous year stood at RMB 100 million or more.

Wholesales and Retail Industries: For enterprises in the wholesales industry, operating revenue in the previous year totaled RMB 2.5 billion or more; or the combined total taxes of the headquarters and their subsidiaries which were paid in the previous year into the coffers of the municipality or a district (county-level city) amounted to RMB 10 million or more. For an enterprise in the retain industry, operating revenue in the previous year totaled RMB 1 billion or more;
or the combined total taxes of the headquarters and their subsidiaries which were paid in the previous year into the coffers of the municipality or a district (county-level city) amounted to RMB 5 million or more.

**Accommodation Industry:** Operating revenue in the previous year totaled at RMB 1.5 billion or more; or the combined total taxes of the headquarters and their subsidiaries which were paid in the previous year into the coffers of the municipality or a district (county-level city) amounted to RMB 5 million or more.

**Catering Industry:** Operating revenue in the previous year totaled at RMB 1.5 billion or more; or the combined total taxes of the headquarters and their subsidiaries which were paid in the previous year into the coffers of the municipality or a district (county-level city) amounted to RMB 5 million or more.

**Financial Industry:** The combined total taxes of the headquarters and their subsidiaries which were paid in the previous year into the coffers of the municipality or a district (county-level city) amounted to 3 million or more. In the banking category, for commercial banks, total assets amount to RMB 20 billion or more, and for village and township banks, total assets amount to RMB 500 million or more. In the category of securities, futures and mutual funds, for securities companies, total assets amount to RMB 5 billion or more; for futures companies, total assets amount to RMB 1 billion or more; and for mutual fund management companies, total funds under management amount to RMB 10 billion or more. In the insurance sector, for life insurers, total assets amount to RMB 10 billion or more; for property insurers, total assets amount to RMB 1 billion or more; and for intermediary insurance organizations, total assets amount to RMB 30 million or more. In other categories, for financial lease and financial companies, total assets amount to RMB 3 billion or more; for trust companies, auto finance companies, and consumption finance companies, total assets amount to RMB 1 billion or more; for financing guarantee organizations and petty loan lenders, total assets amount to RMB 500 million or more; and for startup investment, venture investment and industry investment mutual funds and other equity investment organizations, total assets under management amount to RMB 500 million or more.
Real Estate Industry: For the real estate development industry, Grade 2 qualifications have been obtained and total assets at the end of the previous year stood at RMB 3 billion or more; or the combined total taxes of the headquarters and their subsidiaries which were paid in the previous year into the coffers of the municipality or a district (county-level city) amounted to RMB 30 million or more. For the real estate brokerage service industry, total assets at the end of the previous year exceeded RMB 100 million.

Lease and Commercial Service Industry: Operating revenue in the previous year totaled at RMB 400 million or more; or the combined total taxes of the headquarters and their subsidiaries which were paid in the previous year into the coffers of the municipality or a district (county-level city) amounted to RMB 3 million or more; or total assets at the end of the previous year stood at RMB 1.5 billion or more; or investment earnings in the previous year totaled RMB 40 million or more.

Scientific Research and Development, Technological Service and Geological Prospecting Industries: Operating revenue in the previous year totaled at RMB 100 million or more; or the combined total taxes of the headquarters and their subsidiaries which were paid in the previous year into the coffers of the municipality or a district (county-level city) amounted to RMB 5 million or more; or total assets at the end of the previous year stood at RMB 500 million or more.

Water Conservancy, Environment and Public Facility Management Industry: Operating revenue in the previous year totaled at RMB 100 million or more; or the combined total taxes of the headquarters and their subsidiaries which were paid in the previous year into the coffers of the municipality or a district (county-level city) amounted to RMB 5 million or more; or total assets at the end of the previous year stood at RMB 500 million or more.

Resident Service or Other Service Industry: Operating revenue in the previous year totaled at RMB 100 million or more; or the combined total taxes of the headquarters and their subsidiaries which were paid in the previous year into the coffers of the municipality or a district (county-level city) amounted to RMB 5 million or more; or total assets at the end of the previous year stood at RMB 300 million or more.
Education, Health, Culture, Sports and Entertainment Industries: Operating revenue in the previous year totaled at RMB 100 million or more; or combined total taxes of the headquarters of the education, health, culture or sports enterprise and its subsidiaries which were paid in the previous year into the coffers of the municipality or a district (county-level city) amounted to RMB 3 million or more; or the combined total taxes of the headquarters of an entertainment enterprise and its subsidiaries which were paid in the previous year into the coffers of the municipality or a district (county-level city) amounted to RMB 10 million or more; or total assets at the end of the previous year stood at RMB 300 million or more.

Agriculture: Operating revenue in the previous year totaled at RMB 100 million or more; or total assets at the end of the previous year stood at RMB 20 million or more.

V. **Conditions and criteria for recognizing headquarters enterprises in industries with those listed above exclusive are to be defined by related government departments in specific recognition provisions.**

VI. **These Provisions shall take effect in the date of promulgation and remain effective for 5 years. Upon the expiration of the term of validity, these provisions will be reviewed and revised in accordance with the outcome of their implementation.**
Trial Methods for the Administration of Reward and Subsidy Funds for Headquarters Enterprises in Guangzhou

Article 1 These methods are formulated in accordance with the Notice about the Enforcement Opinions on Accelerating the Development of Headquarters-related Economy by Guangzhou Municipal Development and Reform Commission (GZ Gov. [2010] No. 2, hereinafter referred to as the Enforcement Opinions) released by the Municipal People’s Government of Guangzhou Municipality, with a view to accelerating the development of the headquarters-related economy, strengthening Guangzhou’s functions as a central city of the nation, speeding up the establishment of the modern system of industries, consolidating and enhancing the service industry, and promoting the comprehensive balanced sustainable economic development.

Article 2 “Reward and subsidy funds” herein refer to funds allocated from Guangzhou’s financial budget for rewarding and subsidizing recognized headquarters enterprises (hereinafter referred to as “the reward and subsidy funds for headquarters”).

Article 3 The administration and use of the reward and subsidy funds for headquarters shall conform to the relevant national laws, administrative regulations, and the Enforcement Opinions, and comply with the principles of fairness, equity and openness and with the guidelines on rights, obligations and responsibilities.

Article 4 The Economic and Trade Commission, Bureau of Foreign Trade and
Economic Cooperation, and Finance Office of Guangzhou Municipality shall, in accordance with financial budgeting regulations, prepare separate annual expenditure plans on reward and subsidy funds for the headquarters of domestically-invested enterprises, foreign-invested enterprises (including enterprises invested by Hong Kong, Macao and Taiwan, same below), and financial headquarters enterprises. They shall conduct separate preliminary reviews of documents on the reward and subsidy funds for headquarters in conjunction with related government departments, including the city’s the State Tax Bureau, Local Tax Bureau, Statistics Bureau, Bureau of Land Resources and Housing Administration and Bureau of Industry and Commerce and shall draft plans on the use of the reward and subsidy funds for headquarters in the approved budget for the annual reward and subsidy funds. The drafted plans on the payment and use of the annual reward and subsidy funds shall be submitted to the Office of the Municipal Leadership Group for Service Industry Development (located in the Municipal Development and Reform Commission).

The Office of the Municipal Leadership Group for Service Industry Development shall check, consolidate and formulate the plans on the payment of the annual reward and subsidy funds for headquarters, and submit such plans to the city’s Finance Bureau for inclusion into the city’s financial budget. Based on the financial budget for the approved annual reward and subsidy funds for headquarters, the Office shall check and consolidate the plans on the use of the annual reward and subsidy funds for headquarters which are submitted by the government departments responsible for recognition, and then submit such plans to the Municipal Leadership Group for Service Industry Development for approval. The Office shall release the plans on the annual reward and subsidy funds for headquarters in conjunction with the government departments responsible for recognition and the city’s Finance Bureau in accordance with the opinions of the Municipal Leadership Group for Service Industry Development.

The city’s Finance Bureau is responsible for the financial management of the reward and subsidy funds for headquarters, and shall allocate the subsidy reward and subsidy funds for headquarters according to the budget approved by the city’s People’s Congress. It shall also conduct supervision, inspection and performance evaluation for the use of the funds in collaboration with the Office of the Municipal
Leadership Group for Service Industry Development. Financial bureaus of the districts (county-level cities) are responsible for providing budgeting and year-end settlement for their respective shares of the reward and subsidy funds for headquarters.

**Article 5** The reward and subsidy funds for headquarters shall be primarily devoted to:
1. Rewarding headquarters enterprises based in Guangzhou;
2. Rewarding headquarters enterprises with outstanding business contributions;
3. Subsidizing the office premises of headquarters enterprises.

**Article 6** The amount of reward and subsidy funds for headquarters shall be determined according to the following provisions:
1. Funds for Rewarding Headquarters Enterprises Based in Guangzhou
   Enterprises incorporated in Guangzhou in or after 2010 and recognized as headquarters enterprises are eligible for a one-off reward equal to 50% of the combined total amount of VAT, business tax and enterprise income tax paid by the enterprise into the coffers of the municipality or a district (county-level city) in the year of recognition, and the reward is capped at RMB 50 million.
2. Funds for Rewarding Headquarters Enterprises with Outstanding Business Contributions
   Beginning in the year of recognition, recognized headquarters enterprises (including existing ones and those recognized in or after 2010) whose combined total amount of VAT, business tax and enterprise income tax paid into the coffers of the municipality or a district (county-level city) in the previous year stood at RMB 10 million or more and whose year-on-year increase in tax payment stood at RMB 5 million or more, are eligible for a reward or subsidy equal to 30% of the year’s tax payment increase, and the reward or subsidy is capped at RMB 5 million. Headquarters enterprises which have received a reward or subsidy of RMB 5 million for five consecutive years are eligible for an extra one-off reward or subsidy of RMB 10 million. Enterprises ranking among Guangzhou’s top 10 headquarters enterprises in terms of the year-on-year increase in the combined total amount of VAT, business tax and enterprise income tax paid into the coffers of the municipality or a district (county-level city), are eligible for an after-tax reward or subsidy of RMB 1 million; this reward or subsidy will be given in the
name of the Municipal Government to a principal of the enterprise.

3. Funds for Subsidizing the Office Premises of Headquarters Enterprises

For enterprises which were relocated in Guangzhou in or after 2010, have been recognized as headquarters enterprises, and are currently based at headquarters clustering demonstration base specified in Article VIII of the Enforcement Opinions, their headquarters are eligible for a one-off subsidy for 12 months of rents of their offices at the demonstration base; the subsidy will be 30% of the reference rent published by the city’s land resource and housing administration authorities in the year of recognition for the area where the offices are located. For enterprises incorporated in Guangzhou in or after 2010 and recognized as headquarters enterprises, their headquarters with newly built or purchased offices are eligible for an annual subsidy equal to 30% of the year’s property tax paid into the local coffers; the subsidy will be provided for three years starting from the month of the completion or purchase of the office. In principle, the subsidy for the office premises of a single headquarters enterprise is capped at RMB 5 million. Offices receiving subsidies shall not be rented, re-let, sold, or transferred, nor shall they be devoted to other purposes.

