

1. Unique Haikou
2. Investment areas that are encouraged and focused on
3. Creating a suitable business environment for enterprises



Hainan: the only provincial-level Special Economic Zone in China, second largest island in China, natural resorts destination

The province with **the largest** territory area (including sea area) in China

The **only** provincial-level Special Economic Zone in China

Hainan Island is the **second largest** island in China

China's **only tropical island province**
Known as **natural resorts destination**

The resident population was **9.26 million** at the end of 2017

GDP was **446.25 billion** yuan in 2017



Hainan—born and prosper thanks to Reform and Opening up

30 years of Reform and Opening up

- Effectively fulfilling the historical mission given by the Party Central Committee and the State Council, insisting on reforms, boldly breaking through the shackles of the traditional economic system, Hainan has achieved remarkable results in economic and social development.
- Hainan has become an important window for China's reform and opening up from a border island and has achieved tremendous changes.

New mission in the new era

- On April 13, 2018, the Party Central Committee supported Hainan Island to build a free trade pilot zone, gradually explored and steadily promoted the construction of a free trade port with Chinese characteristics.
- On June 3, 2018, Hainan established Haikou Jiangdong New District as a key priority area for the construction of the China (Hainan) Free Trade Pilot Zone.

CCTV 13

新闻

CCTV.com

With the central leadership's support, Hainan will become China's carrier and highland for opening up to the outside world, actively promoting the economic globalization as well as one of China's new leaders in reform and opening up, and the leading areas in which the world's investors share China's dividends, which has infinite opportunities.

新闻联播
XINWEN LIANJIU

习近平在庆祝海南建省办经济特区30周年大会上发表重要讲话强调
党中央支持海南全面深化改革开放
争创新时代中国特色社会主义生动范例

Haikou is the political, economic and cultural center and traffic information hub of Hainan province as well as “the Belt and Road” strategic fulcrum city

Land area: **2289.09** square kilometers

Sea area: **830** square kilometers

Resident population: **2.27million**

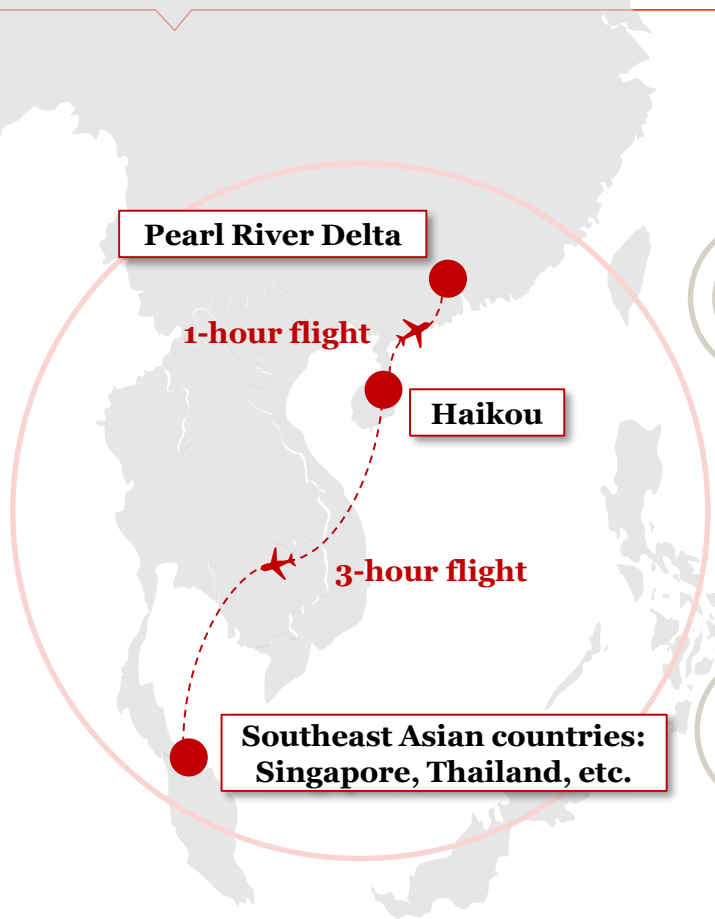
Haikou (The capital of Hainan)



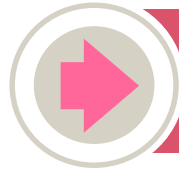
Multiple awards:

- “Chinese Glamour City”
- “The most happy city in China”
- “Excellent Tourism City in China”
- “National Environmental Protection Model City”
- “National Health City”
- “National Garden City”
- “National historic and cultural city”
- “National Civilized City”
- “National double-support model city”
- “National Tourism Standardization Demonstration City”
- “The most innovative international exhibition city”
- “China Habitat Environment Award”
- 2017 “Top 50 Most Potential Cities in China”

