

# WORK @ 755

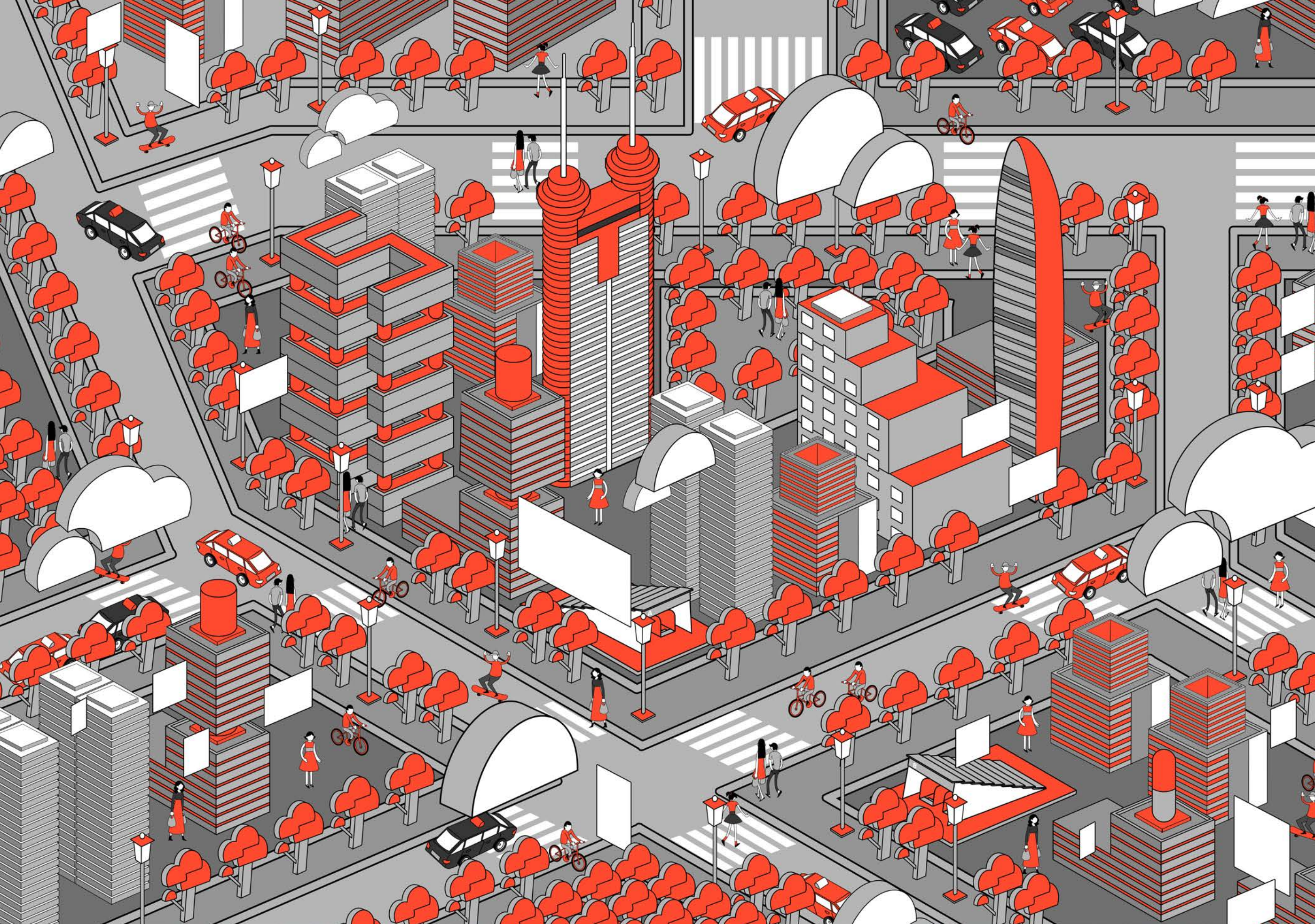
STARTUP GUIDE IN SHENZHEN



N22°32'43.86" E114°03'10.40"

STARTUP GUIDE IN SHENZHEN / Ver.2021







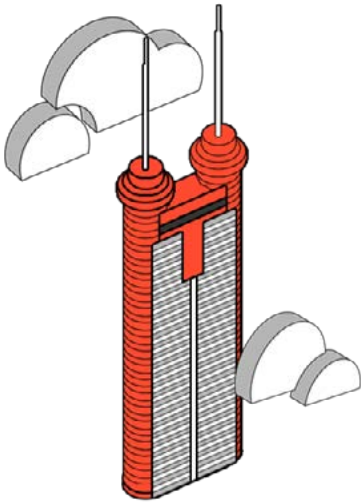
Work@755 Editorial Committee

Editor-in-Chief : CAI Ying

Associate Editors-in-Chief : SUN Huaizhong, ZHONG Jiajun, GU Ting,TAN Fuying

Executive Editorial Board Member: JIN Tingliang, CAO Cong

Editors: LI Manshu, HE Chang, CHEN Tian, CAI Yingshi, GUO Hang, ZHANG Mengya, HUANG Yaling



DIRECTORY

Chapter 0

Foreword

01	Why Shenzhen	02
02	Shenzhen Basics	03
03	Introduction to CityPlus Platform	09

Chapter 1

Starting Business in Shenzhen - Startup Basics

01	Startup Basics - Choosing the Right Company Type	13
02	Tax Knowledge for Startups	23
03	Legal Knowledge for Startups	33
04	Supporting Policies and Subsidies for Enterprises	55

Chapter 2

Starting Business in Shenzhen, Step by Step

01	Forming a Company	63
02	Choice of Visa and Immigration	79
03	Choice of Office Location	93
04	Recruitment	109

Chapter 3

Growing your Startup in Shenzhen

01	Marketing and Publicity	119
02	Recommendations for Startup Communities	124
03	Financing Opportunities	126
04	Case Studies	129

Appendix

01	Partners	167
02	Honors of Shenzhen (updated with the latest data)	170
03	Table of Sister Cities and Friendship Cities of Shenzhen	172

# FOREWORD



**95%**

of population  
are migrants



International  
migrants are from

**127**

countries and  
areas



**5th**

economy in  
aggregate terms  
among Asian  
cities



**13.43 million**

permanent residents

**33 years**

old on average



**290**

of the Fortune  
500 companies



**The most  
successful**

of 4,300 special  
economic zones  
worldwide



The  
Royal Society  
ranked Shenzhen  
**tenth**

in its list of Asia's  
Top Fifty Cities in  
2018



Shenzhen  
was placed

**fourth  
in the world**

by the Global Urban  
Competitiveness Report  
2019-2020—The World, 300  
Years of Transformation  
into a City.



In 2018,  
Shenzhen was placed in

**Alpha-class**

by Globalization and World Cities  
Research Network (GaWC), making

**the city one of the  
55 world first-tier  
cities.**



out the market-oriented reform of the economic system. The city has taken the first steps in over 1,000 different fields in the country, from building the first export-oriented economic development zone in China to holding China's first land auction, from taking the lead in "bringing in" to "going global," from economic reform to the further and comprehensive reform in economic, political, cultural, social, ecological civilization and Party building systems. Shenzhen continues to create a world-class business environment to greatly stimulate the market vitality.

## Shenzhen, City of Impetus

Shenzhen always sticks to its focus on economic development, from the "Three-plus-one" trading-mix to the lead in facilitating industry transformation and upgrading, and to further pushing forward the supply-side structural reform. Its high-tech industry has become a name card in the whole country. The city has four pillar industries, including high tech, finance, logistics, and culture and creativity. Its GDP has grown from 196 million yuan to 2.4 trillion yuan, representing an average annual growth of 22.4 percent. It has created the well-known "Shenzhen Speed," the growth-leading "Shenzhen Efficiency," "Shenzhen Quality" and "Shenzhen Standard," as well as the "Shenzhen Manufacturing," "Shenzhen Design" and "Shenzhen Brand" which mark the era.

## Shenzhen, City of Innovation

Shenzhen continues to push forward the comprehensive innovation with scientific and technological innovation as its core, and has realized the organic integration and coordinated development of scientific and technological innovation, institutional innovation and open innovation. It has formed a market-oriented technological innovation system that takes enterprises as its mainstay and highly blends industry with university and research. A group of world-level innovative enterprises have grown up here, turning Shenzhen into a model innovative city gathering innovation resources, achievements and culture.

Shenzhen is the window through which China displays its achievements in reform and opening up to the world.

Shenzhen is the window through which the international community observes China's reform and opening up.

Shenzhen is striding toward the construction of a pioneering demonstration zone of socialism with Chinese characteristics.

Shenzhen is working hard to build an exemplar city of a great modern socialist country.

## 1. Why Shenzhen

Shenzhen is a coastal city in South China , neighboring Hong Kong and Macao. It is a modern and international innovative metropolis full of charm, vitality, impetus and innovation.

Shenzhen is the national economic center, science and technology center, regional financial center and commercial and logistics center.

Shenzhen, born in the epic reform and opening-up drive and prospering for its innovation, is a wonder of the world's industrialization, urbanization and modernization.

### Shenzhen, City of Charm

Over the past 40 years, constructors of the special economic zone have come from every corner of the country and gathered in Shenzhen. Together they transformed the city from a tiny border farm town into a modern and international metropolis with full functionality that manages a population of over 20 million with an average age of 33. The city is home to a world-class container hub port, the largest land checkpoint in Asia and the fifth-largest airport in China. It has won numerous awards and recognitions, including National Civilized City, International Garden City, a member of the Creative Cities Network by UNESCO and UNESCO City of Design. Shenzhen is an open and inclusive city that honors rule of law and good ethics as well as a city suitable for living, working and traveling.

### Shenzhen, City of Vitality

As a pioneering city in China's reform and opening up, Shenzhen took the lead in carrying

## 2. Shenzhen Basics

### (1) General Situation of Development and Business Development

#### Development Goal

Shenzhen was designated as a national pilot city for comprehensive reform. It is the national economic center, science and technology center, regional financial center and commercial and logistics center. It strives to take the lead in creating a moderately prosperous city, a pioneering demonstration zone of socialism with Chinese characteristics, and an exemplar city of a great modern socialist country.

#### Administrative Divisions

Shenzhen is a sub-provincial city. It has direct jurisdiction over nine districts and one new district: Futian, Luohu, Yantian, Nanshan, Bao'an, Longgang, Longhua, Pingshan and Guangming districts, and Dapeng New District. The Central Government expanded the special economic zone to cover the whole city on July 1, 2010. Shenshan Special Cooperation Zone was officially inaugurated on Dec. 16, 2018.

#### Economic Status

Shenzhen is a link between the Chinese mainland and Hong Kong and a transport hub for coastal southern China. The city leads in high-tech development, financial services, foreign trade, shipping, and creative and cultural industries. It has undertaken a mission to pilot China's structural reform and continuous opening up to the outside world.

Shenzhen ranks fifth in Asia in terms of economic power. In 2018, the city's GDP grew by 7.6 percent to exceed 2.4 trillion yuan. Its public finance grew by 5.5 percent to reach 910.24 billion yuan. Its general public budget grew by 6.2 percent to 353.84 billion yuan. Its citizens' per capita disposable income increased by 8.7 percent.

#### Business Environment

In 2018, Shenzhen issued "Measures on Strengthening the Reform of the Business Environment," putting forward twenty measures in six aspects, including trade and investment, industrial development, talent development, administration, environment and law, with the aim of establishing a benchmark with the World Bank's business environment indicator system and creating a stable, fair, transparent and predictable business environment in line with international investment and trade practices.

In order to reduce the costs of enterprises, Shenzhen has issued "Measures to Further Support the Development of Private Economy" and taken measures to ensure a reduction in enterprises costs of more than 100 billion RMB; increase in bank credit funds of more than 100 billion RMB; increase in bonds issued by private enterprises of more than 100 billion RMB; and the establishment of a 100-billion RMB fund for the stable development of private enterprises, as means to help enterprises tackle "icebergs in marketing, mountains in financing and volcanoes in industrial upgrade."