Article 7 Headquarters enterprises applying for a reward for basing their headquarters in Guangzhou shall submit the following documents to the government department responsible for recognition before the end of April of the next year:

1. The Application Form for Subsidies for Headquarters Enterprises in Guangzhou;
2. The document issued by the Office of the Municipal Leadership Group for Service Industry Development to recognize the enterprise as a headquarters enterprises (hereinafter referred to as “the headquarters recognition document”);
3. The business license, the tax registration certification, and the organizational code certificate;
4. The finance license, legal person license, or operation license (applicable to financial enterprises) issued by national financial regulatory authorities or provincial or municipal financial work departments;
5. Documents certifying tax payment in the previous year, including a tax payment certificate and a tax settlement report issued by a qualified intermediary
organization;

6. Other documents required by the government departments responsible for recognition and the city's Finance Bureau.

**Article 8** Headquarters enterprises applying for a reward for outstanding business contributions in Guangzhou shall submit the following documents to the government department responsible for recognition before the end of April of each year:

1. The Application Form for Subsidies for Headquarters Enterprises in Guangzhou;
2. The headquarters recognition document;
3. Documents certifying tax payment in the previous year, including a tax payment certificate and a tax settlement report issued by a qualified intermediary organization;
4. The business license, the tax registration certification, and the organizational code certificate;
5. The finance license, legal person license, or operation license (applicable to financial enterprises) issued by national financial regulatory authorities or provincial or municipal financial work departments;
6. Other documents required by the government departments responsible for recognition and the city's Finance Bureau.

**Article 9** Headquarters enterprises applying for subsidies for office premises shall submit the following documents to the government departments responsible for recognition:

1. Headquarters enterprises applying for subsidies for the rents of office premises shall apply for such subsidies when they are filing for recognition as headquarters enterprises, and shall submit the following documents: the Application Form for Subsidies for Headquarters Enterprises in Guangzhou, the headquarters recognition document, the office lease contract which has been filed with the city's land resource and housing administration authorities, invoices for rents, and other documents required by the government departments responsible for recognition and the city’s Finance Bureau.
2. Headquarters enterprises applying for subsidies of newly built or purchased office premises shall apply to the government departments responsible for
recognition within 30 workdays since property tax payment into the local coffers in
the year of the completion or purchase of the office premises and in the two years
thereafter, and shall submit the following documents: the Application Form for
Subsidies for Headquarters Enterprises in Guangzhou, the headquarters
recognition document, the title certificates for the office premises (including the
Title Deed or the Commercial Property Sale Contract pre-registered by the city’s
land resources and housing administration authorities), approval documents for
project establishment, planning, land use and as-built inspection, a certificate of
payment of property tax, and other documents required by the government
departments responsible for recognition and the city’s Finance Bureau.

Article 10 Headquarters enterprises shall provide three photocopies of the
licenses, contract, invoices, tax payment certificates, and recognition and
approval documents specified in Articles 7, 8 and 9 as part of the application
documents. The photocopies shall be affixed a seal of the enterprise proving
consistent with the original, and the original documents shall also be made
available for checking purposes.

Article 11 The government departments responsible for recognition shall, in
collaboration with city’s State Tax Bureau, Local Tax Bureau and Land Resources
and Housing Administration Bureau and other related departments, conduct
preliminary inspection of the application documents for reward and subsidy funds
for headquarters and submit such documents along with inspection comments to
the Office of the Municipal Leadership Group for Service Industry Development.
The Office shall, within 15 workdays upon receipt of the application documents,
initiate accounting for the reward and subsidy funds for headquarters in
conjunction with the city’s Finance Bureau.

Article 12 The Office of the Municipal Leadership Group for Service Industry
Development shall check and consolidate the plans on the use of the annual
reward and subsidy funds for headquarters, and submit such plans to Municipal
Leadership Group for Service Industry Development for approval before releasing
use plans in conjunction with the city’s Finance Bureau and the government
departments responsible for recognition.

Article 13 The government departments responsible for recognition shall
complete the allocation formalities for the reward and subsidy funds with the city’
s Finance Bureau in accordance with the released plans on the use of the annual reward and subsidy funds and in compliance with the administrative regulations on financial treasuries.

**Article 14** Unless other provisions are stipulated in laws, statutes or regulations, the reward and subsidy funds for headquarters shall be subjected to accounting and financial processing in accordance with *The Accounting Standards for Business Enterprises* and *The General Rules for Financial Affairs in Enterprises*. The rewards for outstanding business contributions or the subsidies may be distributed by headquarters enterprises to their business decision-making personnel and other personnel; the funds can also be used by headquarters enterprises as financial allocation in support of expansion of production and business operations.

**Article 15** Reward and subsidy funds for headquarters shall be contributed by the municipal coffers and the districts (county-level cities) where the headquarters enterprises are located; the funds will be advanced from the municipal coffers. The specific amount of the funds to be contributed by district (county-level city) coffers shall be determined by the city’s Finance Bureau in accordance with their respective shares of revenues in the financial system, and the city’s Finance Bureau will settle such special accounts separately with district (county-level city) coffers.

**Article 16** Enterprises applying for reward and subsidy funds for headquarters shall be responsible for the authenticity and legality of application documents that they have submitted. All government departments responsible for recognition and inspection shall strictly fulfill their duties and responsibilities and strengthen administrative services, follow-up management, supervision and inspection of headquarters enterprises. The Office of the Municipal Leadership Group for Service Industry Development shall, in conjunction with the city’s Supervision Bureau, Finance Bureau and government departments responsible for recognition, investigate any entity or individual engaged in fraudulent application, embezzlement or unauthorized retention of reward and subsidy funds for headquarters. Such behaviors in violation of laws or regulations shall be prosecuted in accordance with *The Regulations on Penalties and Sanctions for Fiscal Violations* (State Council Decree No. 427).
Article 17  Reward funds for foreign investment projects and financial headquarters may continue to be allocated if their use plans have been released but they have not been actually allocated.

Article 18  These Provisions shall come into force upon promulgation and shall remain effective for five years. Upon the expiration of the period of effectiveness, these Provisions will be reviewed and revised according to the outcome of their implementation.
Method for Recognizing the Domestically-invested Headquarters Enterprises in Guangzhou

Article 1 These methods are formulated in light of the city’s actual circumstances with a view to implementing the Notice about the Enforcement Opinions on Accelerating the Development of Headquarters-related Economy by Guangzhou Municipal Development and Reform Commission (GZ Gov. [2010] No. 2) released by the People’s Government of Guangzhou Municipality, accelerating the development of the headquarters-related economy, and standardizing the recognition and administration of domestically-invested headquarters enterprises in Guangzhou.

Article 2 “Domestically-invested headquarters enterprises” (with financial industries exclusive) herein refer to enterprises which were founded by domestic investors such as enterprises owned by the whole people, enterprises with collective ownership, joint ventures and private-owned enterprises or by their majority-controlled entities and which have business, state and local tax registration in Guangzhou, sound financial systems and qualifications as independent legal persons, implement independent accounting, and have invested or been authorized to manage at least 3 enterprises within or outside of China. A domestically-invested headquarters enterprise is the enterprise’s highest organization which is based in Guangzhou and responsible for operating and managing the businesses it invested and which serves at least one of the following functions:

1. The decision-making center, which is responsible for comprehensive headquarters functions, such as administration, assets management and R&D
management, and which coordinate the company’s internal activities through such
functions as plan implementation, organizing, staffing, guidance and leadership,
and control.
2. The settlement center, which is responsible for processing the settlement of accounts
between the enterprise’s subsidiaries, allocating funds, and planning on operations in
order to reduce funding costs and improve the utilization efficiency of funds.
3. The procurement center, which is responsible for organizing and managing
procurements and formulating and managing the enterprise’s overall internal
procurement plants.

**Article 3** Enterprises complying with Article 2 herein and meeting *The
Conditions and Criteria for Recognizing Headquarters Enterprises in Guangzhou*
may apply for recognition as Guangzhou-based domestically-invested headquarters
enterprises.

**Article 4** The procedures for recognizing domestically-invested headquarters
enterprises shall conform to the principles of fairness, equity and openness.
Application for recognition shall be voluntary, subjected to government
inspection, and dynamic evaluation. In principle, the recognition process shall
take place on an annual basis.

**Article 5** The Economic and Trade Commission of Guangzhou Municipality
(ETCGM) and the competent economic and trade departments of the districts
(county-level cities) shall be jointly responsible for implementing these Methods.
ETCGM shall be responsible for organizing the recognition of domestically-
invested headquarters enterprises, including organizing the application of the
domestically-invested headquarters enterprises in conjunction with the competent
economic and trade departments of the districts (county-level cities), assessing
enterprises meeting the conditions for recognition in conjunction with related
functional departments, submitting documents on such enterprises to the
Municipal Leadership Group for Service Industry Development for inspection and
approval, and forwarding documents on enterprises whose headquarters status
needs to be modified or revoked to the Municipal Leadership Group for Service
Industry Development for inspection and approval.

Applications for recognition as domestically-invested headquarters enterprises
shall be administrated locally. The competent economic and trade departments of
the districts (county-level cities) shall be responsible for processing applications filed by domestically-invested enterprises based in their respective jurisdictions, and submit preliminary inspection comments to ETCGM.

**Article 6** Recognition of domestically-invested headquarters enterprises shall be in accordance with the following procedures:

1. The applying enterprise shall download the *Application Form for Recognition as a Domestically-invested Headquarters Enterprise in Guangzhou* from the ETCGM website, fill it out, and submit it, along with other valid certification documents, to the competent economic and trade department of the district (county-level city) where the enterprise is located by the end of April of the year of recognition.

2. Upon receipt of application documents from the enterprise, the competent economic and trade department of the district (county-level city) shall submit related information on the enterprise to the tax authorities to verify the enterprise’s tax payment into the municipal and district (county-level city) coffers in the previous year, and then provide preliminary inspection comments for ETCGM.

3. After inspection, ETCGM shall forward the documents to the Office of the Municipal Leadership Group for Service Industry Development by the end of June, and the Office shall submit the documents to the Municipal Leadership Group for Service Industry Development for inspection and approval by the end of July.

4. The outcome of the applications for recognition will be publicly announced by the Municipal Leadership Group for Service Industry Development in the name of the Municipal Government. The successful applicants will receive a recognition certificate and a plaque, and their names will be published at the Municipal Government’s Public Information Net (http://www.gz.gov.cn) and in the *Guangzhou Daily*.