Haikou gathers the most competitive development advantages - unique location



The intersection of South China Economic Circle, North Gulf Economic Circle, ASEAN Economic Circle and Southeast Asian Economic Circle



China's regional shipping hub connecting Southeast Coast and ASEAN and Southeast Asia



Important open portal to the Pacific and Indian Ocean

Haikou gathers the most competitive development advantages - unique location

Airport



- National **Important Route** Airport
- **249** flying routes at home and abroad, access to **139** cities
- In 2017, the passenger throughput was 22.58 million and the cargo and mail throughput exceeded **300,000** tons

- In 2018, **15** new international routes were opened
- Open **more than 100** international routes in 2020

Port



- One of the 15 Coastal Ports in "**the Belt and Road**"
- **30** shipping routes
- In 2017, the cargo throughput was **101.126 million tons** and the container throughput was **1.636 million** TEUs

High-speed rail



- **World's First** roundabout high-speed rail
- Highway is accessible to **the entire island**

- Promote high-speed rail **crossing sea**
- Accelerate planning construction of the Haikou-Zhanjiang high-speed railway

Haikou gathers the most competitive development advantages

- first-class ecological environment

first-class ecological environment



- The average annual temperature is **24.3 °C**



- Good air quality rate is **99%**
- **The first pilot** city of "World Health City"
- Will achieve **full coverage** of clean energy vehicles by 2030

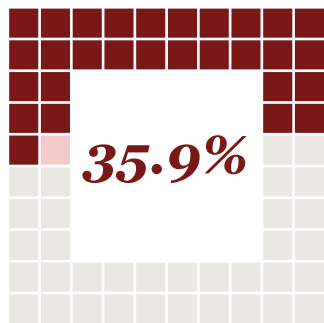


- Green coverage rate reaches to **42.7%**
- Dongzhaigang Mangrove **National** Nature Reserve
- Lei Qiong Haikou Volcano Group **World** Geopark
- Finalist nomination for **the first batch** of international wetland cities

Haikou gathers the most competitive development advantages

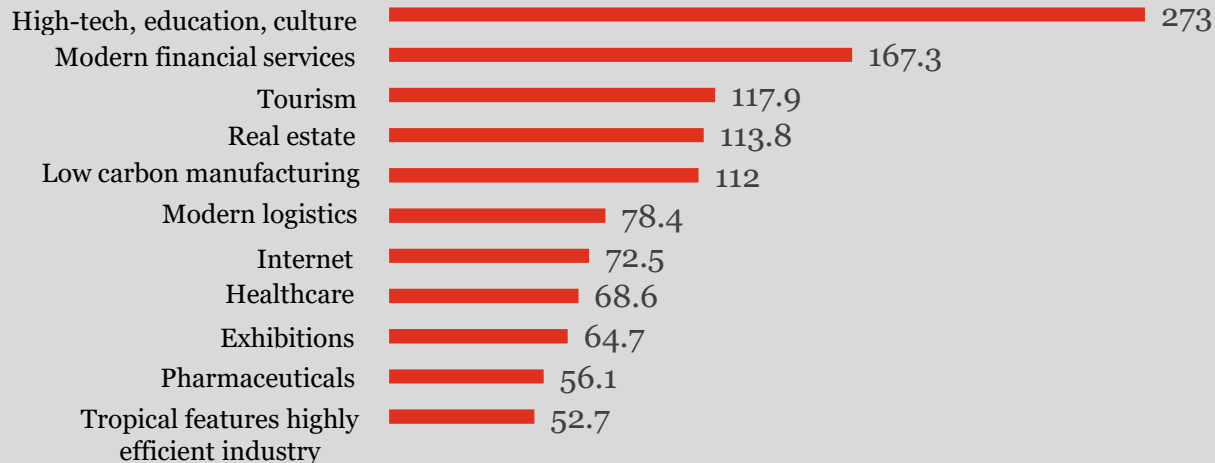
- strong industrial foundation

- It has the best development base and supporting advantages in the province and has gathered a large number of industries and enterprises in the province.
- 7 industries including pharmaceuticals, exhibitions, low-carbon manufacturing, healthcare, education, finance, and logistics, ect, every one account for **more than 50%** in the province.



The added value of 12 key industries in Haikou was **118.036 billion yuan**, accounting for 35.9% of the 12 key industries in the province.

The added value of the 12 key industries in 2017
(100 million yuan)



Haikou gathers the most competitive development advantages - distinct advantages of late-coming

Many industries are still in their early stage and Haikou has the potential land development.