Additionally, Shenzhen is doing its utmost to reduce taxes for enterprises. In the 2018 annual settlement, more than 20,000 enterprises in Shenzhen enjoyed a tax reduction for R&D expenses, showing a year-on-year increase of 45.12 percent. The tax deduction amounted to 122.38 billion RMB, with a year-on-year increase of 74.81 percent, reducing the financial burden on enterprises by 33,345 billion RMB.

In terms of trade facilitation, Shenzhen is fully committed to accelerating the construction of a "one-window" service for international trade. At present, Shenzhen's "one-window" international trade service has launched 20 applications and 73 modules, for such items as cargo declaration, manifests, transportation, licenses, tax payment and customs clearance platforms, and dealt with a total of 46.62 million business declarations. The number of declarations accounted for nearly 14 percent of the nation's total and 58 percent of Guangdong Province's.

The best aspect of Shenzhen's business environment is the long-term pursuit of marketization, internationalization, rule of law and convenience. Shenzhen always regards enterprises' requirements for the business environment as its direction for continuous reform and optimization.

#### Transportation

Shenzhen has land, sea, air and rail ports. There are a total of 156 berths around the wharfs in Nanshan and Yantian. The city has eight railway stations, including Shenzhen Railway Station, Shenzhen North Railway Station and Shenzhen East Railway Station. The Guangzhou-Shenzhen-Hong Kong Express Rail Link, an important rail link in the country, runs across Shenzhen. The Shenzhen Bao'an International Airport is a regional pivot airport and one of the 10 largest airports in China. As one of the top 100 airports in the world, the Bao'an airport has so far launched 45 international flights and four flights to Hong Kong, Macao and Taiwan.

Shenzhen has 15 checkpoints that allow the flow of both Chinese and foreign nationals. Luohu Checkpoint is China's busiest land passenger checkpoint, while Huanggang Checkpoint offers around-the-clock service. Futian Checkpoint offers seamless transfer by Metro to Hong Kong, and Shenzhen Bay Checkpoint offers both Hong Kong and Shenzhen immigration inspection services.

The airport has opened new flights to 15 international destinations including London and Paris. The number of international tourists increased by 34 percent. The number of international cruise passengers increased by 93 percent.





## (2) Innovation-driven and Open Development

### City of Makers

Shenzhen is a city born to innovate. The first stock in China was issued in Shenzhen, and the first land auction in the country was held in Shenzhen as well. Since the city became a special economic zone, it has played a role as an innovator to spread new ideas and a pioneer to explore the path of reform and opening up in China. By issuing local rules of national innovation demonstration zone and rolling out 10 projects to bolster innovation, Shenzhen has become a frontrunner in promoting innovation-driven development when China's economy steps into the new normal. Shenzhen is now widely known as a "City of Makers" and a "City of Innovation."

### Innovation-driven Development

Shenzhen aims to beef up the new economy. The city has rolled out plans to speed up the high-quality development of high-tech industries and the development of strategic emerging industries. It has set up a 5-billion-yuan fund to guide angel investments and invested more than 100 billion yuan in R&D. The total number of State-level high-tech enterprises is expected to surpass 14,000, with an increase of over 3,000 such companies. The added value of strategic emerging industries grew by 9.1 percent. Shenzhen has been approved to build a demonstration zone for marine economic development.

Shenzhen strives to boost its independent innovation capability. The city has formulated plans to strengthen basic research and tackle key technical problems of 10 key components such as chips and medical devices. It has launched major scientific and technological infrastructures such as synthetic biology research, brain analysis and brain simulation, and initiated the construction of a State-level key laboratory of oncology chemical genomics. It has set up 10 new basic research institutes and added 189 new innovation platforms. The city won 16 national science and technology awards and four national patent gold awards. Patent licensing increased by 48.8 percent. The contribution of scientific and technological progress to economic growth has been further enhanced.

Shenzhen continuously optimizes its innovation environment. The China (Shenzhen) Intellectual Property Protection Center was officially opened. The city has rolled out a slew of talent policies and established a State-level human resources service industry park. Throughout the year, 285,000 professional talents, 12 full-time academicians and 2,678 high-level talents were introduced, up 8.4 percent, 41 percent and 59 percent, respectively.

### International Exchanges

In 2018, Shenzhen received 396 important foreign delegations totaling 3,689 guests, including German Chancellor Angela Merkel, French Prime Minister Edouard Philippe, Tanzanian Prime Minister Kassim Majaliwa, Speaker of the House of Representatives of Japan Tadamori Oshima, Prime Minister of Trinidad and Tobago Keith Rowley and Vanuatu Prime Minister Charlot Salwai. Shenzhen has successfully fulfilled the reception work in the aforementioned major foreign affairs events, actively publicized the development and achievements of China's reform and opening up and vigorously cooperated with the country's overall diplomacy.

### International Friendship Cities

Shenzhen has established friendship city relations or conducted friendly exchanges with 88 cities and regions in 56 countries and regions around the world, including Houston of the United States, Sao Paulo of Brazil, Nuremberg of Germany, Vienne of France, Tsukuba of Japan, Phnom Penh of Cambodia, Brisbane of Australia, and Lome of Togo.

Shenzhen has constantly promoted pragmatic cooperation with international friendship cities in the fields of economy and trade, culture, science and technology, and vocational education. It has carried out civil diplomacy, urban diplomacy and public diplomacy in an all-round, multi-level and wide-range way, introduced high-end resources needed for urban development, and continuously pushed its international exchanges to the next level.

## (3) Ecological construction, Social livelihood and Humanity

### Ecological Civilization

With a continuously expanding economy and fast evolving science and technologies, Shenzhen is upgrading its industries to promote an environment-friendly lifestyle and low-carbon growth. The quality, optimally structural and low-energy consuming development mode has become the city's new normal.

Forests cover 41.2 percent of the city's total land. The average annual concentration of PM2.5 in the city is 28 micrograms per cubic meter, making Shenzhen one of the 10 cities in the country with the best air quality. The Neilingding Island-Futian National Nature Reserve is the only and the smallest nature reserve within the city in China.

A number of high-quality parks have been built, such as Shenzhen Talent Park, Xiangmi Park and the coastal leisure belt of Shenzhen Bay. A total of 69 parks were built and renovated and 184 flower-dotted blocks and gardens were built on the streets. Shenzhen has also witnessed new achievements in the construction of a world-famous flower city and the cleanest city in the country. It has won the title of National Forest City.



### Social Livelihood

Shenzhen has made greater efforts to safeguard people's livelihood. Expenditures on improving people's livelihood reached 277.2 billion yuan, accounting for 65 percent of the general public budget expenditure. The government has accomplished 12,000 projects concerning people's livelihood. A total of 109,000 new jobs were created in 2018, and the urban registered unemployment rate was less than 2.5 percent.

The development of education has been accelerated. Shenzhen has also taken the lead regarding the monitoring results of national compulsory education quality in the whole province. Four universities, including Shenzhen University and Southern University of Science and Technology, were selected into a new round of provincial high-level universities and discipline construction plan.

Shenzhen has expedited the development of medical and health services. By the end of 2018, there were 3,806 health and medical institutions across the city and 2,555 new beds were added. Four hospitals were selected into the construction plan of provincial high-level hospitals and eight 3A-rated and Grade-3 hospitals were added. Fifty-seven high-level medical teams have been introduced and 41 community health institutions have been opened. In addition, 67 percent of the city's targeted groups have signed up for family doctor services. Shenzhen has also launched a number of projects for mothers, babies and children. An institute has been set up to offer health care and nursing education for serving the aged. Shenzhen Nursing Home was opened with an additional 1,000 beds.

### Culture and Art

Shenzhen adheres to the strategy of building a city of culture, promotes the coordinated development of spiritual and material civilization, and speeds up the construction of a modern public cultural and sports service system. It was honored with the title of Global Model City for the Promotion of Nationwide Reading by UNESCO. There are 650 public libraries across the city, with a total collection of 42.958 million books and periodicals, 50 museums and memorial halls, 11 art galleries, one radio station, two television stations and three radio centers.

Shenzhen has set its sights on promoting cultural innovation and the development of cultural industries. The city has been crowned National Civilized City for five consecutive years. The city also hosted a series of events, such as China (Shenzhen) International Cultural Industries Fair, the National Book Expo, China Design Exhibition, Shenzhen International Marathon, Shenzhen (International) Science Film Week, Shenzhen Fashion Week, Bi-City Biennale of Urbanism\ Architecture, etc. At present, the city has nearly 50,000 cultural enterprises with over 900,000 employees, including more than 3,100 enterprises of a designated scale and over 40 listed enterprises from home and abroad. The added value of the cultural industry accounted for more than 7 percent of the city's GDP. The cultural industry has become an important engine for Shenzhen to accelerate the transformation of its economic development pattern and promote rapid and healthy social and economic development.

### Tourism and Leisure

One of the most important and profitable tourist cities in China, Shenzhen, whose annual foreign exchange income of tourism reaches 5.118 billion yuan, is regarded as the capital of Chinese theme parks and tourism innovation. There are more than 100 scenic spots around the city, including man-made theme parks, natural ecological parks, coastal resorts, shopping plazas and historic sites. With sea, land and air checkpoints, Shenzhen has a safe, quick and convenient tourist transport network. Eating, living, traveling, shopping and recreating in Shenzhen are made easy and fun with ample tourism infrastructure and products and food from around the world. Shenzhen is a coastal cosmopolitan tourist city. Visitors can travel freely and quickly within a one-hour drive and appreciate the modern young city's beauty and ethos. The city annually receives 12.2 million overnight visitors and 252 million people who enter and leave through the checkpoints.

Shenzhen has a large number of coastal scenic spots, including Shenzhen Bay, Mangrove Nature Reserve and a 15-kilometer coastal leisure corridor in the west, with Zhongying Street, Dameisha and Xiaomeisha beaches, Ocean World and Dapeng Peninsula in the east. The coastline along the Dapeng Peninsula was named one of the eight most beautiful coasts in China by Chinese National Geography magazine. Shenzhen has more than 20 public beaches, some of which are linked by seaside walkways, and 51 islands. The OCT Bay is dubbed the "cultural lounge of Shenzhen" and the Shekou International Cruise Homeport has become a new tourist attraction.



### 3. Introduction to CityPlus Platform



CityPlus is an information platform initiated by Shenzhen. It bases on showing the development and humanities style of Shenzhen and its international friendship cities. It aims at promoting the information sharing, exchange and cooperation between cities. It is in order to tell the story of Shenzhen and the story of China. Its mission is to build a two-way showcase window and online-to-offline interactive platform, enabling the world to get to know Shenzhen and Shenzhen citizens to understand the world in a warm and fun way. The platform not only be the mutual window between Shenzhen and its 88 friendship cities but also opens to any others.

CityPlus is dedicated to facilitating Shenzhen's internationalization and its international exchange and cooperation. It's a new mode of "social operation endorsed by the government". The platform is centered on the core concept of "internet celebrity platform for Shenzhen to display and promote the exchange and cooperation" and "leveraging new internet developments for the city's globalization". With features of "integration", "experience" and "interaction", the platform strives for the complement of function, the fresh ideas, the excellent service, the steady operation and the convenient popularization. It in order to be a diverse international portal, to link the world and serve the citizens, to assist the construction of the pilot demonstration area of socialism with Chinese characteristics.