**Article 7** The enterprises applying for recognition as a domestically-invested headquarters enterprise shall submit the following documents:

1. The original of the *Application Form for Recognition as a Domestically-invested Headquarters Enterprise in Guangzhou* signed by the legal representative of the enterprise;

2. Photocopies of the enterprise’s business license and tax registration certificate (with the originals available for checking purposes);

3. Documents certifying that the enterprise has met the conditions or criteria
specified in Article 4 of *The Conditions and Criteria for Recognizing Headquarters Enterprises in Guangzhou*;

4. Documents certifying the enterprise’s tax payment in the previous year, including a tax payment certificate and a photocopy of *The Verification Report on the Payment and Filing of Enterprise Income Tax* issued by a qualified intermediary organization (with the original available for checking purposes);

5. A photocopy of the enterprise’s financial statements for the previous year which have been audited by a certified public accountant firm (with the original available for checking purposes);

6. Photocopies of the articles of association, affiliation certificates, business licenses, and tax registration certificates of companies majority-owned by the enterprise or its branches (with the original available for checking purposes);

7. Other documents required by the government departments responsible for recognition.

Domestically-invested enterprises meeting the conditions specified in Article 3 herein are only required to submit documents specified in Items (1), (2), (3), (6) and (7) above if they apply for recognition as a headquarters enterprise in the year of their formation or relocation to Guangzhou.

**Article 8** Application documents shall be submitted in quintuplicate (excluding the originals of certificates). Photocopies shall be affixed with a seal of the enterprise to prove consistent with the originals and shall be submitted with their originals for checking purposes. Domestically-invested enterprises applying for recognition as headquarters shall provide truthful documents as required and assume related legal responsibility.

**Article 9** ETCGM, in conjunction with related government departments, provides dynamic management of recognized domestically-invested headquarters enterprises, and conduct biennial evaluations of such enterprises by using the same conditions and criteria for recognition. Enterprises found in the evaluation to be no longer in conformity with the conditions for recognition as domestically-invested headquarters enterprises will forfeit their recognition and lose their entitlement to related preferential and supportive policies.

**Article 10** Recognized domestically-invested headquarters enterprises are entitled to enjoy the preferential and supportive policies specified in Notice about the Enforcement Opinions on Accelerating the Development of Headquarters-

**Article 11** With substantial changes such as renaming or restructuring, a recognized headquarters enterprise shall, within 15 workdays of the completion of formalities for such changes, notify the competent economic and trade department of the district (city-level city) where the enterprise is located and inform ETCGM as well. ETCGM shall consolidate information on such changes and submit it to the Municipal Leadership Group for Service Industry Development for inspection and approval before issuing the replacement recognition certificate.

**Article 12** The competent economic and trade departments of the districts (city-level cities) shall strengthen their supervision and administration of recognized domestically-invested headquarters enterprise located in their respective jurisdictions and promptly implement related preferential and supportive policies. If a recognized domestically-invested headquarters enterprise has violated any national law or regulation, or if its conditions for application have changed, the competent economic and trade departments of the districts (city-level cities) shall notify ETCGM and submit consolidated information to the Municipal Leadership Group for Service Industry Development so as to revoke the enterprise’s status as a domestically-invested headquarters enterprise, discontinue its entitlement to related preferential and supportive policies, and make public announcements accordingly. If a domestically-invested headquarters enterprise is found to have obtained a reward or subsidy by providing false application documents, the government department responsible for recognition shall seek the approval of the Leadership Group to revoke the enterprise’s status as a Guangzhou-based domestically-invested headquarters enterprise, recover the headquarters enterprise certificate, order the enterprise to refund the reward or subsidy in full, and make public announcements accordingly. In the event of a serious offense and substantial negative influence on society, the principals of the enterprise will be prosecuted.

**Article 13** These methods shall come into force upon promulgation and shall remain effective for five years. Upon the expiration of the period of effectiveness, these methods will be reviewed and revised according to the outcome of their implementation.
Methods for Recognizing the Foreign-invested Headquarters Enterprises in Guangzhou

Article 1 These methods are formulated in accordance with the Notice about the Enforcement Opinions on Accelerating the Development of Headquarters-related Economy by Guangzhou Municipal Development and Reform Commission (GZ Gov. [2010] No. 2, hereinafter referred to as the Enforcement Opinions) released by the People’s Government of Guangzhou Municipality, with a view to accelerating the development of foreign-invested headquarters economy and enhancing the leading and radiating influence of Guangzhou as a central city of the nation.

Article 2 “Foreign-invested headquarters enterprises” herein refer to the general organizations established by foreign investors in Guangzhou and exercising management and service functions for their invested enterprises within and outside China.

A foreign-invested headquarters enterprise can be established in the form of an investment company, a management company, a R&D center, or a manufacturing enterprise with headquarters characteristics.

Article 3 Enterprises applying for recognition as foreign-invested headquarters enterprises shall meet all of the following requirements:
1. Being a foreign-invested enterprise registered in Guangzhou with independent legal personal status;
2. Investing in or been authorized to manage at least 3 enterprises within or outside of China, and exercising management and service functions for these enterprises;
3. Meeting one of the following conditions:
   (1) Complying with the industry standards specified in *The Conditions and Criteria for the Recognition of Headquarters Enterprises in Guangzhou*;
   (2) Being a company established by Global 500;
   (3) Being an investment company approved by the Ministry of Commerce or its authorized inspecting and approving agency;
   (4) Being one of China’s top 500 enterprises or China’s top 100 chain enterprises;
   (5) Being a leading enterprise with operating revenue ranked among the top 10 in strategic emerging industry, such as new energy, information network, new materials, life science, or oceanography. The specific range and fields of strategic emerging industries for foreign investment are to be defined by municipal department of foreign trade and economy in the application documents for recognition of headquarters enterprises for the year.

   “Global 500” refers to companies on the List of the World’s 500 Largest Companies published by the U.S. Fortune magazine for the previous year.

   “China’s top 500 enterprises” refers to enterprises on the list of China’s top 500 enterprises published by the China Enterprise Confederation and the China Entrepreneurs Association for the previous year in line with international practices.

   “China’s top 100 chain enterprises” refers to enterprises on the list of China’s top 100 chain enterprises published by the China Chain Store and Franchise Association for the previous year.

**Article 4** The Bureau of Foreign Trade and Economic Cooperation of Guangzhou Municipality (BOFTEC) is responsible for recognizing foreign-invested headquarters enterprises in Guangzhou. The procedures for recognizing foreign-invested headquarters enterprises shall conform to the principles of fairness, equity and openness. Application for recognition shall be voluntary, subjected to government inspection, and dynamic evaluation. In principle, the recognition process shall take place on an annual basis.

**Article 5** Recognition of foreign-invested headquarters enterprises shall be in accordance with the following procedures:

1. An applying enterprise shall download the Application Form for Recognition as a Foreign-invested Headquarters Enterprise in Guangzhou from the BOFTEC
website, fill it out, and submit it, along with other valid certification documents, to the competent economic and trade department of the district (county-level city) where the enterprise is located by the end of April of the year of recognition.

2. Upon receipt of application documents from the enterprise, the competent economic and trade department of the district (county-level city) shall submit related information on the enterprise to the tax authorities to verify the enterprise’s tax payment into the municipal and district (county-level city) coffers in the previous year, and then provide preliminary inspection comments for BOFTEC before May 15 of the year.

3. After inspection, BOFTEC shall forward the documents to the Office of the Municipal Leadership Group for Service Industry Development by the end of June, and the Office shall submit the documents to the Municipal Leadership Group for Service Industry Development for inspection and approval by the end of July.

4. The outcome of the applications for recognition will be publicly announced by the Municipal Leadership Group for Service Industry Development in the name of the Municipal Government. The successful applicants will receive a recognition certificate and a plaque, and their names will be published at the Municipal Government’s Public Information Net (http://www.gz.gov.cn) and in the Guangzhou Daily.

**Article 6** An enterprises applying for recognition as a foreign-invested headquarters enterprise shall submit the following documents:

1. The *Application Form for Recognition as Foreign-invested Headquarters Enterprise in Guangzhou*;

2. The authorization documents signed by the legal representative or authorized representative of the parent company for the establishment of headquarters or exercising of fundamental functions, and a list of enterprises managed and served by the foreign-invested headquarters enterprise;

3. The parent company’s registration documents and the legal representative’s certification documents (photocopies);

4. The applying enterprise’s approval document, approval certificate, business license, latest capital verification report, and financial report for the previous year which has been audited by a certified public accountant firm; and the business
licenses and capital verification reports of its invested enterprises or managed enterprises with authorization (photocopies);
5. Certificates issued by the city’s state or local tax authorities stating the enterprise income tax, VAT and business tax paid by the applying enterprise in the previous year and showing the amounts of such taxes paid into the municipal and district (county-level city) coffers;
6. Enterprise established in Guangzhou by Global 500 applying for recognition as a foreign-invested headquarters enterprise shall submit a certificate proving that it was established by a Global 500 company. Enterprise among China’s top 500 enterprises or China’s top 100 chain enterprises shall submit a certificate to prove such status. Construction and real estate enterprises shall provide qualification and grade certification documents as well (photocopies);
7. Other documents required by the government departments responsible for recognition.

Foreign-invested enterprises meeting the conditions specified in Article 3 herein are not required to submit their financial audit reports for the previous year or the documents specified in Item (5), if they apply for recognition as a foreign-invested headquarters enterprise in the year of their formation or relocation to Guangzhou.

**Article 7** Application documents listed in Article 6 shall be submitted in quintuplicate (excluding the originals of certificates). Photocopies shall be affixed with a seal of the enterprise to prove consistent with the originals and shall be submitted with their originals for checking purposes. Foreign-invested enterprises applying for recognition as headquarters shall provide truthful documents as required and assume related legal responsibility.

**Article 8** Recognized foreign-invested headquarters enterprises are entitled to the preferential and supportive policies specified in the *Enforcement Opinions* and related regulations.

**Article 9** BOFTEC shall, in conjunction with related government departments, provide dynamic management of recognized foreign-invested headquarters enterprises, and conduct biennial evaluations of such enterprises according to the same conditions and criteria for recognition. Enterprises found in the evaluation to be no longer in conformance to the conditions for recognition as foreign-invested
headquarters enterprises will forfeit their recognition and lose their entitlement to related preferential and supportive policies.

**Article 10** Foreign-invested headquarters enterprises which have been recognized before the release of the *Enforcement Opinions* shall be subjected to evaluation by BOFTEC in conjunction with other related government departments according to the conditions and criteria for recognizing headquarters enterprises. The outcome of such evaluation will be submitted to the Municipal Leadership Group for Service Industry Development before the names of such enterprises are publicly announced.

**Article 11** If an enterprise is found to have obtained a reward or subsidy by providing false application documents, the government department responsible for recognition shall, after obtaining the approval of the Municipal Leadership Group for Service Industry Development, revoke the enterprise’s status as a Guangzhou-based headquarters enterprise and discontinue its entitlement to related preferential and supportive policies; and related municipal departments shall order the enterprise to refund the reward or subsidy in full and make public announcements accordingly. In the event of a serious offense and substantial negative influence on society, the principals of the enterprise will be prosecuted.

**Article 12** The application for recognition as headquarters by enterprises set up in Guangzhou by investors from Hong Kong, Macao and Taiwan is made by reference to these methods.

