



Shenzhen in Guangdong province has grown from a lesser-known fishing town into a bustling modern metropolis. CHEN XU / FOR CHINA DAILY

Looking forward after four decades of massive growth

Shenzhen seeking to be global innovation leader in variety of industries and fronts

By CHEN HONG
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A symbol of the country's reform and opening-up, Shenzhen in Guangdong province is a wonderland that has created impressive economic growth over the past four decades.

The southern city, originally a fishing town with a population of just 30,000, became one of China's first four special economic zones in August 1980. It has played a leading role among the four SEZs through a series of incentive policies to attract foreign investment. That investment has spearheaded China's transition from a planned economy to a market-oriented one.

These policies were applied to different sectors, including the managerial autonomy of the companies, taxation, land use, foreign exchange control, marketing style and immigration management.

As a result, outside investment, especially from neighboring Hong Kong, gave a strong impetus to the city's economic development.

According to official figures, GDP of Shenzhen was less than 200 million yuan (\$28.7 million at today's exchange rate) in 1979. Last year, it reached nearly 2.7 trillion yuan, ranking third among cities in the Chinese mainland.

Shenzhen had a population of 13.4 million who had lived in the city for at least six consecutive months by the end of 2019, an increase of 412,200 people from the year before. The average age of the population was 32 years old.

Apart from attracting large multinational companies, the city has nurtured a group of local companies that have gained fame in the global community, including Huawei, Tencent,



Shenzhen Talent Park, which opened in 2017, is one of the efforts by the local government to attract professionals and promote exchanges of ideas. TANG SHUQUAN / FOR CHINA DAILY

ZTE and BYD. Another group of companies are growing globally in their sectors, such as drone maker DJI, medical apparatus and instruments supplier Mindray and semiconductor display producer TCL China Star Optoelectronics Technology.

The Huaqiangbei commercial area surrounds the road of Huaqiang North in Futian district, the city's central business district. It has been the site where the dreams of many innovative minds around the world have come true, for they could find every electronic component they need for their new products and inventions.

Established in 1988, the commercial area along the road with a width of 60 meters and a length of 900 m has been a global production center for electronic products and the biggest distribution center of electronic components.

It has generated a large group of both millionaires and billionaires and served as a hotbed for the development of the city's high technology industry, which has kept its strong innovative capabilities in the new era of growth.

One year ago, Shenzhen was designated by the central government as a pilot demonstrative zone to deepen reform and opening-up for a modern

and strong socialist country with Chinese characteristics ahead of other cities.

Its position in the Guangdong-Hong Kong-Macao Greater Bay Area was also highlighted when the plan was unfolded in February 2019.

According to detailed guidelines launched by the local government earlier this year, the city will target eight sectors and make itself stand out, even in the Bay Area.

The sectors include an international technological innovation center, the interconnectivity of the financial markets of Shenzhen and Hong Kong, the interconnection of the infrastructure, a modern industrial system with global competitiveness, better culture and tourism industries, a higher level of civilization, a better environment for work, living and trips and improved performance while taking part in the country's Belt and Road Initiative.

Fan Gang, an economist and president of the China Development Institute, a national think tank, said Shenzhen will take on a bigger historical mission to be a pilot demonstrative zone.

While its experience accumulated over the past 40 years has been practiced in other cities, it is time for the

city to set off again on new experiments and endeavors, Fan said.

He suggested the city improve the private economy, better protect the rights of private businesses and make clearer the relations between State-owned enterprises and private companies.

While the local government has been advised to map out incentive measures and regulations to encourage innovation and create an excellent marketing system and capital market for startups, Fan said the city's entire community should be more tolerant of failure in its efforts to innovate.

"Shenzhen does not just belong to China," Fan said. "It belongs to the world."

He said the city is collectively home to more than 20 million people, including migrant workers. This is expected to rise to 30 million in 10 years' time.

This fast growth in population will pose a big challenge to the city. The authorities must provide solutions to develop its medical system, education, transport and maintenance of the urban environment, optimize social management and better protect people who do not hold registered permanent residences, he noted.

Cai Fang, vice-president of the Chinese Academy of Social Sciences, said Shenzhen should be a pilot area to demonstrate China's governance philosophy, wisdom and practical solutions in different fields, including economy, technology, culture and social management.

He suggested that Shenzhen should explore methods of high-quality development, which does not depend on GDP or an economic growth rate.

Another important area is the coordinated development and co-sharing development of the economic society. This requires a breakthrough in social development with an emphasis on basic public services, he said in an interview with a local TV program in Shenzhen.

ber of science and technology professionals in Shenzhen has increased by more than 900,000 times," an official with the Shenzhen Association for Science and Technology told Nanfang Daily.

Underpinning the rapid growth is "the continuous improvement of industrial structure, an increasing number of innovation entities and the talent policies the city has introduced in recent years", Nanfang Daily quoted Guo Wanda, executive vice-president of the China Development Institute, as saying.

Fan Gang, president of the institute, told Shenzhen Special Zone Daily that the city needs to enhance its advantages in innovation and startup businesses and introduce more incentives.

Shenzhen will continue its efforts to establish a culture that respects knowledge and talent, and provide further support to the city's tech professionals, said the local government in a letter marking the annual National Science and Technology Workers' Day on May 30, Nanfang Daily reported.

City's friendly business environment attracting influx of entrepreneurs

By CAO YINGYING
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Thanks to efforts aimed at improving its business environment, Shenzhen in South China's Guangdong province has become one of the most attractive destinations in China for global entrepreneurs.

The city released in March this year's key tasks for further optimizing its business environment. The package comprises 210 reforms covering 14 areas, including business registration, project approval, urban facility access and services, real estate registration, intellectual property protection and application, and market supervision.