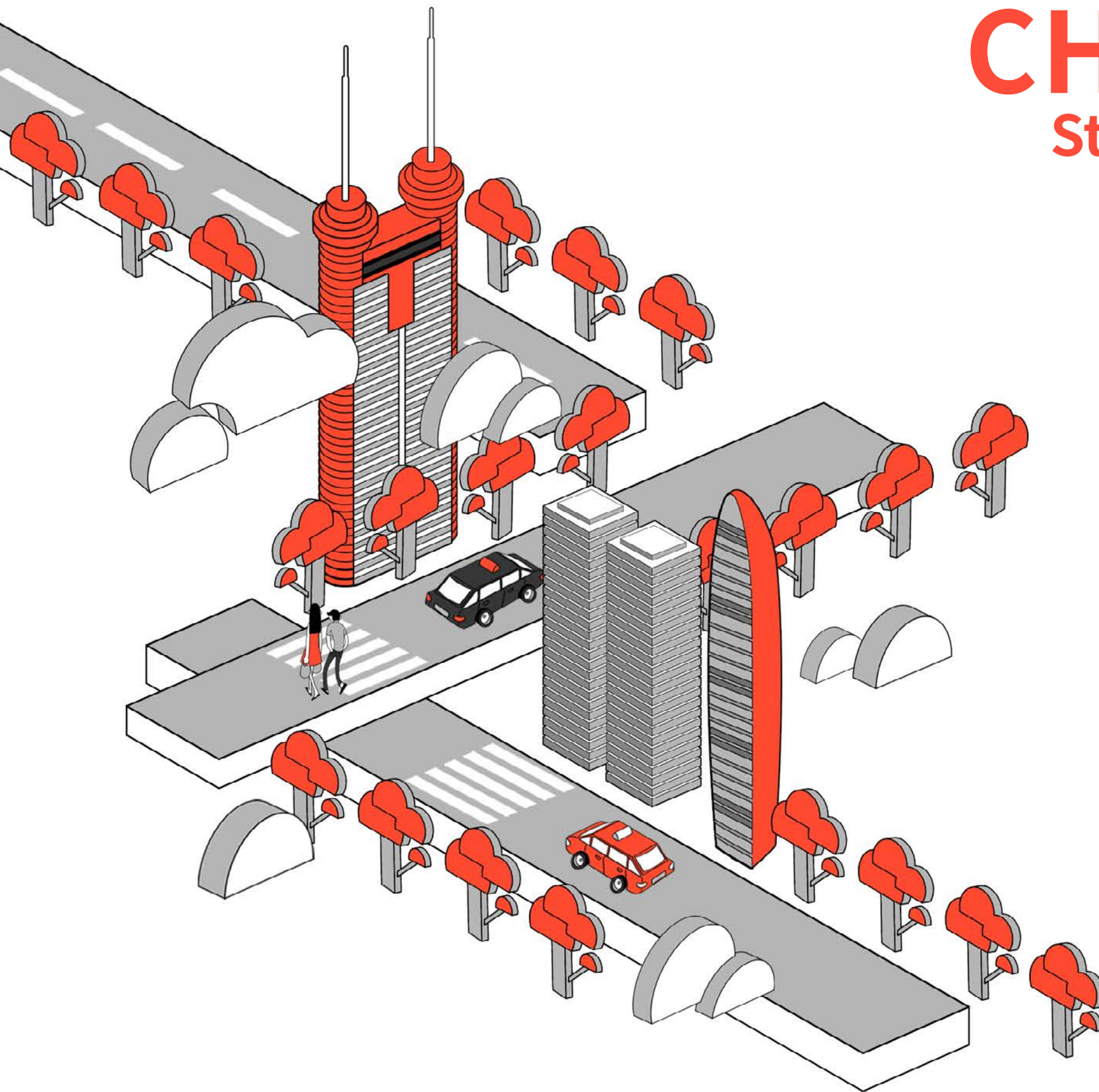
The platform is an initiative led by the Foreign Affairs Office of Shenzhen Municipal People's Government, funded by the Special Fund for Promoting the Development of Cultural Undertakings in Shenzhen, and operated by the Shenzhen Foundation for International Exchange and Cooperation. The core users of CityPlus are citizens in Shenzhen including expatriates/visiting foreigners, as well as governments, organizations and citizens of Shenzhen's international friendship cities.





# CHAPTER 1

## Starting Business in Shenzhen



# 1. Start-up Basics - Choosing the Right Company Type

\*This chapter has been created in conjunction with Hexcubes Business, a high-quality business services provider.

## Foreword :

While attending the Boao Forum for Asia 2015 held at the Boao State Guest House in Hainan, President Xi Jinping stated during the Conference for Chinese and Foreign Entrepreneurs that China will be opening up further as its economy embraces a “new normal” . President Xi said that China’ s policy for leveraging foreign investments, and the safeguards for the rights and interests of foreign corporations, will remain unchanged.

Driven by the globalization of the world’ s economy, more foreign investors are now setting their sights on China. This chapter provides basic knowledge on tax and legal matters required for a start-up, as well as the supporting policies that foreign companies can benefit from in China. Our aim is to help foreign investors more easily integrate into the entrepreneurial environment in China and galvanize the growth of their companies.


Understanding the relevant laws and regulations governing the setting up of companies by foreigners in China is essential to running a start-up in China. With that knowledge, the owner of the start-up can then decide the enterprise type that is suitable for their own needs.

## ReadingGuide: Common Enterprise Types

- Basic concepts for companies
  - Foreign-invested Limited Liability Company
  - Foreign-invested Partnership Enterprise
  - Foreign-invested Joint Stock Company
  - Representative Office
- Types of business entities and their registration requirements for foreign nationals



## Profile Card 1




**Name :** William D. Lin  
**Nationality :** Australia  
**Number of years in Shenzhen :** 1  
**Date established start-up :** 2018  
**Profession :** Computer programming  
**Hobbies:** Reading, watching movies and travelling

### Company vision

I was a computer programming major at university. After graduation, I joined the real estate industry at a time when various types of property apps were flourishing in China. Through my research, I found there were not that many property information apps of this kind in Australia. So I spotted an opportunity. Drawing on my personal experience, I began establishing a team to start building property-selling and leasing apps, where AI technology is used to simulate scenarios that allow users to view foreign properties through videos.

## Profile Card 2



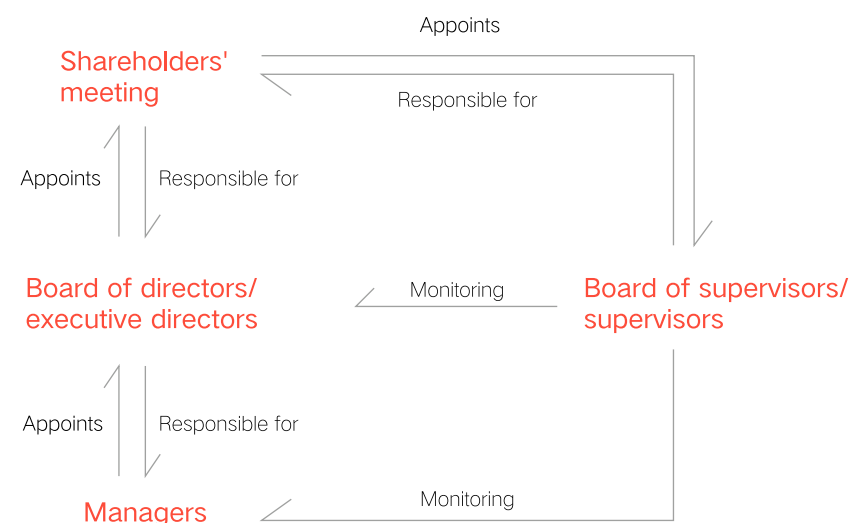
**Name:** EG  
**Occupation:** Professional start-up consultant  
**Areas of expertise:** Setting up of foreign companies, taxation for start-ups, policies for start-ups in Shenzhen, visa and immigration policies. etc.

Having stayed in Shenzhen for half a year, William, who is from Australia, was speaking to a friend from China whom he has known for 20 years about starting an enterprise together. Despite having worked for a number of years in China, he was still unfamiliar with the procedures for setting up a company in China and the relevant official departments involved in the process. Therefore, the professional start-up consultant EG from Start-Up Guide introduced William to the following company terms:

- 1. Defining a company:** A company is a corporate legal entity that possesses assets independently and holds property ownership. A company is fully liable for its debts with all its assets.
- 2. Registered capital:** A company's registered capital is the capital of all its shareholders registered with the company registration authorities. If the full capital amount is not paid up during the capital contribution period, the company's registration may be cancelled, provided that the company has not accrued debts in its name.
- 3. Company shareholders:** Shareholders are investors of a company and are entitled to receive returns on assets, participate in major decision-making and elect the managing executives of the company. A shareholder has the right to initiate legal actions at the people's courts as permitted by law. The main duties of a shareholder is to contribute capital to the company and not to abuse its rights. For instance, if a shareholder abuses the status of the company as a legal entity or the limited responsibilities of a shareholder, and evades payment of its debts thus damaging the rights and interests of the creditors, the shareholder shall bear joint liability for the company's debts.
- 4. Legal representatives:** The legal representative of a company is a member of its senior management, who must either be the chairman of the board, managing director or a manager of the company.
- 5. Supervisor:** A supervisor is responsible for monitoring the finances of the company and the execution of company tasks by directors and senior management personnel. He or she must not be a director or manager.
- 6. Finance manager :** A finance manager oversees the financial management, accounting and monitoring of a company. Strictly speaking, he or she must possess qualifications of and have worked for years as an accountant, with extensive financial work experience.

Refer to source: The Company Law of the People's Republic of China

In addition to the basic concepts, it is also necessary to understand the relationship between shareholders meetings, the board of directors and the board of supervisors:



Essentially, this organization structure is set up to facilitate internal operations and generate profit for the company. Considering that William is Australian and his friend is Chinese, what type of business entity should they be considering when setting themselves up as a Chinese-foreign joint venture?

Currently, there are four common types of enterprises established in Shenzhen for foreigners or foreign enterprises:

Foreign-invested Limited Liability Company, Foreign-invested Partnership Enterprise,, Representative Office and Foreign-invested Joint Stock Company.

Enterprise types	Definitions
Foreign-invested Limited Liability Company	A foreign-invested limited liability company refers to an enterprise wholly or partly invested by foreign investors and registered and established in China in accordance with Chinese laws. It includes sole proprietorship of natural person, sole proprietorship of enterprise legal person or foreign investment (non sole proprietorship).
Foreign-invested Partnership Enterprise	A partnership enterprise refers to an enterprise established in China by two or more foreign enterprises or individuals, and a partnership enterprise established in China by a foreign enterprise or individual and a Chinese natural person, legal person or other organization. A foreign-invested partnership is composed of general partners and limited partners.
Representative Office	An administrative organization established in China that engages in non-profit activities related to the operations of the foreign company, and is the representative for the foreign company in activities such as communication, product marketing, market surveys, and technology exchange.
Foreign-invested Joint Stock Company	Foreign-invested founded joint stock company refers to an enterprise legal person whose total capital is composed of equal shares, the shareholders are responsible for the company with the shares they have subscribed for, the company is liable for the company's debts with all its properties, the shares of the company jointly held by Chinese and foreign shareholders, and the shares purchased and held by foreign shareholders account for more than 25% of the company's registered capital. [This type is rare and will not be described in details in this book]

Enterprise types	Pros	Cons
Foreign -invested Limited Liability Company	(1) The shareholders can own 100% equity and operate independently without having to consider the position of Chinese investors. The company can determine its own strategic goals and set up a company through joint venture; (2) Compared to the restricted operations of the representative office, a foreign-invested limited liability company can receive revenues in RMB and issue invoices; (3) No minimum registered capital requirements - shareholders may decide on an appropriate amount of registered capital according to the company's future development needs. If the capital becomes insufficient later on for the company's operation, it can be increased; (4) No currency restrictions for registered capital - in addition to the commonly used RMB, other foreign currencies (such as Hong Kong dollars / US dollars, etc.) may be used as for registered capital.	(1) Allowed to be set up only as one single-member limited liability company. (2) A foreign-invested limited liability company must not only have a foreign shareholder, but it is also required to register its general manager, supervisor, finance manager and other personnel roles with the business registration authorities.
Foreign -invested Partnership Enterprise	(1) No need to be approved by the competent commercial department; (2) To appoint an executive partner (appointed representative) to carry out partnership affairs, the management organization is simple and flexible, and the decision-making efficiency is high; (3) No need to pay corporate income tax, avoiding double taxation, and effectively reducing the operating costs of enterprises.	(1) In the catalogue of encouraged and restricted foreign-invested industries in the Catalogue for the Guidance of Industries for Foreign Investment, there are a number of industries that require no foreign investment partnerships be established; (2) The general partner shall bear unlimited joint and several liability for the debt of the partnership, and the limited partner shall be liable for the partnership debt to the limit of the amount of capital contribution he has subscribed, but the limited partner is prohibited by law from exercising the management right of the partnership.
Representative office	(1) The capital contribution required is lower; (2) Allowed to conduct market surveys, project enquiries and other tasks for the foreign parent company.	(1) Restricted in terms of commercial operations - a representative office is not allowed to conduct business, issue invoices, etc.; (2) Despite receiving no direct trade and sales income, it is required to pay corporate income tax, employees' personal income tax, etc.