The planning development strength in 2020 is **22.3%**

Urban indicators*

Haikou 21%

Shenzhen 46.22%

Shanghai 50.36%

Xiamen 33.15%



(*The internationally recognized livable city standard is less than 30%)

1. Unique Haikou

2. Investment areas that are encouraged and focused on

3. Creating a suitable business environment for enterprises



Compared to other 11 Free Trade Zones , Hainan is the most exciting one

	Hainan Free Trade Zone		Other 11 Free Trade Zones
Regional Distribution	Cover the whole island (35,400 square kilometers)	↑	Part of areas (Bonded Areas, Economic Development Zones, Ports, etc.) 120 square kilometers approximately
Industrial Structure	Modern services industry, an industrial structure primarily focusing on service economy	↑	Transform leading manufacturing services to high-end and update goods trading
Developing Goal	Build Chinese characteristic Free Trade Ports**	↑	

**Free Trade Ports: Allows foreign products, capitals enter and exit port areas freely. All or most of the goods, which enter and exit the ports are exempted from customs duties as well as permitting developing goods free storage, exhibition, break-up, modification, re-packaging, sorting, processing, manufacturing and other business activities

To achieve success, the orientation of Free Trade Zones needs to combine its clear position with self-advantages.

Free trade zone has the following basic characteristics

- Convenient offshore location and developed traffic networks
- Advanced business infrastructure
- Flexible business policy
- Market-oriented operating environment
- Attractive incentives
- Government's effective management and service levels



Hong Kong

As a competitive business and finance centre, Hong Kong is one of the most tenacious economic entities.

Emphasizing industry: Set cross-border regional integration as the foundation and abandon the manufacturing industry. Focus on finance, global trading, logistics, travelling and other modern service industries.

Location: Re-exporting is the pillar of the economy. Famous re-export trading port and the freest trade port in Far East.

Management mode and advantages:

- Non tariff barriers
- No general filters of foreign investments
- 100% ownerships for foreign investors
- The lowest importing and exporting license

The overall planning of the 2025 aims at using through design, promoting the vigorous development of innovation driven economic development.

Emphasizing industry: mainly working on transit trade, focusing on knowledge concentrated industry.

Location: isolated from other areas. Besides Changi Free Trade Zone, other 6 zones are all shipping free trading ports, mostly located at the South Coast deep water port.

Management mode and advantage: Changi Airport Group Jurong Port Pte Ltd are managing Changi Free Trade Zone and Jurong Port free trade zone separately, other 5 shipping free trade zones are run by Singapore.

Singapore

Haikou

The most powerful revolutionary and opening behaviors, the clearest global positioning will breed Hainan to the largest open market in the world.

Emphasizing industry: travelling, tropical agriculture, internet, medical health, finance and insurance, culture and sports, traffic and logistics, and other 11 important industries

Location: the economic circle intersection center and regional hub of Southern China, North Bay, ASEAN, and Southeast Asia, opening up a significant gateway Pacific and the Indian Sea.

Management mode and advantages:

- The greatest support from the Central Government
- Land development potential
- First-rate ecological environment
- 15 Coastal Ports of “the Belt and Road”

Setting key points of the industries are mainly in accordance with the entire city planning. Other development directions are also consistent with the development goals of the whole city.

Emphasizing Industry: Be professional in a certain field. For example, the media city free zone are the accumulation of the media companies.

Location: near or close to the main port, provide the most needed logistics service of the direct access to the sea.

Management mode and advantages:

- Administrative advantages: simplifying companies' registration procedure
- Financing benefits: including welfares and subsidies, providing full sets of infrastructure.

Dubai

Hainan new development target (Four steps)

By 2020

- Achieve synchronously the national goal of building an affluent society
- The construction of free trade pilot zone has made important progress in significantly improving international openness

By 2025

- Preliminary establish free trade port system
- Operate environment in the domestically top level

By 2035

- More mature in free trade port's system and operation mode
- Ascend the environment of operating business to top of the world

By the middle of this century

- Take the leading role in realizing socialist modernization, forming a system of highly market-oriented, internationalization, legalization and modernization
- Become an area with comprehensive competitiveness and the cultural influence, basically realizing common prosperity
- Build a better new Hainan with prosper economy, civilized society, livable environment and the happiness of citizens

Recommended investing fields 1- economy of headquarters

- Haikou encourages cross-boarder enterprises, domestic large corporations to set up the international headquarters and regional headquarters in Hainan and to accelerate the upgrade of Haikou's economy restructuring.
- Haikou has introduced a competitive economy support policy with more preferential subsidies for headquarters.