**Article 13** These methods are not applicable to foreign-invested financial institutions.

**Article 14** These methods shall come into force upon promulgation and shall remain effective for five years. Upon the expiration of the period of effectiveness, these methods will be reviewed and revised according to the outcome of their implementation.
Methods for Recognizing the Financial Headquarters Enterprises in Guangzhou

Article 1 These methods are formulated in light of Guangzhou’s actual circumstances and in accordance with the Notice about the Enforcement Opinions on Accelerating the Development of Headquarters-related Economy by Guangzhou Municipal Development and Reform Commission (GZ Gov. [2010] No. 2) released by the People’s Government of Guangzhou Municipality, with a view to accelerating the development of the headquarters-related economy.

Article 2 “Financial headquarters enterprises” (including domestically-invested and foreign-invested ones) herein refer to financial institutions registered in Guangzhou and qualified as independent corporate legal persons.

Article 3 Enterprises complying with Article 2 herein and meeting The Conditions and Criteria for Recognizing Headquarters Enterprises in Guangzhou may apply for recognition as Guangzhou-based financial headquarters enterprises.

Article 4 The procedures for recognizing financial headquarters enterprises shall conform to the principles of equity, openness and fairness. Application for recognition shall be voluntary, subjected to government inspection, and dynamic evaluation. In principle, the recognition process shall take place on an annual basis.

Article 5 Recognition of financial headquarters enterprises shall be in accordance with the following procedures:
1. An applying enterprise shall download the Application Form for Recognition as a Financial Headquarters Enterprise in Guangzhou from the website of the Finance Office of Guangzhou Municipality (FOGM), fill it out, and submit it, along with other valid certification documents, to FOGM by the end of April of the year of recognition.
2. After inspection with other related government departments, FOGM shall forward the documents to the Office of the Municipal Leadership Group for Service Industry Development by the end of June, and the Office shall submit the documents to the Municipal Leadership Group for Service Industry Development for inspection and approval by the end of July.

3. The outcome of the applications for recognition will be publicly announced by the Municipal Leadership Group for Service Industry Development in the name of the Municipal Government. The successful applicants will receive a recognition certificate and a plaque, and their names will be published at the Municipal Government’s Public Information Net (http://www.gz.gov.cn) and in the Guangzhou Daily.

**Article 6** An enterprises applying for recognition as a financial headquarters enterprise shall submit the following documents:

1. The Application Form for Recognition (Evaluation) as a Financial Headquarters Enterprise in Guangzhou signed by the legal representative of the enterprise;

2. Photocopies of the finance license, legal person license, or operation license issued by national financial regulatory authorities or provincial or municipal financial work departments;

3. Photocopies of the business license and tax registration certificate;

4. Documents certifying that the enterprise has met the conditions or criteria specified in Article 4 of The Conditions and Criteria for Recognizing Headquarters Enterprises in Guangzhou;

5. An audit report for the previous year which has been issued by a certified public accountant firm;

6. Documents certifying the enterprise’s tax payment in the previous year, including a tax payment certificate and a photocopy of the report on settlement and payment for the previous year which has been issued by a qualified intermediary organization;

7. Other documents required by FOGM.

Financial enterprises meeting the conditions specified in Article 3 herein are only required to submit documents specified in Items (1), (2), (3), (4) and (7) above if they apply for recognition as a financial headquarters enterprise in the year of their formation or relocation to Guangzhou.
Article 7 Application documents shall be submitted in quintuplicate (excluding the originals of certificates). Photocopies shall be affixed with a seal of the enterprise to prove consistent with the originals and shall be submitted with their originals for checking purposes. Financial enterprises applying for recognition as headquarters shall provide truthful documents as required and assume related legal responsibility.

Article 8 Recognized financial headquarters enterprises are entitled to the preferential and supportive policies specified in the GZ Gov. [2010] No.2 Circular.

Article 9 With substantial changes such as renaming or restructuring, a recognized headquarters enterprise shall notify FOGM within 15 workdays of the occurrence of such a change. FOGM shall conduct preliminary inspection of such a change in conjunction with related government departments and submit it to the Municipal Leadership Group for Service Industry Development for inspection and approval.

Article 10 FOGM shall, in conjunction with related government departments, provide dynamic management of recognized financial headquarters enterprises, and conduct biennial evaluations of such enterprises by using the same conditions and criteria for recognition. Enterprises found in the evaluation to be no longer in conformance to the conditions for recognition as financial headquarters enterprises will forfeit their recognition and lose their entitlement to related preferential and supportive policies.

Article 11 Any financial headquarters enterprise engaged in fraudulence in the process of recognition or application for reward and subsidy funds will have its status as a financial headquarters enterprise revoked, no longer be entitled to related preferential and supportive policies, and be ordered to refund the reward and subsidy in full, and the financial regulators will be notified of such fraudulence. In the event of a serious offense, related personnel will be prosecuted.

Article 12 These methods shall come into force upon promulgation and shall remain effective for five years. Upon the expiration of the period of effectiveness, these methods will be reviewed and revised according to the outcome of their implementation.

Keywords: Economic Administration, Economy, Notice

Opinions on Accelerating Modern Commerce and Trade Circulation and Developing International Commerce and Trade Center

Guangzhou (2010) No. 37
(Text Extract)

Peoples’ governments at districts, county levels, municipal departments and organizations directly under the municipality;

To make full use of the advantages of this millennia commercial city, accelerate modern commerce and trade circulation, and develop an international commerce and trade center serving for a central city at state level, we hereby render the following opinions:

I. To Accelerate Modern Commerce and Trade Circulation is the Major Strategic Measure to Develop an International Commerce and Trade Central City

i. To accelerate modern commerce and trade circulation meets the inexorable requirement of building a central city at state level. ……

ii. To accelerate modern commerce and trade circulation is an important channel to guide the consumption and expand domestic demands. ……

iii. To accelerate modern commerce and trade circulation fulfills the pragmatic needs to transform the mode of economic growth and adjust the economic structures. ……
II. Led by the Outlook of Scientific Development, the Guideline and Overall Target of Modern Commerce and Trade Circulation Development Will be specified.

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v. Overall target: by 2012, the total retail volume of social consumption will reach RMB 500 billion Yuan, the total commodity sales volume amount to RMB 2 trillion Yuan and the sales volume of chain-stores will take up 62% of the total retail volume of social consumption. By 2015, the total retail volume of social consumption, total commodity sales volume, retail volume of catering industry will take the lead by 2015; the ratio of commerce and trade added value in the city’s GDP (district gross domestic product) will increase by 2%; there will be 10 listed commerce and trade enterprises, 2-3 at hundred billion levels and 5-6 at ten billion levels; “Guangzhou Price” index with gathering and radiation functions will make Guangzhou a major transaction place for international and domestic trade, gathering international brands and = megastone. Headquarters of transnational corporations in Asia-Pacific regions will rally in Guangzhou, major commercial and industrial logistics junctions at international level, e-commerce center, city of gourmet, commerce & exhibition center will be initiated, making commerce & trade circulation a mainstay industry in Guangzhou’s economic and social development.

III. To Optimize Commerce and Trade Layout by Strengthening Planning and Carrier Construction

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vii. High-end commerce and trade zones will be constructed. Landmark constructions, key projects, distinctive ecological landscapes and cultural facilities fully displaying the commercial image of such zones will be established. Under the principle of “project stimulation, brand gathering, function integrating, development dislocation”, White Swan Bay will be developed into an international commercial center integrating shopping, commerce, entertainment, catering, leisure and tourism, and a core commercial zone in Guangzhou-Foshan district. Baiyun New Town will become a modern commercial and cultural zone
with the most functions, strongest artistic atmosphere, speediest information, integrating modernity and Lingnan elements. Focus will be put to make Zhujiang New Town (including Yuancun District) a landmark commercial and financial zone for top class consumption, release of top class brands and luxury goods. Efforts will be made to construct Pazhou District into a commerce and trade zone supporting commercial exhibition.

viii. Industrial logistics zones will be established. A set of modern and internationalized trading parks will be planned from high starting point and constructed as per high standard, with integrated management, intensive operation and electronic exchanges applied. By taking advantage of the city's role model in modern logistics of state circulation, efforts will be made to cultivate 10 manufacturing logistics zones covering automobile, petrochemical, electronics, equipment, steel, medicine, etc and 1 e-commerce logistics zone. Focus will be put on constructing the three major automobile logistics parks in east, south and north, petrochemical logistics park in Nansha Xiaohu Island, steel logistics parks in Panyu and Luogang, equipment manufacturing logistics park in Panyu. Six major industrial logistics bases and three major complete automobile bases, Huadu Baiyun Airport and Nansha harbor base will be constructed concurrently.

ix. Three exhibition domains will be constructed. By making full use of the leading role of China Import & Export Fair, more international brand exhibitions will be introduced to Pazhou to develop a national exhibition zone. Commercial offices, hotel, and culture & entertainment facilities inside or around the exhibition halls will be planned from a high starting point, making Pazhou the core domain for international commercial exhibition; Liuhua Exhibition Center will become a professional exhibition zone focusing on small and medium sized professional exhibitions, consumption exhibitions and touring exhibitions; Baiyun International Convention Center and Baiyun New Town will be an international conventional zone with its main doctrines in conference, forums, cultural & academic exchanges. Guidance will be given to all districts (cities at county level) in establishing professional exhibition zones in line with industrial development.

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xi. Commercial areas with transportation junction function and waterfront business
zones for leisure will be constructed. Based on Wuhan-Guangzhou Highway, Guangzhou South Railway Station, Guangzhou Railway Station, Guangzhou East Railway Station and other transportation networks, comprehensive commercial junctions will be promoted. Modern commercial zones will spread along the subway networks to enhance the commercial functions of old quarters and boost commercial agglomeration in new towns. Airport, railway station, foreign-related commerce in the harbor will be improved and tax-free commodities enriched, international facility services will be provided and portal commercial service functions strengthened. The rivers will be renovated, first-class investment companies and professional companies at international levels introduced, molding the areas along Yanjiang Road, Binjiang Road and Changzhou Island, etc into commercial zones integrating waterfront leisure and distinctive Lingnan flavor.

xii. International trade zones in airport and seaport will be constructed. In the bonded areas in Baiyun Airport and Nansha Harbor, etc, with international trading enterprises gathered, trading platform built, centralized service and container information provided, procurement base and supply base for import & export goods, equipments and raw materials will be established to offer one-stop trading service and most competitive trading platform for clients both at home and abroad.

xiii. Commercial facilities will be constructed to promote development of new towns. In the center of Nansha, Luogang, Huangpu and other new towns, upon population scale and industry base, comprehensive commercial facilities will be constructed. Focused on open shopping centers, department stores, supermarkets, professional stores of all kinds, specialty stores will be introduced as well, catering, leisure and transportation supplies will be improved to make Hydrophilic Commercial Center in Nansha, lofty commercial center in Luogang, which harmonize with the overall outlay, functions, industrial structures and cultural landscapes of the new towns.