The following case studies will help you understand the differences between the three types of entities:

### Case Study 1:

Foreigner A is interested in exploring the lucrative consultancy market in China and would like to set up a consultancy company under his name in China. After operating very well for half a year, Foreigner A would like to develop software complementing his online consultancy business, which requires him to set up a technology company. Foreigner A needs to form a foreign-invested (non sole proprietorship) company with B (no limitation of nationality) or Company B (a foreign or Chinese enterprise), as he is not allowed to establish another foreign wholly-owned enterprise with himself as the only shareholder.



A foreigner can only set up one company in China of which he or she is the sole shareholder. If he or she wants to establish a second company, it must be a foreign-invested (non sole proprietorship) company.

### Case Study 2:

A, who is Australian, and B, who is Chinese, are good friends interested in studying robots. They have decided to set up a partnership enterprise to start business together. A has a calm temper and can study more calmly, while B is more comfortable with the development of the robot market, so B is the general partner to execute the partnership affairs, and A as a limited partner is responsible for robot research and development.



General partner has the right to manage the partnership, but bear unlimited joint and several liability for the debts of the partnership. Therefore, when establishing a foreign-invested partnership, it is necessary to carefully select investment partners and prevent investment risks in order to protect the legitimate rights and interests of all investors.

### Case Study 3:

Company A (foreign company) is a major international electronics trading company. It has rented an office space in Huaqiangbei, Shenzhen, to expand the company's business into the Chinese market. The company set up a representative office in Shenzhen, as it is still unfamiliar with the Chinese market at this early stage and has only a few employees. The registration of a representative office with the Market Supervision and Regulation Bureau of Shenzhen Municipality rests on the following conditions: It can only engage in business communication and enquiry activities for its parent company, and must not engage directly in any commercial operations.



A foreign-based company can apply to set up a representative office in Shenzhen. However, it must not conduct any business and is not allowed to issue any invoices.

Apart from this, what are the different requirements for the registration of the three types of enterprises?

Enterprise type	Registration prerequisites
Foreign-invested Limited Liability Company	(1) A rented office in Shenzhen; (2) Sufficient start-up capital; (3) One legal representative (If the shareholder is a foreign natural person, he / she may act as the shareholder himself / herself, or concurrently serve as the executive director and general manager); (4) One supervisor (who cannot be a director or manager); (5) A finance manager and tax executive; (6) Recipient of legal documents (a Chinese natural person or Chinese enterprise).
Foreign-invested Partnership Enterprise	(1) A rented office in Shenzhen; (2) Sufficient start-up capital; (3) At least 2 partners(enterprise or individual); (4) If the executive partner is a company, an appointed representative shall also be established; (5) A credit certificate issued by the general partner; (6) A finance manager and tax executive; (7) Recipient of legal documents (a Chinese natural person or Chinese enterprise).
Representative office	(1) One appointed chief representative (main officer in charge of the company); The company may appoint one to three representatives as required, but not more than four; (2) For companies that have been established for more than two years and have an office and residence overseas, the details of such office and residence may be shown as supporting evidence; (3) A bank account is required for the foreign company, where the bank's proof of the company's funds and credit may be shown as supporting evidence.



EG

To find out more details about registering a foreign-invested company, the telephone hotline, and offline locations for enquiry, please scan the QR code and visit Shenzhen Government Online to view the official guidelines.



Registration of foreign-invested partnership enterprise

What should I do if more partners join the business later? Or if I decide not to continue with the business, can I close the company?



EG

The questions raised by you are addressed on Shenzhen Government Online.

## Q&A

Q:  
What is the process for updating the details of new shareholders/legal representatives of a foreign-invested limited liability company (including non-sole proprietorship)?

A:  
Scan the QR code for further details.



Registration of alteration of a foreign-invested limited liability company

Q:  
What is the process for updating the details of the new chief representative of a representative office?

A:  
Scan the QR code for further details.



Registration of alteration of resident representative office of foreign (region) enterprise

Q:  
What is the process for cancelling the registration of a foreign-invested limited liability company (including non-sole proprietorship)?

A:  
Scan the QR code for further details.



Deregistration of foreign-invested limited liability company

Q:  
What is the process for cancelling the registration of a representative office?

A:  
Scan the QR code for further details.



Deregistration of resident representative office of foreign (region) enterprise

After listening to the explanation by the professional start-up consultant EG, William now understands the basics for forming a start-up in China, and has determined the type of company suitable for his purposes according to the registration prerequisites. However, William is aware that he still knows very little about the tax and legal policies in China, and to register a company rashly without this knowledge is quite risky. Therefore he decides to learn more about these matters before starting the business.



# 2. Tax Knowledge for Start-ups

\*This chapter has been created in conjunction with Hexcubes Business, a high-quality business services provider

## Foreword:

Tax knowledge is essential for the proper management of a company. Even before a business officially begins its operations, the company already needs to deal with issues such as tax declaration and payment, for transactions including the leasing or purchase of an office. If handled improperly, these issues may result in legal disputes. This section will cover some general tax knowledge, including the three most common taxes in China. Some frequently asked tax-related questions will also be addressed, with a list of well-known financial outsourcing companies in Shenzhen provided for your reference.

## Reading Guide:

- Three common types of taxes
- Frequently Asked Questions on taxes
- List of well-known financial outsourcing companies

The three most common taxes in China are: Corporate income tax, personal income tax and value-added tax.

Tax item	Tax rates	Important details
Corporate income tax	5%-25%	<p>Basic tax rate: 25%</p> <p>Small low-profit enterprises</p> <p>Effective tax rate for annual taxable income of RMB 0 to 1 million, : 5%</p> <p>Effective tax rate for annual taxable income of RMB 1 to 3 million: 10%</p> <p>Effective tax rate for annual taxable income of over RMB 3 million: 25%</p>
Personal income tax	3%-45%	<p>Personal income tax is calculated at a progressive tax rate of 3% - 45% over the individual's combined income (wages, salary, remuneration for labor, author's remuneration, franchise royalties, etc.)</p> <p>Note: The amount of personal income to be paid is based on the annual income of the taxable year deducted by RMB 60,000 (RMB 5000 for each month) and other special deductions, additional special deductions, and deductions prescribed by law.</p>
Value-added tax	3%-13%	<p>Basic VAT rate for small-scale taxpayers: 3% (Basic VAT rate for small-scale taxpayers before December 31, 2020: 1%).</p> <p>Basic VAT rate for general taxpayers:</p> <p>Common tax rates: Sale or import of goods tax and processing and repair services tax (13%)</p> <p>Value-added telecommunications, financial and daily necessity services (6%)</p> <p>Special tax rate:</p> <p>The deduction rate for purchases of agricultural products is 9%</p> <p>VAT is exempt for small-scale taxpayers with monthly sales lower than RMB 100,000.</p>

Having understood the common types of tax and tax rates, William now consults professional start-up consultant EG from Start-Up Guide on the kinds of tax issues that a start-up may encounter.



When does a company need to start declaring and paying taxes?

The taxable year is from January 1 to December 31 of a calendar year. The tax for the previous month needs to be declared to the taxation bureau by the 15th of the current month. In the event of national public holidays, this date may sometimes be delayed by a few days, depending on the tax submission date published by the State Taxation Administration.

EG



If an enterprise has incurred any taxes in its operations, how should such taxes be paid?

Taxes can be paid in three ways: One method is by direct deduction from the company's bank account through linking the company's bank account to the tax authorities. Another method is through WeChat Pay. The third method is by swiping a bank card at the taxation bureau.

EG



You talked about registered capital and paid-in capital earlier with regard to company registration. What are the differences between the two? Do they have different tax requirements?

The registered capital of a company is raised at the time of its establishment, and is stated clearly in the company charter and registered with the company registration authorities. It is the amount of capital subscribed to by shareholders. Paid-in capital is the amount of capital contribution actually received from the shareholders after the company is established. It is the amount of actual capital held by the company.

As the subscribed shares of a company may either be paid for in a lump sum or in installments, the paid-in capital of a company may sometimes be lower than its registered capital. In any case, a company's registered capital and paid-in capital should ultimately be the same. If paid-in capital has been fully paid up, it will incur a stamp duty. The actual stamp duty rate varies according to the tax relief policies announced by the taxation bureau each year.

EG



My company has purchased an office. Do we need to pay any taxes?

Yes. You will need to complete a tax registration at your local tax department within 30 days of the purchase. After the registration is complete, you will need to pay a property tax, stamp duty, transfer tax, etc.

EG



I heard that the Shenzhen Taxation Bureau has implemented a system for purchasing blank invoices online, which means we are not required to purchase them at the taxation bureau offices. Since the lines are usually very long at the department office, this policy can definitely save a lot of time for many finance executives. To further benefit from this service, can we fill in an address outside of Shenzhen on a blank invoice purchased online in this manner?



No. The Invoice Management Measures of the People's Republic of China states that "except for special circumstances specified by the Tax Administration Bureau of the State Council, any entity and individual is prohibited from carrying, mailing and delivering blank invoices across the designated areas of use". However, in its efforts to lower tax collection and management costs and implement a cost-effective invoice management model, the Qianhai Taxation Bureau of Shenzhen Municipality has begun a full-scale pilot initiative for electronic invoices and removal of paper invoices starting from November 1, 2019. Except for the Qianhai Free Trade Zone, enterprises in other administrative regions can decide whether to apply for electronic invoices according to their own needs. It is believed that enterprises will be provided more and more convenience in the use of invoices.

EG



What if I lost an invoice? Are there any consequences?

Losing an invoice will incur a fine, the amount of which is determined by the relevant tax department.

EG



As a foreign-invested company, what are some of the important things to keep in mind for financial and tax matters?

Based on experience, here are four things to keep in mind:

1. The legal representative/finance manager/tax executive of your company needs to register himself or herself at the tax department by means of real-name verification, as well as his or her mobile number in mainland China. Otherwise, you will not be able to process your taxes. The registration should be made after the company has applied for a business license and made an official seal;
2. Comply with the rules when using invoices. While selling the goods, an invoice must be issued to the purchaser. Even if the purchaser indicates that it does not need to issue an invoice, the company still needs to declare this income to the tax bureau. If not, it may be deemed by the tax bureau to be suspected of tax evasion and face punishment;
3. The company's revenues must be deposited in the company's bank account, and not in the personal bank account of the legal representative;
4. Ask for invoices from drivers or shops when travelling in cabs or dining at restaurants during business trips. Invoices are the legal proof of your activities during the business trip.

If you have any other tax-related questions, you may enquire by calling this hotline directly: 12366.

EG

After listening to the explanations of professional start-up consultant EG, William now has an overall understanding of how to deal with basic tax issues that may occur during the establishment of a company. However, foreigners may still struggle with issues such as the language barrier and difficulties in understanding local policies while operating their start-ups in China. In such cases, hiring a financial and tax services outsourcing company will be an easier solution to these problems. The accounting personnel at financial and tax outsourcing companies are generally well-qualified and professional. Client companies are also not required to pay for insurance, accommodation, medical or other benefits for these accounting personnel.

Below is a suggested list of well-known financial and tax services outsourcing companies for your reference.