**Offering
Rewards**



**Subsidies on
buildings for
office use**



**Business
contribution
awards**



**Encouraging
Talents**

Recommended investing fields 1

- Jiangdong New District (Headquarters economic cluster area)

▪ **Excellent location:**

Haikou's coastal area is close to the river and embraced by lake, wetlands in the city and very close to the Meilan airport .

▪ **Lands possess huge development potential:**

Total area is about 298 square kilometers, relatively less developed, but in a sufficient land reserve.

▪ **Reasonable function distribution:**

- East side is the ecology function area, approximately 106 square kilometers
- West side is the production-city integrated area, approximately 192 square kilometers.



Recommended investing fields 1

- Jiangdong New District (strategic positioning)



Recommended investing fields

1- Jiangdong New District (development goals)

- Build trading places integrating international energy, shipping, bulk commodities, property and stock rights, carbon emission rights and other rights.
- Build cross-boarders enterprises, domestic large corporations, and well-known domestic and foreign research and service agencies gathering headquarters economy areas.
- Build Hainan international financial trading center, global offshore innovation demonstration areas, global educational base and some globally influential new type of consumer business and commercial districts. Foster and develop marine biomedicine, R&D and manufacturing of marine engineering equipment and other emerging industries.



World-class zero carbon new city



Beautiful business card showing Hainan's culture



Chinese model in integration of urban and rural



Globally leading ecology CBD

Recommended investing fields 2- industrial development

- The Party Central Committee clearly pointed out that Hainan needs to put developing tourism, modern service industry, high-tech industry on dominant and accelerate the establishment of ecological servicing industrial system to build a higher-level open economy .
- Haikou is trying to identify its coordinates in the new round of industrial restructuring and upgrading, identify its location in the globalization of industry chain, focus on key industries and promote high quality development.

Significantly recommend to invest in the following 7 industries



Tourism



Finance



Internet



Pharmaceutical
Manufacturing



Traffic &
Logistics



Tropical
Agriculture



Cultural and
Sports Industry



Industrial development- tourism industry

Create new tourism forms and promote the transformation and upgrade of tourism industry

Develop new products for cruise yachts, pilot route of open ocean shipping. Open multinational cruise travel routes for the Pacific Ocean and Indian Ocean, as well as destination routes around Hainan and the sea.

Introduce and construct large-scale tourism complexes, resorts, featured towns and theme parks. Promote the tourism industry's health, leisure, cultural experience, farming taste, sports competition, tax-free shopping and other multiple integration development.



Accelerate implementing a more open and convenient duty-free shopping policy for outlying islands, liberal restrictions on varieties, increase shopping limits to achieve full coverage of duty-free shopping for islanders.

Promote the internationalization of tourism, facilities and elements. Introduce international high-quality capital and resources and adopt international advanced concepts to protect and develop tourism resources.



Industrial development- financial industry

Maintain the bottom line of financial risks and proceed with financial innovation and opening up.

1

Strengthen the study of replicating and promoting financial policies in the free trade zone. Draw on other financial innovation and opening up models in free trade zones and promote the implementation of financial policies that meet regional needs.

2

Promote the establishment of a free trade account system

Explore the development of RMB capital account convertibility

3

Carry out offshore financial services in a well-ordered manner and facilitate the promotion of cross-border investment and financing of enterprises in the free trade zone.

4



Industrial development- internet industry

The Internet, big data, artificial intelligence and the real economy are integrating deeply, to realize industrial development from scratch, from small to large, and to become a gathering place for Internet companies across the entire island.

Now, we are.....

- Constructing industrial incubator hubs such as Fuxing City Internet Innovation and Business Park, Hainan Data Valley, and Jiangdong E-commerce Industrial Park.
- Having signed the "Strategic Cooperation Agreement" with Alibaba Group; Having built and operated Nanhai Cloud and Big Data Service Center.



Next, we will.....

- Accelerate the development of the digital economy, promote the big data strategy, the "Internet Plus" initiative, and integrate the Internet, artificial intelligence, and various industries.
- Develop digital creative industries such as online culture, game animation, film and television production, virtual reality, e-sports, etc.



Industrial development- pharmaceutical industry

The pharmaceutical industry is now the **most basic, powerful, and most promising** physical industry in Haikou.

Initially formed an industrial cluster represented by Qilu Pharmaceutical, Puli Pharmaceutical, Xiansheng Pharmaceutical, Shuangcheng Pharmaceutical and Changan Pharmaceutical.