Shenzhen will also utilize big data, 5G, artificial intelligence and cloud services to create intelligent platforms to make registrations, investment, tax filing and other services more convenient.

The measures aim to create a world-class open and transparent business environment. The city will continue to support the healthy and sustainable development of companies and boost their confidence in the wake of the COVID-19 pandemic, the local government said.

Last year's measures have been claimed a success by the government. They included China's first intelligent business license approval system that can process individual business registrations within seconds.

The official iShenzhen app, which was launched last year, can be used for 4,700 services, and can process 98 percent of all administrative examination and approval items online, reducing by 70 percent government submissions from businesses and individuals.

Through the app, customs clearance time for imports and exports has been reduced by 54 percent and 76 percent respectively, ranking the city top in the country in terms of customs clearance efficiency.

The Shenzhen government has established Entrepreneur Day which is celebrated every Nov 1 and is the first day of its kind in

China. On that day, government officials communicate with entrepreneurs and provide them with policy consultancy, including tax advice and administrative fee reductions, as well as other helpful services.

Measures have also been released to increase support for the development of the city's private economy, reducing costs by more than 100 billion yuan (\$14.41 billion), raising bank credit lines by more than 100 billion yuan, increasing issuance of debt by more than 100 billion yuan and setting up a development fund of 100 billion yuan for private companies.

The authorities also attach great importance to legal innovation and IP protection.

A public legal service has been established that covers 760 platforms in Shenzhen to cooperate with legal institutions and provide legal services and advice for private businesses and small and medium-sized enterprises.

According to the China Business Environment and Private Entrepreneurs Evaluation Report released by the Chinese Academy of Social Sciences last December, the comprehensive score of Shenzhen's business environment ranked second among 34 cities in the country. And Shenzhen is the best in terms of opening-up and legal environment, according to the report.

Last year, the city reported it was home to more than 500,000 newly-registered commercial entities and had attracted 280,000 professionals.

According to the local government, Shenzhen will deepen market-oriented reform in the fields of medical care and other services closely related to people's life quality and encourage companies to open high-level medical institutions, elderly care homes and international schools.

Meanwhile, the city will promote reform in its administrative examination and approval system, housing and environmental protection to build a better business environment through coordinated and efficient measures.



A dazzling night view of Shenzhen. The city has been one of the pioneers and front-runners of reform and opening-up in China since it was designated a special economic zone 40 years ago. PROVIDED TO CHINA DAILY

Focus on science, education to retain innovative edge

By ZHANG DANDAN
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Already known as a center of innovation in China, Shenzhen is aiming to ensure its status by putting policies in place to create world-class hubs for science and education.

Guangming Science City in Shenzhen's Guangming district is one such approach the government is taking to gather together scientific resources to further develop innovative industries.

Several guidelines on developing Guangming Science City were released in April, highlighting the role played by the project, which is under construction, in boosting Shenzhen's innovative development.

The integration of industries, universities and research institutes will be enhanced in Shenzhen, with a new R&D system established in Guangming Science City, said Zeng Jianpeng, deputy director of the Shenzhen development and reform commission.

Major scientific breakthroughs and new industrial achievements

are expected to be promoted in Shenzhen with the development of Guangming Science City, Zeng said.

In addition, Shenzhen is to establish Xili Lake International Science and Education City in its Nanshan district.

"Shenzhen is pushing forward the construction of Xili Lake International Science and Education City with all its strength, and has made a grand blueprint for its development," said Li Zigang, a member of the city's committee of the Chinese People's Political Consultative Conference, who also serves as a professor with the Peking University Shenzhen Graduate School.

With the implementation of those plans, Shenzhen will make substantial improvements in its capability in science and education, with an expanded scale of higher education and increasing number of teachers and students, Li added.

In the past four decades, Shenzhen's higher education has gone from having no universities at all to 15 universities with 113,200 full-time students.

Economy bustling with tech giants

By HU YUYAN
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One thing many major Chinese tech companies have in common is that they have all made a presence in Shenzhen in South China's Guangdong province, a city "born out of innovation", local officials said.

Since it became a special economic zone 40 years ago, Shenzhen has led the development of new ideas in China and lays claim to many firsts in the country's history. They include the issuance of the first stock certificate and the establishment of the first law firm since the founding of the People's Republic of China in 1949.

Innovation is regarded as the main engine for development in Shenzhen, where famed technology enterprises were born and raised. Eight Shenzhen-based companies have made the Fortune Global 500

list, according to the Shenzhen city government.

Data from the World Intellectual Property Organization show that two of the world's top 10 corporate filers of international patent applications using the Patent Cooperation Treaty system in 2019 were from Shenzhen, ranking first and eighth respectively.

Younger companies with great growth potential such as medical device developer Mindray and 3D camera manufacturer Orbbec have emerged as leaders in their respective fields.

As of the end of 2019, Shenzhen was home to more than 17,000 national high-tech enterprises, second only to Beijing in China, according to the Shenzhen government work report released in January.

The city is also strengthening its protection of intellectual property, to provide an important guarantee for innovation-driven development.

In addition to introducing new regulations for IP protection, Shenzhen has established the Shenzhen Intellectual Property Court and the China (South) Intellectual Property Center, according to the local government.

Many local technology companies are happy with Shenzhen's work on the IP front, saying that IP infringement cases are quickly resolved, which reassure businesses as they concentrate on research and innovation, news website The Paper reported.

Behind the impressive numbers and innovative achievements is a vast pool of science and technology professionals.

From having just a handful science and technology professionals 40 years ago, today Shenzhen is home to some 1.84 million of them, according to a report by Nanfang Daily on May 30.

"Over the past 40 years, the num-