Name	Address	Website
PricewaterhouseCoopers Zhong Tian LLP Shenzhen Office	34th Floor, Tower A, Kingkey 100, No. 5016 Shennan East Road, Luohu District, Shenzhen	<a href="https://www.pwccn.com/en.html">https://www.pwccn.com/en.html</a>
Deloitte Touche Tohmatsu Certified Public Accountants LLP ShenzhenOffice	13th Floor, China Resources Building, No. 5016 Shennan East Road, Shenzhen	<a href="https://www2.deloitte.com/cn/en.html">https://www2.deloitte.com/cn/en.html</a>
Ernst & Young Hua Ming LLP Shenzhen Office	21st Floor, China Resources Building, No. 5001 Shennan East Road, Shenzhen	<a href="https://www.ey.com/en_gl">https://www.ey.com/en_gl</a>
KPMG Huazhen (Special General Partnership) Shenzhen Office	15th Floor, China Resources Building, No. 5001 Shennan East Road, Shenzhen	<a href="https://home.kpmg/xx/en/home.html">https://home.kpmg/xx/en/home.html</a>
BDO China Shu Lun Pan CPAs LLP Shenzhen Office	16th Floor, Building A, Shenzhen Investment International Business Center, No. 1061, Xiangmei Road, Futian District, Shenzhen	<a href="http://www.bdo.com.cn/en-gb/microsites/english/home">http://www.bdo.com.cn/en-gb/microsites/english/home</a>

Even though agencies can help save time for entrepreneurs and enhance their business models and products, some entrepreneurs from Shenzhen have shared that there are specific things to bear in mind when engaging a financial and tax services agency:

## 1. Hiring an agency doesn't mean you don't need to check their work

In terms of tax declaration, you should not simply accept the advice of the agent, but should instead look at past financial reports prepared by them, and see if they fit your requirements and if their presentation format is easy to understand. For foreigners doing business in China, a tiny financial error can potentially lead to huge losses.

*"There is always high possibility that something goes wrong. One of the challenges as an Entrepreneur who is building a new company, you might easily overlook small things in accounting. You can say: 'Never mind, the accountant will handle it'. But I think is important that you sit down and really go through the numbers regularly. Even if you paying an accountant, you should routinely double check your numbers, and you should be always clear about that. Don't forget, You are an alien in a foreigner country, and this kind of mistakes can cause you great damage."*

— Marek Koys

Name	Marek Koys
Occupation	Founder of Impact Hub
Nationality	Czech Republic
Number of years in Shenzhen	6 years
Company type	WFOE



## 2. Personnel fluctuations

It may be difficult to guarantee consistent quality of service as situations may arise where an individual employee at the agency is dealing with multiple clients, there is a shortage of supporting team members, or no one is available to take over the work when colleagues are on leave or during special circumstances.

*"When choosing an agency, find out about the number of clients they have, their competency level, whether you will be served by a single person or a team, and the availability of backup personnel to cover for employees on leave."*

— Brent Deverman



Name	Brent Deverman
Occupation	CEO of ShenzhenParty
Nationality	The United States
Number of years in Shenzhen	18 years
Company type	WFOE
Duration of company establishment	12 year

*"When the company reached a certain stage in its development, I decided to hire full-time employees to manage the finances and legal work of the company, to reduce the risk of personnel fluctuations."*

— Marine Mallinson



Name	Marine Mallinson
Occupation	Founder & CEO of MedAnt China
Nationality	France
Number of years in Shenzhen	2 years
Company type	WFOE
Duration of company establishment	2 year

### 3. Question recommendations you find online

*"In your search for agencies online, you should not simply stick to companies that are ranked the highest, because they may just simply be very good at SEO (Search engine optimization). You should dig deeper and find out if they are a good fit for your company, and whether they would match in terms of capabilities. Get a third-party point of view if necessary, or ask for the opinions of people you trust."*

— John Rood



Name	John Rood
Occupation	Co-founder of Somos Digital
Nationality	The United States
Number of years in Shenzhen	5 years
Company type	WOFE
Duration of company establishment	2 year

### 4. Get recommendations from the start-up community

A tried-and-tested method of selecting an agency is through recommendations from the entrepreneurs' community. If an agency has earned the approval of other entrepreneurs, it is more likely to be a reliable one.

*"My strategy was if this person was recommended from three entrepreneur friends who I trust, my time is better spent following this part of the business."*

— Brian Hirsh



Name	Brian Hirsh
Occupation	Founder of BrightWood, Smart Lighting Start-up
Nationality	The United States
Number of years in Shenzhen	1.5 years
Company type	WOFE
Duration of company establishment	4 months



# 3. Legal Knowledge for Start-ups

\*This chapter has been created in conjunction with Hexcubes Business, a high-quality business services provider

## Foreword:

Before launching the operations of a company, it is necessary to acquire some legal knowledge to avoid exposing your enterprise to risks. On this occasion, William has received advice from professional start-up consultant EG from Start-Up Guide on the legal aspects of tax, HR recruitment and business operations. Some common issues were addressed and solutions suggested, with a list of well-known law firms in Shenzhen provided. Issues regarding the registration of intellectual property rights were also covered.

## Reading Guide:

- General legal knowledge
- Common legal issues
- List of well-known law firms in Shenzhen

Nuno Batista, a Portuguese entrepreneur operating a business consultancy company in Shenzhen, shares that the challenges faced by foreigners in China include the rapid changes of government policies and regulations, and the strict visa requirements for foreigners. Nuno however handles these challenges with a positive attitude:

*"If you want to come to China, you need to understand and respect Chinese culture and Chinese rules. And there is always a meaning on their policies. China is a big country, they need to find effective policies to command, to manage a massive size of people. There is no meaning if you coming to China, and complain everyday about these policies. There's always a way to do things. We have many foreigners here who don't understand China and they end up by going back to their countries because they don't learn to understand China. They think they come here and they can change China to their own image, and I think that's not the right attitude to be here."*

- CEO of Soulfato Group  
Nuno Batista



Name	Nuno Batista
Occupation	CEO of Soulfato Group
Nationality	Portugal
Number of years in Shenzhen	4 years
Duration of company establishment	4 years
Company type	Chinese enterprise

EG

While in Shenzhen, the relevant authority for tax is the Shenzhen Taxation Bureau under the State Taxation Administration. Since financial and tax policies differ from one country to another, naturally the tax policies in China will differ from those of other countries. For instance, tax declarations are made monthly, quarterly and annually in China. Failure to declare in time will result in you being blacklisted and paying a fine and a late payment penalty.

EG

The area of employment is within the purview of the Shenzhen Human Resources and Social Security Bureau. Regarding the employment of Chinese nationals, you will need to understand the Labor Law of China. For the employment of foreigners, you will need to ensure the visa and other related applications for the employees are properly completed. Upon the recruitment of an employee, you should ensure that the employment registration, employment contract, confidentiality agreement, and the restraint of trade clause are completed promptly and the necessary social security and housing provident fund contributions are paid.

EG

Business operational matters are governed by the Ministry of Commerce of the People's Republic of China and the Market Supervision Administration of Shenzhen Municipality. Foreign investors in China must comply with the Special Administrative Measures (Negative List) for the Access of Foreign Investment and the Negative List for Market Access. Any business operation that goes beyond the scope of these measures will be investigated and penalized by the government.

**Apart from these, there are some other common issues that you should be aware of.**

A company submits the **annual report** of its previous natural year within two months of the anniversary of its establishment (referred to as "rolling annual report date"). A company that has been registered in the current natural year will submit its **annual report** in the following natural year. If it is a foreign-invested company or a customs-managed company, it should be submitted before June 30 of the following year. Enterprises that have not disclosed their annual reports as required will be placed by the department for industry and commerce on a list of irregularly operated enterprises and be penalized accordingly. Failure to conform to this requirement for more than three years will result in the enterprise being included permanently on the "blacklist" of seriously non-compliant enterprises. The legal representative and officers in charge of a seriously non-compliant enterprise will not be allowed to act as the legal representative and officers in charge of other enterprises within 3 years.

Apart from the disclosure of annual reports, an enterprise also needs to declare its corporate income tax to the taxation bureau before May 31 of the year following its establishment. Any enterprise failing to make the declaration within the stipulated period may be penalized and imposed with a late payment penalty by the tax authorities, and may affect the enterprise tax credit rating evaluation.

Audit reports can be issued by the enterprise according to its needs. An audit report can be issued if needed by a third party during tendering and bidding processes, or to allow investors not involved in the actual operation of the company to better understand the company's operations and finances.



Thank you for your explanation. How should I purchase social insurance for my employees?

After opening a general bank account, you can apply to the Human Resources and Social Security Bureau of Shenzhen Municipality for a company social insurance account. After you have signed an employment contract with an employee, you can register the relevant details on the Human Resources and Social Security Bureau of Shenzhen Municipality system. To enquire about the list of documents required, you may call the service hotline at 12333.

If you come across any legal issues as an entrepreneur, you may consider consulting or engaging the services of relevant professional agencies. Below is a list of well-known law firms in Shenzhen that provide legal outsourcing services for your reference.

EG

Name of Law Firm	Contact Details	Website
Beijing Yingke (Shenzhen) Law Firm	3rd Floor, Tower B, Rongchao Business Center, No. 6003, Yitian Road, Futian District, Shenzhen, Guangdong Province	<a href="http://www.yingkeinternational.com/">http://www.yingkeinternational.com/</a>
Sincere Qianhai Law Offices	Building 8, Qianhai Wanke Enterprises Mansion, No.63 Qianwan 1st Road, Qianhai Shenzhen-Hongkong Modern Service Industry Cooperation Zone, Shenzhen	<a href="http://www.qianhailaw.cn/services/">http://www.qianhailaw.cn/services/</a>
China Commercial Lam Lee Lai (Qianhai) Law Firm	Unit B, First Floor, Building 3, Enterprise Dream Park, Qianhai Shenzhen-Hongkong Modern Service Industry Cooperation Zone, Shenzhen	<a href="http://www.hs-lll.cn/en/">http://www.hs-lll.cn/en/</a>
Global Law Office Beijing	Units B/C, 26th Floor, Tower 5, Dachong International Center, No. 39 Tonggu Road, Nanshan District, Shenzhen	<a href="http://www.glo.com.cn/en/">http://www.glo.com.cn/en/</a>
Dentons Shenzhen	3rd & 4th Floor, Block A, Shenzhen International Innovation Center, No.1006, Shennan Boulevard, Futian District, Shenzhen	<a href="http://www.glo.com.cn/en/shenzhen.dachenglaw.com">http://www.glo.com.cn/en/shenzhen.dachenglaw.com</a>

William is wondering about the differences between service outsourcing and hiring an internal team. What are the advantages and disadvantages of each of these options?

Professional start-up consultant EG from Start-Up Guide offers the following analysis, and advises that an entrepreneur should choose the option that matches the needs of his or her company.

Option	Recommendation	Pros and Cons
Finance/legal services outsourcing	During the early stages of a company, when the team is small and there is still limited understanding of the Chinese market, it may be a good idea to consider outsourcing your financial and tax/legal work.	<p>Pros:</p> <p>(1) Highly professional: Tax agencies are professional in their work and promptly handle tax declarations, thus significantly reducing the risk of penalty for late declarations and damaging the company's credibility. Engaging a legal services organization will also give you access to the quality services of professional legal teams.</p> <p>(2) Reduces operational costs.</p> <p>Cons:</p> <p>Risks of disclosure of trade information and lack of communication efficiency.</p>
Hiring an internal finance/legal team	After a company has reached a certain size, and its business development requires prompt and immediate communication and interaction between finance/legal personnel, it may be advisable to hire an internal finance/legal team.	<p>Pros:</p> <p>More secure: Prompt and immediate communication and interaction helps expedite internal financial processes.</p> <p>Cons:</p> <p>Higher costs: More costs need to be incurred for employees' salaries, social insurance and housing provident fund contributions, as well as benefits.</p>



## Intellectual Property

The protection of intellectual property rights is important for an entrepreneur. With the easy access to the Internet, a company's product and design concepts are vulnerable to rapid imitation and even outright copying by competitors, which can result in immense losses to the entrepreneur. William had a friend who experienced exactly such an infringement of intellectual property rights.

From a legal perspective, professional start-up consultant EG from Start-Up Guide suggests that entrepreneurs could log on to the website of the China National Intellectual Property Administration to find out more about relevant national policies and registration processes for intellectual property rights. It is essential to fully understand the relevant laws and regulations in order to protect your own rights and interests.

Relevant authority: National Intellectual Property Administration

Chinese website: <http://www.cnipa.gov.cn/>

English website: <http://english.cnipa.gov.cn/>

William is aware of three major types of intellectual property rights: Copyright, trademark, and patent. However, he is unclear about the specific application requirements and required documents. Professional start-up consultant EG from Start-Up Guide provides him with the following information:

### (1) Copyright

**Copyright:** The exclusive right owned by an author over his or her literary, artistic or scientific and technical work, and is a form of intangible property right. The main focus here is on copyright registration for computer software.