IV. To Construct International Shopping Paradise By Spurring Development of Modern Retail Industry

xiv. High-end retail industry will be spurred. Through grouped construction and multi industries development, the five major commercial districts covering Tianhe
Road, Huangshi Dong Road, Beijing Road, Shangxiajiu Road and Zhongshan San Road will be transformed from wire-shaped to reticular shape. The service functions will be improved, the cultural elements of Lingnan and millennia commercial city be emphasized, the parking facilities bettered, the quality of the commercial facilities enhanced, the proportion of new industries increased, introduction of international brands, famous domestic brands and exclusive Megastone accelerated, making such districts the clustering areas of international prepotent brands, the first choice for urban brand consumption, the center of commercial & cultural creativity, shopping experiences, tourism and culture, the cradle for popular fashion products.

xv. Development of special commerce will be differentiated. The traditional special commercial streets selling jade products, seafood and dried fruits, decorations and boutique, calligraphy, etc will be upgraded and infused with new industries to expand the commerce volume and boost commerce gathering and accelerate infusion between commercial resources and tourism resources, culture relics and modern commercial streets, forming an international commercial tourism zone integrating specialty shopping, special leisure services, Lingnan traditional culture and metropolitan experiences.

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xvii. Consumption & festival brands of international influence will be cultivated. Keeping in step with major activities and traditional consumption peaks, shopping festivals, consumption seasons and fashion weeks will be organized, promotion campaigns be expanded and interaction between provinces and cities be strengthened to attract consumers both at home and abroad.

V. To Develop Industrial Logistics and Accelerate Establishment of Professional and International Procurement Center

xviii. International procurement center with bulk commodity trade platform at the core will be built. Electronic trading center for plastics, metal materials, grains, coal, petrochemicals, timbers, machineries, etc will be standardized, compilation and publication system for trading price index of bulk commodity will be established to form appealing Guangzhou Price of international influence. Developing modes will be tested in prepotent fields covering auto parts, wines,
tea leaves, agricultural products and medicines, etc. Efforts will be made to make Guangzhou a distribution base and procurement center for bulk commodities and industrial raw materials, which facilitates “global procurement, Guangzhou distribution and national network”.

xix. International procurement center with large scale exhibition & trade market at the core will be established. Based on Guangzhou international commodity trade & exhibition center, focus will be put to attract leading multinational procurement enterprises, introducing UN and EU procurement organizations, Guangzhou office of Association of Southeast Asian Nations (ASEAN), chamber of commerce of other provinces and foreign countries, making Guangzhou an international procurement center dominated by major transnational trading enterprises with transnational purchasers, distributors, brand manufacturers, and added value facilitators, trading promotional organizations dotted, and surrounded by small and medium sized trading companies, which exhibits the commodities and integrates negotiation, e-commerce.

xx. Professional and international procurement center with industrial logistics parks at the core will be built. Taking Guangzhou International Medicine Harbor as a role model, the industrial logistics parks will be molded into a professional and international procurement center where commerce, logistics, research and development, exhibition, popular science, e-commerce, sightseeing, tourism, etc are supplied to attract regional headquarters of transnational corporations, regional trading center, settlement center, procurement center, making it a national procurement center which is globally radiant and never ending.

VI. To Speed Up Establishment of International Commercial Exhibition Center By Boosting Exhibition Industry

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xxiii. Brand exhibitions will be enhanced and more supports supplied. The promising exhibitions having an edge in and leading the trend of the industry, with an exhibition area above 10,000 m² will be chosen and molded into local exhibition brands with self-developed intellectual property rights after 3 - 5 years’ cultivation and support. Excellent exhibitions both at home and abroad will be encouraged to settle in Guangzhou and preferential services in industrial and
commercial registration, project application and approval will be given to exhibitions with an area above 50,000 m² and having holding many exhibitions in succession. Efforts will be made to establish 2-3 professional and leading exhibitions at international levels, 4-5 leading ones in Asia and about 15 forefront ones nationwide.

xxiv. New exhibitions and international conventions will be fostered. Professional exhibitions related to advanced manufacturing, modern service and new strategic industries will be developed and modern service exhibitions covering logistics, finance, creativity & design, advertising, etc will be expanded, new strategic professional exhibitions such as new resources, materials, biological medicine, etc will be formed, professional exhibitions enabling interaction of exhibition and trade will be promoted and national and world class exhibitions coordinated with national industrial association will be developed. Initiatives will be made to attract international convention organizations and corporations, renowned enterprises to hold high-end forums, cultural & academic exchanges, incentive conferences, procurement conferences, etc herein, making Guangzhou a notable city for holding high-end international conventions.

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VIII. To Promote Modern Distribution & Wholesale Industries and Enhance the Radiating and Servicing Functions of Commerce and Trade Circulation

xxviii. Modern distribution enterprises under international operation will be introduced and fostered. Cooperation between wholesale enterprises and manufacturing enterprises for brand products will be strengthened and modern wholesale methods like exclusive distribution and sole agent applied. Efforts will be made to draw enterprises with general distributorship, general dealership of bulk brand products to Guangzhou. International premium brands will be encouraged to settle in Guangzhou with distribution agencies established. Taking the opportunity of integrating regional economy and domestic & foreign trade, transaction integrity of domestic & foreign trade enterprises will be boosted, trans-regional and domestic & foreign trade integrated wholesale trading enterprises will be speeded up.
xxix. Distribution network for international chain procurement will be introduced to the enterprises. Modern and professional distribution enterprises in garments, household appliance, food, automobile, etc will be established with integrated supply chain management model applied. Competent commerce and trade enterprises will be supported to establish marketing network platform by means of overseas investment and transnational merging and acquisition, to introduce local products to international market and transform traditional marketing mode into international marketing mode, making Guangzhou an operation center of commercial brands both at home and abroad.

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X. To Promote Modern Circulation and Industrial Standards, and Strengthen Independent Innovation Capacity

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xxxii. Application of e-commerce in commerce and trade circulation will be deepened. Taking the opportunity of establishing M-Commerce experimental city and E-commerce model city, commodity price index, industry confidence index will be provided in professional market, and traditional trading market will be upgraded. Stores and supermarkets are encouraged to build on-line shopping malls, to release information, exhibit commodities, embark negotiation, trading, logistics on line. Catering and hotels are encouraged to use electronic consultation platforms to expand food and room reservation services. RFID and intelligent terminal will be introduced to enterprises to enable intelligent management and modern supply chain management. New service models such as M-commerce, online entertainment will be promoted. Support will be given to third party e-commerce platform serving for minor enterprises and developing along the industrial chain and supply chain. Efforts will be made to invite famous international e-commerce service providers to settle in Guangzhou and guide those in Guangzhou to upgrade their operation centers to headquarters in China, Southeast Asian and even Asia-Pacific regions.

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XI. To Deepen the Reformation in Commercial Distribution Industry, Enlarge the Scale and Capacity of Top Enterprises

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xxxvii. Focus will be put on establishing a group of enterprises with competitiveness in global commercial industry. By the chance of attracting investment and going global, the enterprises will be encouraged to take part in various international communication and cooperation activities such as capital collaboration, brand sharing, technical discussion, management innovation and network spreading, etc. To carry out the plan of establishing “Top 100 Companies”, effort will be made on framing the rules in identifying and supporting key enterprises and projects. Those identified as fast-growing and potentially powerful will be supported attentively to forge into the list of top innovative enterprises with power of integration, radiation and stimulation. With the tendency of combination in brand influence, store sales, internet marketing and fast logistics, the development of integrated enterprises will be greatly enhanced in the new commercial service industry. The expected result of the plan is to develop a group of enterprises with a financial scale of 10 to 100 trillion RMB in 2015 and two among them rank the national top 20 in the commercial industry. ……

XIII. Continue to Optimize Condition for Commerce industry; Work Firmly on Creating More Supporting factors and Security of Service for the Establishment of An International Trading Center.

xlii. Increase financial support from the government. In the following five years from 2011, a fund of 80 million RMB (including the annual special fund for business network construction and development of exhibition industry) will be granted every year from the Guangzhou Ministry of Finance. It will be used in supporting the construction of key zone of commerce cluster, important infrastructure of service industry, essential projects involved with technical innovation, enhancing brand building and the growing of the exhibition industry, as well as extending the application of modern commercial distribution system and forging the system into rural areas and communities. For the projects that enlisted into the city’s key projects involved technical innovation, there is additional
support from the fund to reduce the interest of loan. More social resources will be encouraged to invest into the construction of commerce industry infrastructure. The five years since 2011 will witness some prizes of no more than 2 million, an amount calculate by 20 percent of the tax or VAT revenue that a project contributes to the local taxation department, awarded to the commercial projects in the city with actual investment of more than RMB 500 million yuan. The prizes will also be sustained by the annual fund of RMB 80 million yuan. The practice of special fund can also be taken for the regional government (the counties) as reference to enhance the development of commercial distribution industry within an acceptable budget.

Encourage the development of the enterprises by enlarging scale. From the year 2011, the key enterprises with an annual increase of more than 30% in total amount of sales or tax revenue/VAT revenue will have the priority in getting the financial support from the fund when they issue a new project. In the commercial distribution industry, the group enterprises which go into the process of internal restructuring will be exempted from the cost resulted by the transformation of asset or stock share structure; those that involved no property change will be exempted from the redundant cost resulted by profit transferring among internal companies.

Enhance financing capacity of the enterprises. A credit authorization management system should be established to match the characteristics of commercial distribution enterprises. Catering to the three financing characteristics of the enterprises—small amount, high urgency and high frequency, there is the need to institute a highly proficient and professional credit approval procedure and to provide favorable terms in aspects like credit permission, interest rate and so on, for the key enterprises and projects in the commercial distribution industry. For those that meets the requirement of key enterprises or enterprises with key investment project will be encouraged and supported to use some direct financing tools like company bond or short-term financing security, etc., which serve better to promote the development of the enterprises and projects.

Strengthen the fiscal support in the development of E-commerce. Initiatives will be taken to establish an E-trading platform for bulk stock trading center and large wholesale market, to form and present a industry index reflecting
“Guangzhou Price”, to set up websites for the large chained retail enterprises, to build a consumer consultation center for community service industry and an IT-based purchasing and circulation center for rural chained enterprises.

xlvii. Implement favorable taxation policy and improve the service of taxation. The taxation regulation for national pilot enterprises of logistics will be carried out in accordance to Notice of the State Administration of Taxation on concerning Tax Policies Related to Pilot Enterprises of Logistics [State Administration of Taxation (2005) No. 208]. The implementation of the policy related to the unitary taxation of the enterprises’ head office will be enhanced while the urban fiscal distribution system relating to unitary taxation will be further polished. The regional administration is not allowed to set up hurdles stopping enterprises developing cross-regional business.

xlviii. Better the utility of land for developing modern service industry. Effort will be put on the movement of reconstructing old towns, houses and factories, using deserted land that used to be occupied by companies of secondary industry to develop modern commercial service industry. The enterprises will be encouraged to bring in capital and facilities to build an assorted logistics center by utilize the administrative allocation of the use right of state-owned land. After finishing the legitimate procedure of land transfer and compensation for the revenue of the right of using state-owned land, the use right of the land can be taken as assets of a corporation. Following the general planning and town planning of land utility, the policy of transferring collective-owned land will be fully exploited to foster the construction of commercial projects by using the land.