- **55** pharmaceutical companies
 - **24** medical professional research institutes
- **10** national and provincial key (engineering) laboratories
 - **6** national and provincial engineering (technical) research centers
- **2** postdoctoral workstation
 - **5** national and provincial enterprise centers



Explore the pilot project for the transfer and transformation of major national science and technology projects. Plan and Construct “Haikou New Medicine Valley”



Industrial development- Transportation and Logistics

Haikou's transportation infrastructure and logistics are far from meeting the needs of future development . The Party Central Committee has instructed to implement major infrastructure projects securely, effectively and intelligently with moderate advancement and interconnection.

**Project 1:
Meilan Airport Phase
II Construction**

**Project 2:
Xinhai District
Construction**

**Project 3:
Accelerate the
Construction of
Container Terminals
at Macun Port (Phase
III and Phase IV)**



Industrial development- tropical agriculture

In recent years, Hainan's tropical agricultural products enjoy a high reputation throughout the country.

- Built the Guilin Yang National Tropical Agricultural Park and launched ten major agricultural brands, such as Volcano Dendrobium and Yunlong Huaishan.
- Successfully applied for the implementation of two national-level industrial integration pilot projects of "Silk Road Haikou and Pastoral Complex Project" and "National Rural Industrial Integration Development Pilot Area".

The next step is to truly make tropical characteristic agriculture a "trump card" industry.

- To further build Haikou agricultural brands, expand the channels for production and sales, and accelerate the development of large-scale production of agricultural modernization
- Integrate rural revitalization and global tourism, accelerating the construction of rural infrastructure, vigorously developing "shared farms" and strengthening the homestay economics, etc.



Industrial development- cultural and sports industry



Rely on Feng Xiaogang's Film Corporation and Changing Global 100 to build a national and world-renowned film and television shooting base.



Introduce high-level international cultural performing arts programs and brands, encourage foreign investment in art performance groups, set up an international art exhibition auction platform, and create a cultural tourism cluster area.



Accelerate the construction of the National South Base for Sports Training and Provincial Sports Center, actively develop beach sports, water sports and other projects. Introduce and organize world-class sports events and explore the development of quiz-type sports lottery tickets and large-scale international events.



Establish a platform for the 21st Century Maritime Silk Road culture, education, tourism, science and technology, and high-efficiency to promote cultural exchanges in the countries along the Belt and Road.

Recommended investing fields 3- urban renewal

**Committed to improving the city taste,
high-level planning and starting to promote urban
regeneration**

- With principles of moderate advancement, interconnection, security, high efficiency, intelligence and green
- Focus on urban transport, shantytown reconstruction, water pollution control, environmental protection, cultural revitalization, land restoration, and municipal facilities construction

Promote the construction of highways such as the freight expressway, the Haixiu Expressway Phase II, the Haidianxi and the Nandujiang Passageway.



Plan urban rail transit in advance.



Adjust and optimize the policy of shed change. Accelerate the transformation of old cities and the development of new districts.



Completely upgrade the “water, electricity, and light” network, and continue to carry out “purification, forestation, lighting, and beautification” in the city.



Plan and launch a number of infrastructure projects in public services such as education, healthcare, and culture.



1. Unique Haikou
2. Investment areas that are encouraged and focused on
3. Creating a suitable business environment for enterprises



Improve the government's own ability



I Stick to spirit of contract

... will achieve

Implementing a high level of trade and investment liberalization and facilitation policy. Whatever the government promises, we must keep them unless there is force majeure.

II Continuously promote institutional innovation

- Continue to deepen reform mechanism: one master plan reform, minimalist approval, online approval, reforms to streamline administration.
- Constantly expanding, initially formed a comprehensive, multi-level, multi-modal pattern of opening to the outside world.

III Using new technology to improve service performance

Leveraging new technologies such as information technology and the Internet with the goal that the approval system will be the best in the country within one to two years and the service level will be internationally advanced within three to five years.

IV Strengthen talent protection

Any company that has settled in Haikou, along with the company's talents who work in Haikou will be protected and strictly benefited by the preferential policies.

Improve public service

Build high-level hospitals and schools

Shanghai No.6 hospital, Shanghai Huashan Hospital, Renmin University of China Affiliated High School, the Affiliated High School of Peking University and other famous hospitals and schools have come to Haikou. Target the top and do the best to introduce a number of international resources.



Enable enterprises to enjoy the convenient quality public services

Adhere to the concept of “integration of cities and industries”, deploying high-quality medical education resources in the business area or industrial parks where enterprises gather, and open “green channels” for eligible corporate managers.



**Let us join hands and work together to build Hainan
into the new benchmark for the comprehensive
reform and opening up in the new era!**