**Relevant authority:** National Copyright Administration

Chinese website: <http://www.ncac.gov.cn/>

English website: <http://en.ncac.gov.cn/>

The application information, materials and process flow are set out as follows, based on the common example of copyright registration for computer software:

#### 1. Application information

(1) Registration department for copyright of computer software: The Software Registration Department of the Copyright Protection Center of China (CPCC). (URL: <http://www.ccopyright.com>).

(2) Processing period: Within 30 days of accepting the application.

(3) Application process: Fill in application form online → submit application documents → registration department accepts application → review → registration certificate granted

#### (4) Application method:

Submit the application personally at the registration hall;

Send in the application by registered mail or express mail.

Mailing address: Suite 302, 3rd Floor, Block A, Tianqiao Art Building, No. 1 Tianqiao South Street, Xicheng District, Beijing (Post Code: 100050)

Office address for personal submission:

1. Guangdong, Hong Kong and Macau Copyright Registration Hall of Copyright Protection Center of China (For urgent processing only, charge per piece)

Hotline: 0755-82334198

E-mail: 3486433001@qq.com

Address: 1/F, Wantong Building, No. 3002, Sungang East Road, Luohu District, Shenzhen (Near the Exit D of Yuanling Station of Line 9)

Directions: (Bus) 1. Sungang Fine Art City Stop: Route 218 and 371.

(Metro) Yuanling Station (Exit D).

Reminder: There are occasional adjustments to the operation of bus routes. The bus and subway station information provided here has certain timeliness and is for reference only!

2. Copyright Registration Hall, Block A, Tianqiao Art Building (Booking via WeChat)

Directions: (Bus) 1. Tianqiao stop: Route 7, 2, 20, 35, 36, etc.

(Metro) Tianqiao station: Metro Line 8 south (Exit A).

#### (5) Methods of enquiry:

① Telephone enquiry on software registration

Enquiry on software registration: 010—68003934, 64097080

Enquiry on application approval process: 010—84195634

Enquiry on mailing of certificates: 010—64097920

Enquiry on amendment of software registration: 010—84195640

② Telephone enquiry on software files and replacement of certificates

Enquiry on application approval process: 010—68003887—7050

③ Complaints and suggestions on software registration: rjdj@ccopyright.com

#### (6) Application materials

1. Application Form for Software Copyright Registration;

2. Verification materials for software (programs, files);

3. Relevant documents of proof (personal identification documents and rights ownership documents of the applicant, agent and contact person).

① Personal identification documents of agent: For applications handled by agents, the photocopies of the personal identification documents of the agent must be submitted, and the agent's appointed tasks, scope of authority, period of service and other relevant matters must be specified in the application form.

② Personal identification documents of the applicant (stamp of official seal is required for organizations)

Applicant	Foreign natural person	Hong Kong corporate legal person	Taiwan corporate legal person	Foreign legal person and other organizations
Documents required	Photocopies of passports must be submitted, along with their Chinese translations which must be signed by and stamped with the seal of the translator.	The original and photocopies of the registration certificate and a valid business registration certificate must be submitted, which have to be notarized by a Hong Kong lawyer appointed by the Ministry of Justice of the People's Republic of China.	The identification documents of legal person status certified by the courts or notary offices in Taiwan must be submitted, along with a completed Proof of Legal Person Status in Taiwan.	Legal documents proving the registration and legal person status of the applicant must be submitted. The documents of proof must be certified by the local Chinese consulate or notarized by a local notary office in order to be valid. The original notarizing or certifying documents need to be submitted in the application.  The documents of proof of legal person status submitted by foreign legal persons may differ in content and format due to the different countries or geographical locations. However, the basic information in the documents should at least contain:  1. Name of legal person; 2. Date of registration; 3. Place of registration; 4. Proof of registration no.; 5. Validity period of the document of proof; etc.
<p>Remarks: If the above identification documents or other relevant documents of proof of registration (e.g. contracts) are in a foreign language, they must be accompanied by the original copies of their Chinese translations completed by qualified translation organizations and stamped with the latter's official seals.</p>				

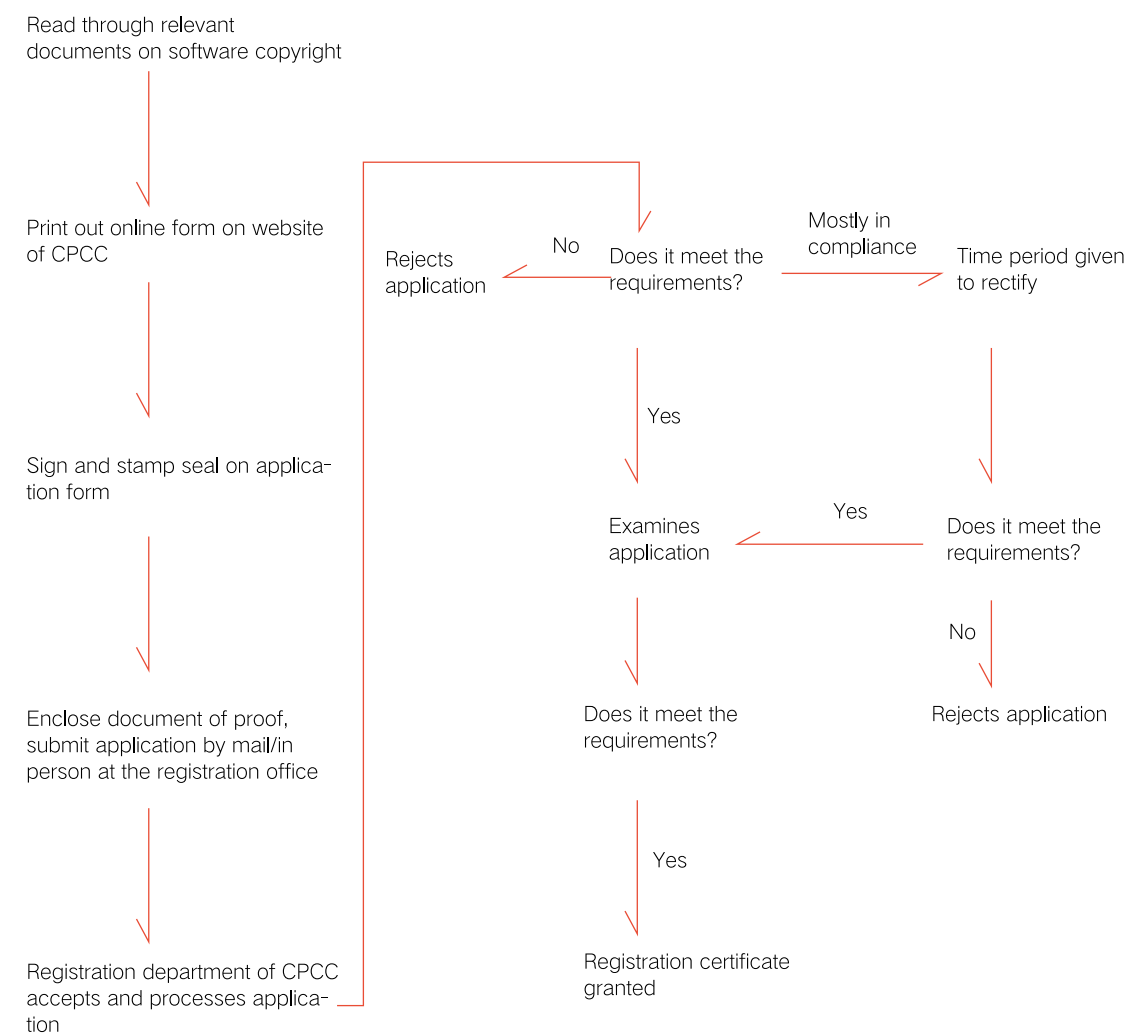
### ③ Identification documents of contact persons

If the applicant is handling the application by themselves, the photocopies of the identification documents of its contact person need to be submitted (personal identification card, passport, military officer certificate, etc.); if the application is handled by an agent, the photocopies of the identification documents of its contact persons (applicant contact person and agent contact person) need to be submitted.

### ④ Documents proving ownership of rights

- if a third party has been appointed to carry out research development, the development appointment agreement needs to be submitted;
- if it is a joint development project, the joint development agreement needs to be submitted;
- if the research development was a project instructed by a higher authority, the relevant document of instruction from the instructing department needs to be submitted.

## 2.Process flow for registration of software copyright



### 3. Applicable laws and regulations:

1. Copyright Law of the People's Republic of China (amended 2010)  
<http://en.ncac.gov.cn/copyright/contents/10365/329083.shtml>
2. Regulations for the Protection of Computer Software  
Regulations on Computers Software Protection  
Website: <http://en.ncac.gov.cn/copyright/contents/10366/337985.shtml>



Apart from copyright of computer software, can games be registered?

A game can be divided into game engine and game resources. Game resources include elements such as images, audio and animation, while a game engine is the program code, which can be registered under software copyright. Elements such as animation, videos, and images belong to a different category of works. These cannot be registered under software copyright.

EG



Can algorithm software be registered?

Algorithms are mathematical solutions. Algorithms that are created using a computer programming language can be registered as their forms of expression are protected by copyright.

EG



Can foreign companies register in the country?

Yes, they may register in accordance with the rules of copyright registration for computer software.

EG

### (2) Trademarks

A **trademark** is the identifying mark for a business, which is therefore useful for keeping business activities in order.

**Relevant authority:** Trademark Office (under the National Intellectual Property Administration)

Chinese website of Trademark Office: <http://sbj.cnipa.gov.cn>

English website of Trademark Office: <http://english.cnipa.gov.cn>

Based on the example of a trademark or service mark application, there are three methods of registration which include electronic application, on-site application, and application through agent:

① The applicant submits an electronic application

The applicant may submit a trademark registration application via the online services system.

Website of online service system of the Trademark Office of National Intellectual Property Administration, PRC: <http://sbj.cnipa.gov.cn/wssq/>

Website of the online trademark services system: <http://wssq.saic.gov.cn:9080/tmsve/>

② The applicant can submit a trademark registration application at the following locations.

**Method 1:**

Submit the application at the trademark application counters set up by the local industry, commerce and market regulation department on behalf of the Trademark Office.

Shenzhen trademark application counters

Address: Administrative Services East Hall, Civic Center, Fuzhong 3rd Road, Futian District, Shenzhen, Guangdong

Telephone enquiry: 0755-88127758

Directions: (Bus)

1. Civic Center stop: Route 38, 41, 60, 64, 107, 236, 398, m123 and m390;

2. Civic Center East stop: Route 34, 38, 41, 60, 64, 371 and n9, etc.

(Metro)

1. Civic Center station: Shekou Line 2 (Exit B), Longhua Line 4 (Exit B);

2. Children's Palace station: Longgang Line 3, Longhua Line 4 (Exit D, A1 and A2).

**Method 2:**

Submit the application at the trademark registration hall of the Trademark Office.

Address of trademark registration hall of the Trademark Office: No. 1, Chama South Street, Xicheng District, Beijing

Telephone enquiry: 86-10-63218500/010—62356655

Directions: (Bus)

1. Honglian South Road stop: Route 89 and 45, Special Route 30.

(Metro)

1. Daguan Ying station: Line 7 (Exit D);

2. Wanzi station: Line 7 (Exit D).

③ The applicant appoints a trademark agent registered with the Trademark Office to handle the application.

**Tips:** It is advisable to make an application after conducting a trademark search. Otherwise a rejected application will cost you the trademark registration fee and cause a longer waiting time.



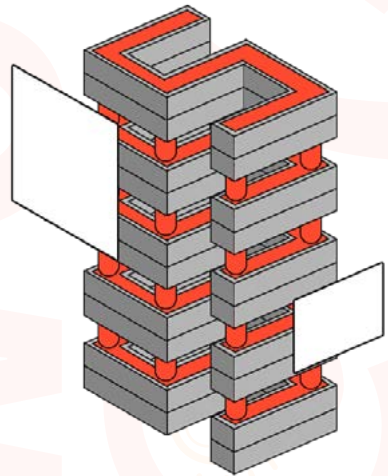
At least the following documents need to be submitted when applying to register a trademark (the detailed list of documents can be found on the official website):

- ① Trademark Application Form;
- ② Photocopies of identification documents of the applicant (only one copy needs to be submitted if the same applicant is applying for multiple trademarks);
- ③ Trademark design.