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li. Perfect the pricing and fare policy of the commercial circulation industry. The price gap of electricity between commercial circulation industry and general secondary industry will be narrowed gradually while charges will be lessened. The administrative fees without the approval of state or provincial government will be abolished.

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liv. Improve the mechanism of statistics and appraisal management. More initiatives will be taken to enhance the basic management of commercial statistics, produce a coordination mechanism between government departments,
give impetus to the sharing of industrial information and resource between commerce, exhibition, logistics and tourism, etc., and exploit the establishment of an assessment system for the development of commercial circulation industry. Research and decision about the industry’s future will be made timely by regional and county-level city’s administration when important issue arises. The appraisal and assessment system will be established and polished while relating work that boosts the growing of commercial circulation industry will be taken as a part of annual performance assessment for relating departments and regional/county-level government.

December, 15, 2010
The Main Foreign Trade and Economic Organizations in Guangzhou and Their Functions

I. Bureau of Foreign Trade and Economic Cooperation of Guangzhou Municipality (GZBOFTEC)

Bureau of Foreign Trade and Economic Cooperation of Guangzhou Municipality is a comprehensive administrative authority of Guangzhou Municipal People’s Government, responsible for Guangzhou’s foreign trade and economic cooperation. Its main functions and responsibilities are as follows:

To implement the State, the Province and the municipality’s relevant policies, rules, regulations and laws for foreign trade, economic cooperation and foreign investment, to draft out local laws and regulations, work out and implement specific policies, programming, plan and supervising rules.

To study and review the international trade and situation of import and export, make suggestion of macro-control on structural adjustment and trade balance, to examine and handle the enterprises’ qualification and registration for importing and exporting, to implement the policies and rules on quotas allocation bid inviting of import and export commodities, to organize the implementation of the plan on import and export quotas, excluding grain and cotton, to manage processing trade, establish and improve the promoting system of foreign trade, research and promote new trade patterns, organize and help to participate all kinds of import & export commodities fair, foreign economic technological exhibitions at home and oversea.

To handle the technology import and export, draw up policies, administrative
measures and regulations to push through and promote technology trade, export of complete equipments; to coordinate the management of the quality of import and export commodities, brand building, intellectual property, responsible for high and new technology import and export.

To develop import and export of mechanical and electrical products and implement the policies on import and export of mechanical and electrical products; examine and approve the automatic import permit of mechanical and electrical products and in charge of the examination and reporting work of mechanical and electrical products under the catalogue of the Office of National Mechanical and Electrical Products, supervise and coordinate the international bid-inviting and bid-entering of mechanical and electrical products, examine and approve the qualification of agency organization in international bid-inviting.

To take the lead in drawing up the plan for service trade development and its implementation, and work with relevant department to draw plans and policies for import and export of service trade and service outsourcing and organize the implementation, push forward platform building of service outsourcing; make statistics on international service trade;

To provide guidance and assistances on foreign investments; participate in and organize implement of drawing development strategic and medium-long term planning programs; explore, plan, organize and coordinate investment promotion; provide guidance for foreign investment promoting organization oversea-based; participate in introducing, settlement and service of foreign invested key projects; to manage, in accordance with its administrative authority, the examination and approval of foreign invested projects in Guangzhou; coordinate and solve the problems concerning investment environment.

In charge of foreign economic cooperation; to draw up and implement the policies, laws and regulations of foreign economic cooperation and overseas investments; manage and supervise the overseas contracted projects, labor service cooperation; examine and verify the set up of oversea enterprise invested by Guangzhou’s companies (financial companies are not included), provide guidance on oversea market development, rectify order in the market to enterprises investing overseas; the work of protecting the rights and interests of personnel working abroad.
Manage foreign exchanges related to foreign economic and trade affairs, examine and approve permanent representative offices of non-enterprise economic organization set up by foreign countries, Hong Kong, Macao and Taiwan under authorization; issue authorized visa application notice form, within its limits of authority, to foreigners who are coming to China for business affairs; contact with foreign consulates general in Guangzhou with affairs of foreign trade and economic cooperation.

Generally coordinate and guide various functional zones of foreign trade, including economic and technological development zones, bonded ( logistics ) zones, export processing zones and all other kinds zones set by district s or country level cities.

To work for organization and coordination on anti-dumping, countervailing, anti-monopoly, safeguard measure and other concerning fair trade, generally coordinate the specific work relating to the World Trade Organization and free trade zones; conduct industry damage investigation and take trade remedy measures, provide guidance and coordination on defending for overseas litigations of anti-dumping, countervailing and safeguard measure to Guangzhou exported commodities.

To undertake other tasks dispatched by Guangzhou Municipality Party Committee, Guangzhou Municipality Government and high level authorities concerned.

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**Website:** www.gzboftec.gov.cn  
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Functions of Main Divisions

1. The Functions of the Main Functional Divisions Are As Follows:

General Office
Manage the daily affairs in the Bureau, including handling of the official documents and telegraphs, organization of meetings, confidential affairs, files and reception, etc.; undertake the work related to information, confidentiality, government affairs, finance and asset management, security and supervision, etc.; coordinate the work of divisions of the Bureau; and manage the Bureau’s information construction work.

Comprehensive Division
Organize research on foreign trade and economic development strategies and related policies; draft comprehensive documents of the Bureau; responsible for Bureau’s publicity activities; handle NPC deputies’ suggestions and CPPCC’s proposal and contact their counterparts in the democratic parties and other sectors; and organize the compilation of foreign trade and economic white paper, yearbook, and local chronicles.

Policy and Law Division (Fair Trade Division)
Draft relevant local laws, rules and regulations; take on the legality review over normative documents; undertake administrative reconsideration and respond to administrative appeal; work with relevant departments to deal with foreign-related trade disputes; responsible for work of fair trade and industrial damage investigation, including coping with investigations on foreign trade remedy, dealing with foreign-related intellectual property rights and technical and other barriers to trade, undertaking the investigation, in accordance with law, on the
concentration of business operators and other works concerning acts of anti-monopoly; coordinate the specific work relating to the World Trade Organization; and undertake the work of law publicity and education.

**Planning and Financial Division**

Compile the mid-and-long-term developmental strategies and annual working plans on foreign trade and economy of Guangzhou; monitor and analyze the macro operational status of foreign trade and economy of Guangzhou; in charge of statistics analysis and information dissemination on foreign trade; coordinate with relevant departments to implement policies and regulations of foreign exchanges, taxation, credit and other policies concerning foreign trade and economy; responsible for the formulation of special funds management methods and organization of implementation; guide the financial work of organizations directly under the Bureau and internal audit work.

**Foreign Trade Development Division**

Draw up management methods and measures to promote foreign trade and the strategic plans to explore overseas markets; construct and improve the international trade promotion system, and promote all kinds of foreign trade enterprises to explore international market, providing enterprises with all kinds of public services; research and promote new trade patterns; organize Guangzhou Trade Delegation to participate in Chinese Import & Export Commodities Fair and examine, approve and manage the foreign economic and technological exhibitions organized by Guangzhou municipality at home; and organize foreign exhibitions, fairs and other activities.

**Foreign Trade Administration Division**

Manage qualification registrations of import and export business and examine and submit enterprises’ applications for import and export license on goods under state’s restrictions; manage foreign trade warehousing, international freight forwarders and other logistics; coordinate the import and export management on all kinds of important commodities and tariff quota commodities; responsible for the issuance of import and export licenses of relevant goods and certificates of origin of textile products, relevant supervision, management and statistical analysis; and manage processing trade.
Mechanical and Electrical Products Import and Export Division (Guangzhou Mechanical and Electrical Products Import and Export Office)

Draft the plan for the development of import and export of mechanical and electrical products; examine and approve the automatic import permit of mechanical and electrical products and in charge of the examination and reporting work in accordance with the State’s import catalogue of mechanical and electrical products; coordinate and manage the export project of large-sized and full set of equipments; supervise and coordinate the international bid-inviting and bid-entering of mechanical and electrical products, examine and approve the qualification of agency organization in international bid-inviting; and guide the construction of productive system of exported mechanical and electrical products.

Foreign Investment Promotion Division

Coordinate and guide the work in promoting foreign investment in Guangzhou; participate in drawing strategies for promoting foreign investment in Guangzhou and policies and measures to improve investment environment; make plans to promote foreign investment in Guangzhou and organize the promotion work for introducing key projects in Guangzhou; and contact with overseas investment promotion organizations.

Foreign Investment Administration Division

Draw up policies, regulations, rules and normative documents for foreign investments; draw up mid-long term planning and annual guiding plans for utilization of foreign funds in Guangzhou; responsible for the statistical analysis of the utilization of foreign funds; make statistics and analyses of the utilizations of foreign funds, propose relevant suggestions and measures; examine, approve or report to the central government, in accordance with limits of authority, on the establishment, modifications and pledge of foreign-invested projects; issue confirmation certificates and renew approval certificates of foreign-invested projects in accordance with jurisdiction; coordinate and solve the problems concerning investment environment.

Development Zones Administration Division

Generally coordinate and guide various functional zones of foreign trade, including economic and technological development zones, bonded (logistics) zones and export processing zones; take the lead to coordinate relevant
departments to draw up development strategies, policies and measures for various functional zones of foreign trade, including economic and technological development zones, bonded (logistics) zones and export processing zones; make overall research and analysis on key issues concerning the development of various functional zones of foreign trade, including economic and technological development zones, bonded (logistics) zones and export processing zones; examine and approve, within the jurisdiction, or report to the central government, the establishments and modifications of various functional zones of foreign trade, including economic and technological development zones, bonded (logistics) zones and export processing zones; organize the study and argumentation of the establishment of various functional zones of foreign trade subjected to the approval by state or provincial government, including economic and technological development zones, bonded (logistics) zones and export processing zones; and guide and coordinate the construction of Guangzhou bonded logistics system and related work.

Foreign Economic Cooperation Division
Manage and guide Guangzhou’s outbound investment work and organize the implementation of Going Global strategies; foreign economic cooperation and technological assistance abroad, and work out relevant policies, laws and regulations; implement relevant policies by the state and the province and work out the development plan for foreign economic cooperation; examine and report to the relevant authorities on the establishment of overseas enterprises and operational qualification in foreign economic cooperation, including overseas contracted projects, labor service cooperation, and overseas assistance. To examine and approve the assignment of personnel to municipal enterprises in Hong Kong and Macau; undertake, with its jurisdiction, the work of protecting the rights and interests of personnel working abroad and cooperate with relevant departments in dealing with important issues; and organize and coordinate relevant exchange activities of foreign economic cooperation.

Technology and Trade Division
Implement the national and provincial policies on technology trade, service trade, service outsourcing and brand internationalization; formulate and implement Guangzhou’s planning and measures on the development and promotion of the
above sectors, guide the construction of various types of high-tech export bases, in charge of the management and promotion of import and export of high and new technology and products, service trade, service outsourcing and brand internationalization; responsible for technology import and export contract registration; and coordinate the management of export quality and technical standards.

**Foreign Exchange Division**

Manage foreign exchanges related to foreign economic and trade affairs, organize and coordinate major foreign affairs relating to foreign trade and economic cooperation; examine and approve representative offices of non-enterprise economic organization set up by foreign countries, Hong Kong, Macao and Taiwan; issue authorized visa application notice, within its limits of authority, to foreigners who are coming to China for business affairs; contact foreign consulates general in Guangzhou with affairs of foreign trade and economic cooperation; and organize foreign affairs activities concerned with the Bureau.

**II. Website of the GZBOFTEC**

**WWW. GZBOFTEC. GOV. CN** was opened in 2002. It has Chinese and English version now and is an important channel of Bureau of Foreign Trade and Economic Cooperation of Guangzhou Municipality (BOFTEC) to release government information, supply public service and realize industrial management. The goal of the website is as follows:

- To realize the function of E-government of BOFTEC so as to provide online administration and service for the local activities of foreign trade, foreign investment and foreign economic cooperation.
- To facilitate the businessmen worldwide with the easy access of the related foreign trade and economic information, latest laws and regulations and materials and datum.
- To provide the business circle worldwide with the information of the investment environment, investment promotion activities and related events of Guangzhou.
- To offer the online services and resources related to foreign trade and economic affairs.

With more than 60 columns, the Chinese Website covers the following 8 sections:
Government Announcement, E-Government Services, foreign investment, foreign trade, Foreign Economic & Technological Cooperation, News & Events, Documents & Publications, Laws and Regulations. With 7 sections and about 20 columns, the English Website covers main business of forging investment, foreign trade and Foreign Economic & Technological Cooperation. Among them the following hot columns are included: network supervision and control over processing trade, Information Platform of Trade Development and Textile, China Import and Export Commodities Fair, Service Trade, Automobile Bases Construction etc. The Website ensures release of latest policies and regulations and statistical data.

E-Government Services make the working procedures and admission result clear by taking the new office model of “internet admission- External Government Network handling-internet reply”. Now 17 items of online admission and about 20 on-line publicity items are provided. It handles about 5000 online admission businesses every month.

Communications platform provide such services as online Q&A, online complaints, Director-General’s Mailbox, online interview, online investigation and message forum so as to solicit opinions and suggestions from the public and provide citizens with a channel of excising their rights.

The website also supplies Personalization function of email subscription so to take a more initiative way by giving user concerned information instead of passively waiting to be visited by users.

People from all walks of life and concerned about Guangzhou foreign trade and economy are warmly expected to join hands with us to achieve the goals of the website and better serve the Guangzhou economic development.

Sponsor: Bureau of Foreign Trade and Economic Cooperation of Guangzhou Municipality
Co-sponsor: Information Center of Foreign Trade and Economic Cooperation of Guangzhou Municipality

Tel: 86-20-81098727, 86-20-81097445
Website: webmaster@gzboftec.gov.cn
III. China Council for the Promotion of International Trade, Guangzhou Branch

China Council for the Promotion of International Trade Guangzhou Branch (China International Chamber of Commerce Guangzhou Branch) is a standing local representative organization of the China Council for the Promotion of International Trade in Guangzhou. It is an international, comprehensive non-government foreign economic and trade organization formed by representatives from enterprises, associations and institutions related to foreign economic and trade affairs in Guangzhou. Its aim is to promote economic, trade, and technological cooperation with foreign countries and regions so as to facilitate the friendship, economic and trade exchanges between Guangzhou and other counties and regions worldwide.

Since its establishment in 1985, Guangzhou Branch has been focusing on its central task of economic development and foreign trade and economy promotion. By taking full advantage of its functions of foreign economic liaison, exhibitions organizations, visits abroad and license service, Guangzhou Branch has formed its own edge together with relevant overseas chambers of commerce, associations, enterprises and trade promotion organizations.

Guangzhou Branch, with over 6200 members of persons, institutions and enterprises, has 12 sub-branches throughout the 10 districts and 2 county-level cities in Guangzhou. Meanwhile, friendly cooperation and close contact have been established with more than 200 oversea establishments on 40-plus countries and regions. China Council for the Promotion of International Trade Guangzhou Branch aims to become a strong, professional and authoritative trade promotion organization and be welcomed by government, enterprises and society at home and abroad.

Add: 26B Development Center Building, Linjiang Road 3, Zhujiang New Town, Guangzhou, P. R. China

Tel: 86-20-3785 3060, 8730 5365
Fax: 86-20-37853099, 8730 5360
E-mail: gzh@ccpit.org
Website: http://www.gzccpit.org.cn
IV. Guangzhou Municipal Board for International Investment

Founded in 2002, Guangzhou Municipal Board for International Investment is the only non-profit and professional investment promotion institution under Guangzhou Municipal Government. With abundant government resource networks and a team staffed with professional personnel who are well trained on English, Japanese, Korean and other languages. We work out the best and most effective investment solution for overseas investors, including:

To provide the latest and detailed investment information
To interpret relevant policy and answer any investment-related question
To conduct on-the-spot investigation tour?
To recommend partners.

Guangzhou Municipal Board for International Investment will work unwaveringly with overseas investors to create a brighter new future.

**Address:** 7/F, Guangzhou Government Affairs Center, Hua Li Road 61, Zhujiang New Town, Guangzhou, P. R. China

**Zip Code:** 510623

**Tel:** 86-20-3892 0742/3892 0722

**Fax:** 86-20-3892 0747/3892 0724

**Email:** info@investguangzhou.gov.cn

**Website:** http://www.investguangzhou.gov.cn

V. Guangzhou Association of Enterprises with Foreign Investment

Guangzhou Association of Enterprises with Foreign Investment, founded in 1987 under the approval of the Guangzhou Municipal Government as a non-governmental organization, is under the leadership of Bureau of Foreign Trade & Economic Cooperation of Guangzhou Municipality. Leaders and experts from relevant departments concerning foreign economy, the customs, foreign exchange control, taxation, registration and management of industrial and commercial enterprises, inspection and quarantine of goods, labor and public security etc. have been invited as the consultants. It currently reached more than 1350 members; over 40 activities have been conducted each year. It is noted as the *Home for Foreign Businessmen.*
The Mission:
To safeguard their lawful rights and interests;
To promote understanding, friendship and cooperation among the members and
between the members and government departments. As well, to spur healthy
growth of member enterprises; and To thrive Guangzhou’s economic development.

Functions:
i. Provide one package service during the course of setting up a foreign-funded
teenprise, including the location of the enterprise, application for the
establishment of the enterprise, the registration in industrial and commercial
administration, in tax office and in foreign exchange control system, and the filing
with customs etc;
ii. Apply for the establishment, extension and alteration of foreign non-business
economic organization;
iii. Provide one package service during the course of applying for establishment,
extension, business permit, license and Tax Registration Certificate for the
foreign-funded company’s representative office in Guangzhou and oversea
enterprises invested by Guangzhou’s companies;
iv. Provide assistance for foreign business people in obtaining business
invitations, applying for temporary residence permit, renewal of visa, and the
employment permit in Guangzhou;
v. Apply for enterprises to take part in the Chinese Import & Export Commodities
Fair, organizing members to investigate various business and trade markets and to
participate in various expositions and exhibitions etc;
vi. Offer advisory services on such aspects as finance, taxation, labor, import
and export trade, management and law etc;
vii. Provide one package service of joint annual audits for foreign-funded
enterprises;
viii. Undertake the Policy Briefing of Guangzhou’s Rules and Regulations,
convening forums and workshops to seek the opinion of enterprises about draft
rules and regulations, holding training lectures concerning foreign economics,
industrial and commercial administration, taxation, foreign exchange control and
customs, and hold working luncheons of managers and specific salons;
ix. Facilitate its members to go in for such matters as bid offering for quotas of
export goods, and responding to anti-dumping cases etc;
x. Organize kinds of fellowship activities like culture, sports etc. among members and between governmental departments as well;
I. Organize enterprises to attend such activities as the selection of outstanding companies sponsored by the national associations or by the relevant governmental departments;
II. Conduct international exchanges with relevant economic groups at home and abroad to boost links and cooperation among enterprises.

Address: Room 1012, Dongfengxi Road 158, Guangzhou City  
Tel: 86 20 81089171, 81089117, 81089161  
Fax: 8620—81393745  
Zip Code: 510170  
Website: http://www.gzaefi.org.cn  
Email: gzaefi@yahoo.com.cn

VI. Functional Department of Districts and County-level Cities for Foreign Trade and Economy
### VI. Functional Department of Districts and County-level Cities for Foreign Trade and Economy

<table>
<thead>
<tr>
<th>Department</th>
<th>Office Address</th>
<th>Tel.</th>
<th>P. C.</th>
<th>Website</th>
<th>Email</th>
</tr>
</thead>
</table>
| Yuexiu Economy and Trade Bureau | 6/F, Kaicheng Building, No. 83, Xianliezhong Rd. | 0086-20-37625631  
0086-20-37663658 | 510070 | www. invest, yuexiu, gov.cn   | yuexiuwj@126.com |
| Liwan Economy and Trade Bureau  | Trade and Economy Building, Dongjiaonan Rd. | 0086-20-81532557  
0086-20-81500418  
0086-20-81402005 | 510375 | zsw lw. gov.cn                  | ipc.liwan@gmail.com |
| Haizhu Economy and Trade Bureau  | No. 9, Qiangui St., Qianjin Rd. | 0086-20-84415761 | 510230 | www. haizhu. gov.cn/jjmyj | hzwjmj@21.cn.com |
| Tianhe Economy and Trade Bureau  | 6/F, Bldg 2, Tianhe Government Yard, No. 1, Tianfu Rd. | 0086-20-38622696 | 510655 | jingmao.thnet.gov.cn                  | hujh@thnet.gov.cn |
| Baiyun Economy and Trade Bureau  | 7/F, Government Bldg., No. 238, Guangyuanzhong Rd. | 0086-20-86381887  
0086-20-86380657 | 510405 | www. by. gov.cn                      | xmb724@126.com |
| Huangpu Economy and Trade Bureau  | 2/F, No. 333, Dashadidong Rd., Huangpu             | 0086-20-82378703  
0086-20-82378540 | 510700 | www. hp. gov.cn/hpjmyj             | zsb@hp.gov.cn               |
| Panyu Economic and Trade Promotion Bureau | No. 11, Kou'an St., Qinghe-dong Rd., Shiqiao, Panyu | 0086-20-84690919 | 511400 | wjm.panyu.gov.cn                     | 13560158288@139.com |