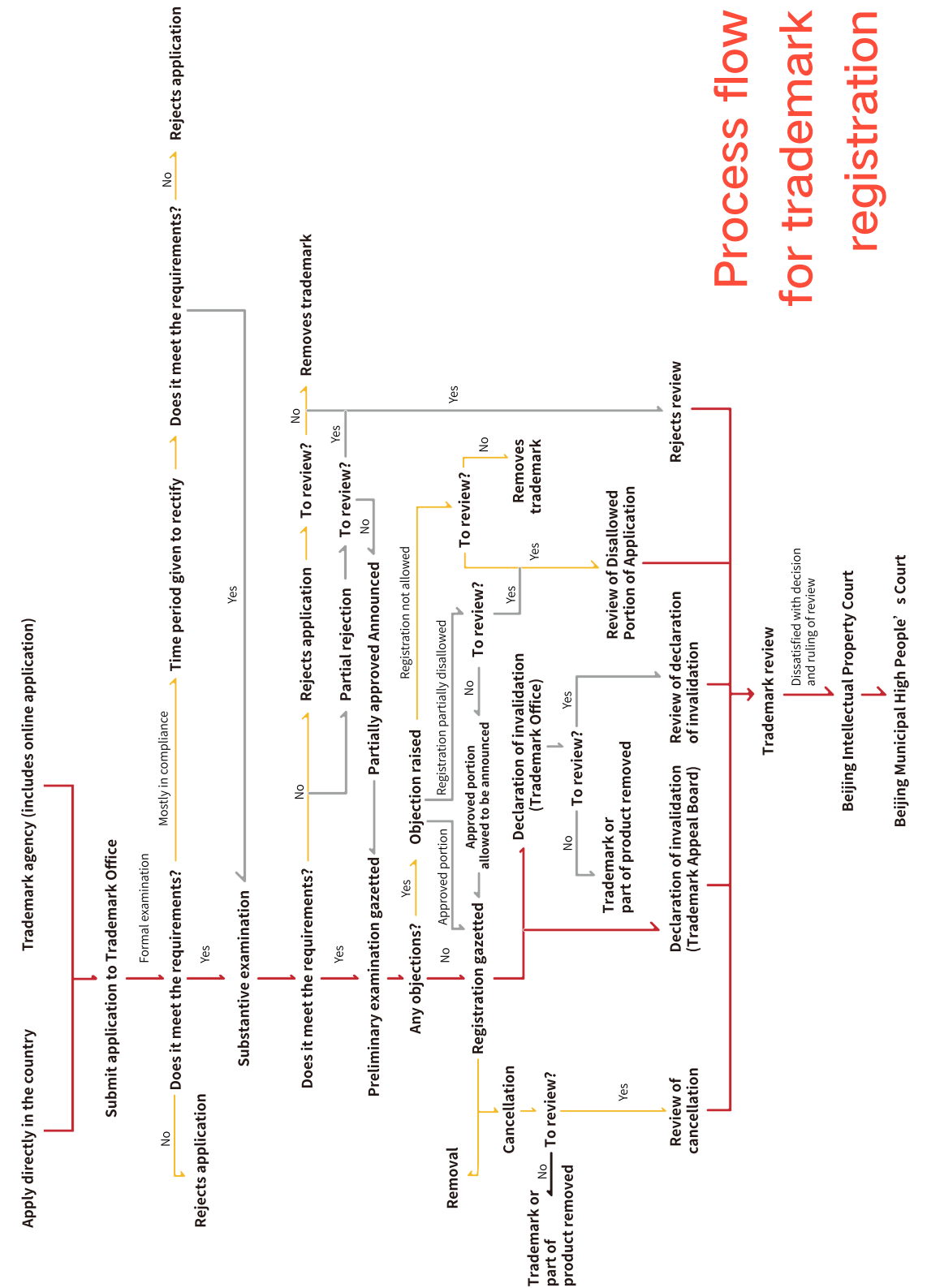
**Tips:** If the identification documents and documents of proof submitted by the applicant are in a foreign language, they shall be accompanied by a Chinese translation. Any submission of such documents without Chinese translations is invalid.

If the applicant has been requested to rectify the submitted documents due to submission of incomplete documents or non-compliance with the relevant requirements, the applicant must provide the correct or missing documents as instructed to the Trademark Office within 30 days of the notice for rectification.

The Trademark Office will process and examine the trademark registration application according to the relevant requirements of the trademark law. If it is found to have complied with the requirements, the application will be subject to preliminary examination and publicly announced. If it is rejected due to non-compliance with the requirements, the applicant will be notified in writing of the rejection and its reasons.



Below is the process flow for trademark registration





Can a foreigner and foreign company handle a trademark registration application by himself/herself/itself?

A foreigner or foreign enterprise with a regular residence or place of business in China can handle the application by himself/herself/itself. Other foreigners or foreign enterprises must appoint a legally established trademark agency to register a trademark or handle other trademark matters in China. A list of trademark agencies registered with the Trademark Office of the National Intellectual Property Administration can be found through this link:  
[http://wssq.sbj.cnipa.gov.cn:9080/tmsve/agentInfo\\_getAgentDljg.xhtml](http://wssq.sbj.cnipa.gov.cn:9080/tmsve/agentInfo_getAgentDljg.xhtml)

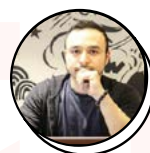
EG



Can the representative office of a foreign company in Shenzhen apply to register a trademark?

Representative offices and local administrative offices are not allowed to register trademarks in their own name.

EG



What are the differences between handling the application on your own and appointing a trademark agency? Which is faster?

Regardless of which route you choose to take, all trademark applications need to go through the same formal and substantive examinations according to the same requirements. In the case of appointing a trademark agency, you will need to sign a power of attorney with the trademark agency for handling your trademark registration on your behalf, and trademark registration documents will be submitted by the trademark agency directly to the Trademark Office. The applicant will have no direct dealings with the Trademark Office.

EG

### (3) Patents

**Patents:** Include inventions, utility models and industrial designs

**Relevant authority:** National Intellectual Property Administration

Chinese website of Trademark Office:

<https://www.cnipa.gov.cn/col/col1510/index.html>

English website of Trademark Office:

<https://www.cnipa.gov.cn/col/col1510/index.html>

There are two methods of patent registration which include electronic application and application in writing:

① For an electronic application, the applicant should first complete user registration for electronic application, and then submit the application and other documents to the Patent Office through its electronic patent application system. The link to the China patent electronic application portal is: <http://cponline.cnipa.gov.cn>

② Application in writing. The application and other documents can be submitted in person to the application counters of the Patent Office or sent to the "Application Counter of the Patent Office of the National Intellectual Property Administration", or alternatively they can be submitted in person to the application counters of the representative office of the Patent Office or sent to the "Representative Office of the Patent Office of the National Intellectual Property Administration".

#### Application Counter of the Patent Office of the China National Intellectual Property Administration

Customer service center: 010-62356655

In order to get timely and accurate answers to the applicant's questions, the State Intellectual Property Office has set up a consultation system on the official website. The applicant can choose to enter the corresponding consulting system according to the content to be consulted.

Consultation on patent application process: <http://jlhd.cnipr.com.cn:20818/jact/front/mailwrite.do?sysid=6>

Consultation on patent electronic application system: <http://app.cponline.cnipa.gov.cn/txn02m0x0001.do>

Patent reexamination consultation: [http://reexam-app.cnipa.gov.cn/fszxt2020New/user\\_addmeg.jsp](http://reexam-app.cnipa.gov.cn/fszxt2020New/user_addmeg.jsp)

Patent literature consultation: <http://jlhd.cnipr.com.cn:20818/jact/front/mailwrite.do?sysid=12>

#### Shenzhen Representative Office of the Patent Office of the National Intellectual Property Administration

Tel: 0755-26617303

Fax: 0755-26617304

Post code: 518057

Address: 6th Floor, Block C, Building 4, Shenzhen Software Industry Base, Xuefu Road, Gaoxin South District, Nanshan District, Shenzhen, Guangdong Province

Website: [www.szips.org.cn](http://www.szips.org.cn)

Bank: China Everbright Bank, Shenzhen Hi-Tech Park branch

Account name: Shenzhen Representative Office of the Patent Office of the National Intellectual Property Administration

Account number: 39020188000058725

Directions: (Bus)

1. Software Industry Base stop: Route 72, M201, M562, etc.;

2. Binhai Zhichuang stop: Route 80, 362, etc.

(Metro) 1. Houhai station: Shekou Line 2 (Exit D2).

- ① When applying for patents for inventions, the application documents shall include: The invention patent request, abstract (submit drawings of abstract if necessary), patent claims, and specification (submit drawings of specification if necessary).
- ② When applying for patents for utility models, the application documents shall include: The utility model patent request, abstract, drawings of abstract, patent claims, specification, drawings of specification.
- ③ When applying for patents for industrial designs, the application documents shall include: The industrial design patent request, images or photographs (if protection of colors is sought, the images or photographs must be provided in color), and a brief description of the industrial design.

1. Download from the website of the National Intellectual Property Administration <https://www.cnipa.gov.cn/col/col192/index.html>;

2. Obtain a copy at the enquiry counter of the Application Submission Hall of the Patent Office or by letter (Mailing address: Publication Office of the Initial Examination and Process Management Department of the Patent Office of the State Intellectual Property Office);

The paper used for application documents must be of the same quality as photocopy paper. There must be no unnecessary wordings, markings, boxes or lines on the paper. The paper used for all documents must be A4 in size (210 mm X 297 mm). The paper for application documents must be used on one side only and in portrait orientation. The words must be arranged from left to right, with a 25 mm margin on the left and at the top, and a 15 mm margin on the right and at the bottom.

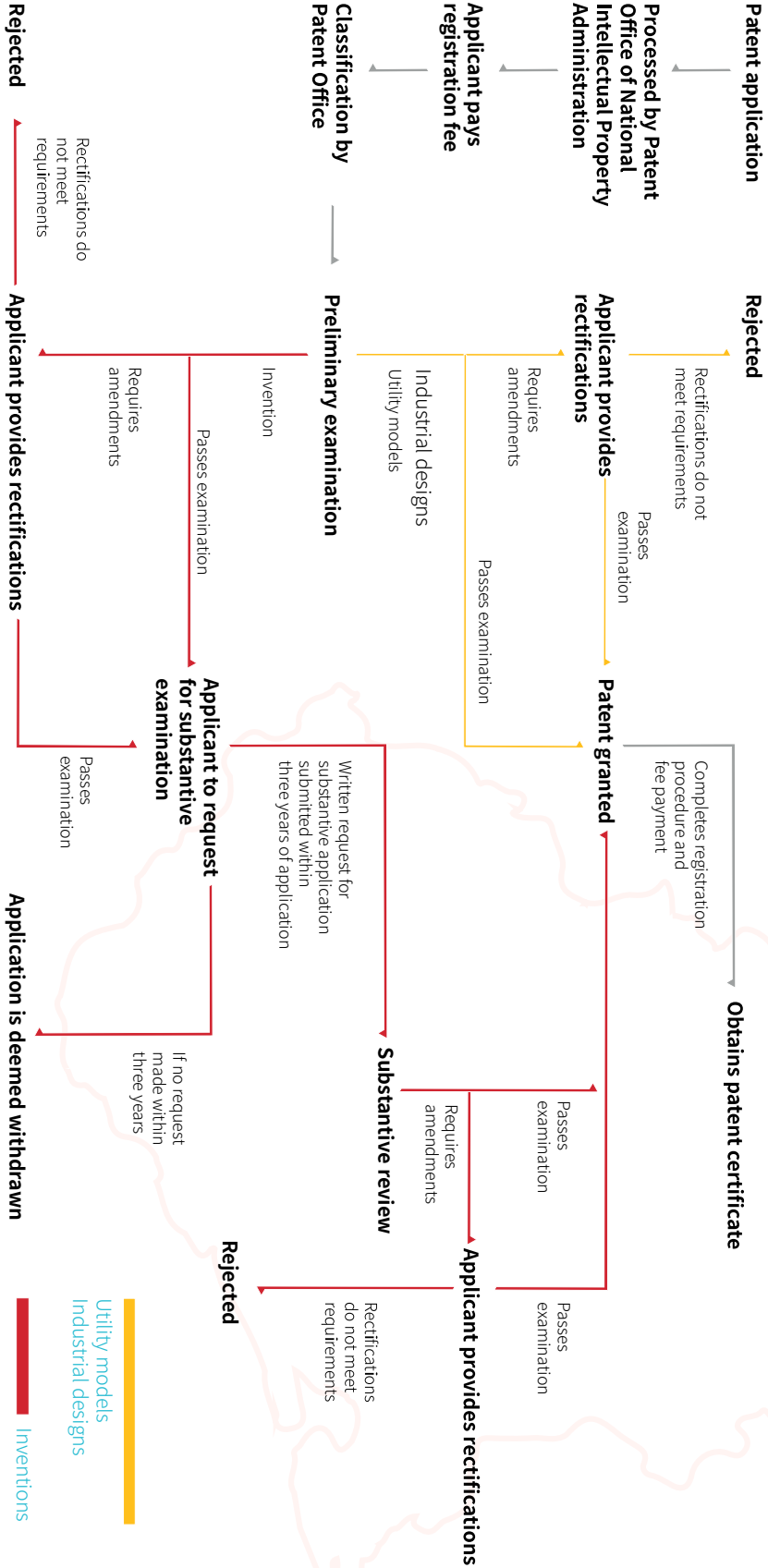
Patent application documents for inventions or utility models (in the following order): Request, abstract, drawings of abstract, specification (including any amino acid or nucleotide sequence listings), and drawings of specification.