<table>
<thead>
<tr>
<th>Department</th>
<th>Office Address</th>
<th>Tel.</th>
<th>P. C.</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Huadu Economy and Trade Bureau</td>
<td>No. 13, Sanjun Road, Xinhua Town, Huadu District</td>
<td>0086-20-68882320</td>
<td>510800</td>
<td><a href="mailto:jhowjmz@126.com">jhowjmz@126.com</a></td>
</tr>
<tr>
<td>Zengcheng Technology, Economy and Information Bureau</td>
<td>No. 23, Xiyuan Road, Zengcheng</td>
<td>0086-20-82752000</td>
<td>511300</td>
<td><a href="mailto:zchenomy@gz.gov.cn">zchenomy@gz.gov.cn</a></td>
</tr>
<tr>
<td>Gaozhou Economy and Trade Bureau</td>
<td>#30, Gangqiang Rd., Jiexiu, Conghua</td>
<td>0086-20-87921066</td>
<td>510900</td>
<td><a href="mailto:cchb@163.com">cchb@163.com</a></td>
</tr>
<tr>
<td>Nansha Economy, Trade, Technology and Information Bureau</td>
<td>No. 1, Fenghuang Bld., Nansha District</td>
<td>0086-20-89869697</td>
<td>511457</td>
<td><a href="mailto:rayuan.tmm@163.com">rayuan.tmm@163.com</a></td>
</tr>
<tr>
<td>Economic Development, Scientific and Technological Bureau of Guangzhou Development District</td>
<td>2/F, Building D, #1 Xianglou 3 Road, Luogang District</td>
<td>0086-20-82111508</td>
<td>510530</td>
<td><a href="mailto:lianggs@gdtd.gov.cn">lianggs@gdtd.gov.cn</a></td>
</tr>
<tr>
<td>Enterprises Construction Bureau of Guangzhou Development District</td>
<td></td>
<td></td>
<td>510530</td>
<td><a href="mailto:sunlyg@gdtd.gov.cn">sunlyg@gdtd.gov.cn</a></td>
</tr>
</tbody>
</table>
Contact Information of Some Functional Departments of Guangzhou

i. Administration of Industry and Commerce of Guangzhou
Add: #112 Tianhe Road, Guangzhou
Zip Code: 510620
Tel: 8620-85596566, 38920599

ii. Administration of Quality and Technology Supervision of Guangzhou
Add: #311, Yuexiu Bei Road, Guangzhou
Zip Code: 510050
Tel: 8620-83228323

iii. Guangzhou Foreign Affairs Office
Add: #1 Fuqian Road, Guangzhou
Zip Code: 510032
Tel: 020-83125410, 83125412

iv. Guangzhou Local Taxation Bureau
Add: #46 Jixiang Road, Guangzhou
Zip Code: 510030
Tel: 8620-12366, 83637000
v. Guangzhou Office of State Administration of Taxation
Add: #3 Huaxia Road, Zhujiang New Town, Guangzhou
Zip Code: 510623
Tel: 8620-12366, 38006100

vi Guangzhou Customs
Add: #83 Huacheng Ave., Zhujiang New Town, Guangzhou
Zip Code: 510623
Tel: 8620-81102000, 81103000

vii. Huangpu Customs
Add: #36, Baojin Road, Guangzhou Economic and Technological Development Zone, Guangzhou
Zip Code: 510730
Tel: 8620-82130000

viii. Guangdong Entry-Exit Inspection and Quarantine Bureau
Add: #66 Huacheng Ave., Zhujiang New Town, Guangzhou
Zip Code: 510623
Tel: 8620-38290883
## Major Economic and Trade Promotion Events in 2011

### I. International Exhibitions to attend

<table>
<thead>
<tr>
<th>No</th>
<th>Time</th>
<th>Country/Region</th>
<th>City</th>
<th>Exhibition</th>
<th>Organizer(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>April/October</td>
<td>China Hong Kong</td>
<td>Hong Kong</td>
<td>Hong Kong Electronic Fair</td>
<td>Hong Kong Trade Development Council (HKTDC)</td>
</tr>
<tr>
<td>2</td>
<td>May</td>
<td>South Korea</td>
<td>Seoul</td>
<td>Imported Goods Fair</td>
<td>Bureau of Foreign Trade and Economic Cooperation of Guangzhou (Guangzhou BOFTEC)</td>
</tr>
<tr>
<td>3</td>
<td>June</td>
<td>Brazil</td>
<td>Sao Paulo</td>
<td>FISPAL Food Service</td>
<td>China Foreign Trade Guangzhou Exhibition General? Corporation (CFTE)</td>
</tr>
<tr>
<td>4</td>
<td>June</td>
<td>The United Arab Emirates</td>
<td>Dubai</td>
<td>Global Sources China Sourcing Fairs</td>
<td>Global Sources</td>
</tr>
<tr>
<td>5</td>
<td>July</td>
<td>USA</td>
<td>Miami</td>
<td>Global Sources China Sourcing Fairs</td>
<td>Guangzhou BOFTEC</td>
</tr>
<tr>
<td>6</td>
<td>July</td>
<td>China Macao</td>
<td>Macao</td>
<td>Guangdong &amp; Macao Branded Products Fair</td>
<td>Guangzhou BOFTEC</td>
</tr>
<tr>
<td>7</td>
<td>August</td>
<td>Brazil</td>
<td>Sao Paulo</td>
<td>Guangdong (Sao Paulo) Commodities Fair</td>
<td>Guangzhou BOFTEC</td>
</tr>
<tr>
<td>8</td>
<td>August</td>
<td>Philippines</td>
<td>Manila</td>
<td>China Commodities Fair &amp; International Mechanical &amp; Electrical Products Fair</td>
<td>China Chamber of Commerce for Import and Export of Machinery and Electronic Products (CCCME)</td>
</tr>
<tr>
<td>9</td>
<td>September</td>
<td>Poland</td>
<td>Warsaw</td>
<td>Life Style Expo</td>
<td>Guangzhou BOFTEC</td>
</tr>
<tr>
<td>No</td>
<td>Time</td>
<td>Country/Region</td>
<td>City</td>
<td>Exhibition</td>
<td>Organizer(s)</td>
</tr>
<tr>
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<td>--------------------------------------------------</td>
</tr>
<tr>
<td>10</td>
<td>September</td>
<td>UK</td>
<td>Birmingham</td>
<td>Chinese Brand in Europe (Birmingham Autumn Fair)</td>
<td>Guangzhou BOFTEC</td>
</tr>
<tr>
<td>11</td>
<td>September</td>
<td>Germany</td>
<td>Berlin</td>
<td>IFA + IFA Home Appliance</td>
<td>Guangzhou BOFTEC</td>
</tr>
<tr>
<td>12</td>
<td>September</td>
<td>France</td>
<td>Paris</td>
<td>FATEX - the Fashion Sourcing Trade Fair</td>
<td>China Chamber of Commerce for Import and Export of Textiles (CGCT)</td>
</tr>
<tr>
<td>13</td>
<td>September</td>
<td>Jordan</td>
<td>Amman</td>
<td>China Fair Jordan</td>
<td>Ministry of Commerce of the People’s Republic of China (MOFCOM)</td>
</tr>
<tr>
<td>14</td>
<td>October</td>
<td>China Taiwan</td>
<td>Taipei</td>
<td>Cross-Strait Electronics Show</td>
<td>CCCME</td>
</tr>
<tr>
<td>15</td>
<td>October</td>
<td>Iran</td>
<td>Teheran</td>
<td>China Industry Expo-Iran</td>
<td>MOFCOM</td>
</tr>
<tr>
<td>16</td>
<td>November</td>
<td>Russia</td>
<td>Moscow</td>
<td>MIMS Automechanika Moscow</td>
<td>Department of Foreign Trade and Economic Cooperation of Guangdong Province (DOFTEC)</td>
</tr>
<tr>
<td>17</td>
<td>November</td>
<td>Myanmar</td>
<td>Yangon</td>
<td>Guangdong (Yangon) Commodities Fair</td>
<td>Guangzhou BOFTEC</td>
</tr>
<tr>
<td>18</td>
<td>November</td>
<td>Thailand</td>
<td>Bangkok</td>
<td>Guangdong Products (Bangkok, Thailand) Exhibition</td>
<td>Worldex G. E. C. China</td>
</tr>
<tr>
<td>19</td>
<td>December</td>
<td>South Africa</td>
<td>Johannesburg</td>
<td>Guangdong (Johannesburg) Commodities Fair</td>
<td>Guangzhou BOFTEC</td>
</tr>
<tr>
<td>20</td>
<td>December</td>
<td>Malaysia</td>
<td>Kuala Lumpur</td>
<td>China Import &amp; Export Commodities Exhibition (Malaysia)</td>
<td>CFTE</td>
</tr>
</tbody>
</table>
### II. Major Investment Promotion Events in 2011

<table>
<thead>
<tr>
<th>No.</th>
<th>Event</th>
<th>Time</th>
<th>country/Region</th>
<th>Organizers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Overseas Joint Promotion 2011 on Great Pearl River Delta by Guangdong and HK</td>
<td>10 月</td>
<td>Poland, Hungary, Check</td>
<td>Guangdong Provincial Government</td>
</tr>
<tr>
<td>2</td>
<td>Overseas Joint Promotion 2011 on Great Pearl River Delta by Guangdong and Macau</td>
<td>To be Confirmed</td>
<td>To be Confirmed</td>
<td>Guangdong Provincial Government</td>
</tr>
<tr>
<td>4</td>
<td>Promotion on Guangdong Business Environment and Cooperative Opportunities of Modern Service Industry</td>
<td>June</td>
<td>HK</td>
<td>Guangdong Provincial Government</td>
</tr>
<tr>
<td>5</td>
<td>Promotion on Business Opportunities of Post Asian Games aimed at Central Enterprises, privately-owned enterprises and Global 500</td>
<td>March</td>
<td>Beijing</td>
<td>Guangzhou Municipal Government</td>
</tr>
<tr>
<td>6</td>
<td>Promotion on Guangzhou Business Environment and Cooperative Opportunities of Modern Service Industry</td>
<td>March</td>
<td>HK</td>
<td>Guangzhou Municipal Government</td>
</tr>
<tr>
<td>7</td>
<td>Promotion on Comprehensive Competitiveness and Development Potentials aimed at Multinational Corporations</td>
<td>March-April</td>
<td>South Korea, Japan, USA</td>
<td>Guangzhou Municipal Government</td>
</tr>
<tr>
<td>8</td>
<td>Business Promotion in USA, Japan and South Korea</td>
<td>To be Confirmed</td>
<td>South Korea, Japan, USA</td>
<td>Guangzhou Municipal Government</td>
</tr>
<tr>
<td>9</td>
<td>Business Promotion in Europe</td>
<td>To be Confirmed</td>
<td>UK, Ireland, Germany, France</td>
<td>Guangzhou Municipal Government</td>
</tr>
<tr>
<td>10</td>
<td>Investment Promotion aimed at Global 500</td>
<td>To be Confirmed</td>
<td>Guangzhou</td>
<td>Guangzhou Municipal Government</td>
</tr>
<tr>
<td>11</td>
<td>Promotion on Guangzhou Business Environment for Electrical Information Industry</td>
<td>To be Confirmed</td>
<td>South Korea</td>
<td>Guangzhou Municipal Government</td>
</tr>
</tbody>
</table>