Application documents for industrial designs (in the following manner): Request, images or photographs, and brief description. All parts of the application documents must be marked with page numbers in sequence in Arabic numerals.

All parts of the application documents shall be in Chinese. Where the names of foreign persons, places or technical terms do not have a standardized Chinese translation, the translated names shall be followed by their original names in parentheses.

The application documents shall be typed or printed in the Songti, Fangsongti or Kaiti font in black, with a font height of 3.5 - 4.5 mm, and a spacing of 2.5 - 3.5 mm. If drawings are included in the application documents, their lines should be even and clear, without any corrective markings. Project blueprints shall not be used as drawings.

Source: National Intellectual Property Administration





**Documents of proof:**

Documents of proof required to be submitted in the patent application process must be issued by the relevant supervising departments or signed by the party concerned. All documents of proof must be original. Any photocopy must be notarized, or certified by the supervising department that issued the document with the stamp of its official seal (except where the original documents are filed with the Patent Office). Documents of proof that are in a foreign language must be accompanied by their Chinese translations.

**Signature or seal**

All patent application or other documents submitted to the Patent Office must be signed or stamped with a seal in accordance with requirements. Any application not handled by a patent agent must be signed by or stamped with the seal of the applicant (or patent holder), other stakeholders or their representatives. Any application concerning joint rights of the patent must be signed by or stamped with the seals of all rights holders. If a patent agent has been appointed, the application shall be stamped with the seal of the agency, and if necessary the signature or seal stamps of the applicant (or patent holder), other stakeholders or their representatives shall also be included.

**Simultaneous applications**

If an applicant files for both the utility model and patent of an invention on the same day, this must be specified respectively during the application.

**Patent application must comply with the unity of invention**

One invention or utility model application can only relate to one invention or utility model.

**Appointment of patent agents**

Any foreigner, foreign enterprise or foreign organization with no regular domicile or business address in China, who is filing for a patent in China or filing as a first-named applicant jointly with another applicant from China for a patent, shall appoint a legally established patent agency to handle the application.

**Acknowledgement of patent application**

After receiving a patent application which fulfills the submission requirements, the Patent Office or its representative office shall issue a notice of acknowledgement to the applicant confirming the application date and providing an application number.

If application documents have been submitted to the Application Submission Counter of the Patent Office, the notice of acknowledgement from the Patent Office will normally be received within around one month. If the notice has not been received after more than a month, the applicant should promptly enquire with the Patent Office.

**Determination of application date**

For patent application and documents submitted to the Patent Office electronically, the submission date shall be the date the electronic documents are received by the Patent Office's electronic patent application system.

For patent applications submitted to the Application Counter of the Patent Office or representative office counters, the application date shall be their date of receipt. For patent applications delivered by mail to the Application Counter of the Patent Office or representative office counters, the post mark date on the envelope shall be the application date.

**Payment period for application fee**

The applicant shall within two months of the application date or within 15 days of receiving the notice of acknowledgement complete payment of the application fee. The corresponding application number and relevant payment details must be provided during the process of payment.

**Payment methods**

- ① Electronic applicants may log on to the electronic application website (<http://cponline.cnipa.gov.cn/>) and pay the patent fee online.
- ② Pay directly to the Patent Office or its representative office.
- ③ Remit the payment through banks or post offices. For remittance through banks or post offices, the application number (or patent number) or name of payment item (or its abbreviation) must be specified correctly in the remittance slip.

**Bank transfer:**

Bank:	CITIC Bank, Beijing Zhichun Road Branch
Account name:	Patent Office of the National Intellectual Property Administration of the People's Republic of China
Account number:	7111710182600166032

**Post office remittance:**

Name of payment recipient:	Payment Department of the Patent Office of the National Intellectual Property Administration
Business client no.:	110000860 (can replace post code)
Post Code:	No. 6, Xitucheng Road, Jimen Bridge, Haidian District, Beijing (100088)

## Confidentiality review on patent applications to be filed abroad

If any organization or individual has completed an invention or utility model in China but intends to file for a patent in another country or submit an international patent application to the patent authority of the country, it must first request for a confidentiality examination by the Patent Office on the patent application to be filed abroad. After the confidentiality examination, if it is found that the patent involves matters relating to national security or other significant interests which must be kept confidential, the organization or individual must not file for the patent in any foreign country pertaining to the invention or utility model in question.

There are three ways to request for confidentiality examinations on patents to be filed abroad:

- ① Request for a confidentiality examination through the submission of the technical scheme. For requests made in such a manner, the applicant shall submit a request for confidentiality examination on patents to be filed abroad and the specification of the technical scheme, and submit the documents in writing in person to the application counters of the Patent Office or mail them to the "Application Counter of the Patent Office of the National Intellectual Property Administration".
- ② Make the request for confidentiality examination when or after filing the patent in China. For requests made in such a manner, the applicant shall submit a request for confidentiality examination on patents to be filed abroad
- ③ If an international patent application has been made to the Patent Office, a request for confidentiality examination shall be deemed as having been made, and a request for confidentiality examination on patents to be filed abroad need not be submitted separately.

*Service Guide for Patent Confidentiality Examination in Foreign Countries* can be found at <http://www.sipo.gov.cn/docs/20190305141156594306.doc>.

## Important notes regarding the submission of application documents

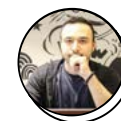
- ① The applicant must keep a copy of all documents submitted to the Patent Office, to ensure the consistency of details in Chinese during the review process, and which can be referred to when replying to reviewer comments.
- ② Application documents shall be sent in by registered mail. If registered mail is not possible, express mail shall be used. Application documents must not be mailed in parcels. In addition to the address of the Patent Office or its representative office (including the post code), the registered mail should also specify the wordings "Patent Documents" and "To the Application Counter of the Patent Office of the National Intellectual Property Administration" or "To the XX Representative Office of the Patent Office of the National Intellectual Property Administration". For application documents submitted by express mail, the application date shall be the actual date of receipt by the Application Counter of the Patent Office or the representative office. One registered mail should only contain documents for the same application. After mailing the documents, the applicant should keep the acknowledgement of receipt.
- ③ The Patent Office does not accept samples, prototypes or models when receiving patent applications. During the process of review, if the applicant has been requested by the reviewer to submit a sample or model, and is submitting at the Application Counter of the Patent Office, the applicant shall present the notice of comments of review. If the items are being mailed, the wordings "Submission of models as requested by reviewer XXX (name)" shall be included.



Does a foreigner or foreign company have to hire an agent in order to register a patent?

According to the relevant rules regarding the appointment of patent agencies in the "Examination Guide", foreigners, foreign enterprises, other foreign entities and legal persons from Hong Kong, Macau and Taiwan without a regular residence or place of business in China must appoint a patent agency designated by the National Intellectual Property Administration to register a patent or handle other patent matters in mainland China.

EG



After applying for a patent and before it is granted, is it illegal to print and display the application number on product packaging as a patent number?

After a patent application has been made and before it is approved, an applicant is not allowed to indicate the application number on its products or their packaging as a patent number as the patent rights have not been granted yet.

EG



Can all foreigners apply to register a patent in China?

Foreigners, foreign enterprises, and other foreign entities with a regular residence or place of business in China are entitled to the same patent protection as a Chinese national, which means they have the same rights to file a patent application to obtain patent protection. According to the Patent Law of the People's Republic of China, a patent application can be made in China under any of the following three circumstances according to the Patent Law:

- 1.The home country of the foreigner and China have signed a bilateral agreement that affords mutual patent protection to the citizens of both countries;
- 2.The home country of the foreigner and China have joined an international treaty that requires either country to provide patent protection to the citizens of the other;
- 3.Despite the absence of any bilateral agreement or international treaty to which the home country of the foreigner and China are signatories, the patent laws of the foreigner's country prescribe patent protection to or its patent practice provides patent protection to Chinese citizens based on the principle of reciprocity.

EG

## (4) Intellectual Property Dispute Resolution

As a general rule, we would encourage both parties to negotiate and settle the dispute, and suggest that they appoint a third party (the National Intellectual Property Administration, the Intellectual Property Protection Association, a law firm, a natural person, etc.) as the mediator. If the dispute still cannot be resolved, the parties may apply for arbitration with an arbitration institution according to any written arbitration agreement between the parties or arbitration clauses in the intellectual property contract. In the absence of any written arbitration agreement or any arbitration clauses in the intellectual property contract, a legal action can be filed directly at a people's court.



Regardless of which country you plan to start a business in, it is essential to be equipped with the basic knowledge for establishing a start-up. I believe it will help me operate my company more effectively!

# 4. Supporting Policies and Subsidies for Enterprises

\*This chapter has been created in conjunction with Hexcubes Business, a high-quality business services provider

## Foreword:

Shenzhen is known as the “City for Start-Ups” in China. According to the data provided by the Data Center of the Market and Quality Supervision Commission of Shenzhen Municipality, the number of registered enterprises in Shenzhen as of 2017 exceeded 1.76 million, which was 260,000 more than 1.5 million as of 2016. That is more than 700 new enterprises being registered and established in Shenzhen every day. At the same time, the Shenzhen Human Resources and Social Security Bureau is also actively promoting policies that support new enterprises.

This section mainly describes the support policies for entrepreneurship in Shenzhen and the policies for responding to the epidemic. The targeted applicants, basic eligibility criteria, specific applicant criteria, subsidy amount, funding criteria and other relevant details are listed. The response to the epidemic policy extracts some common policies and attaches the QR code to check the original policy.

## Reading Guide:

- Subsidy for enterprise policies
  - Shenzhen Enterprise Technology Transformation and Support Plan
  - Shenzhen Employment Retention Subsidy for Enterprises
  - Gathering and Subsidy for Entrepreneurial Projects
  - Special Fund for Shenzhen Intellectual Property Operation Service System
  - Recognition of National High-Tech Enterprises
  
- Policy Responses to Epidemic
  - Some Measures to Deal With Novel Coronavirus Pneumonia Epidemic and Supporting Enterprises to Overcome the Difficulties
  - State Taxation Administration, Ministry of Finance of the People’s Republic of China  
Announcement on Supporting VAT Policies for Privately or Individually-owned Business to Resume Work and Business (No. 13 of the Year 2020, State Taxation Administration, Ministry of Finance of the People’s Republic of China)  
State Taxation Administration, Ministry of Finance of the People’s Republic of China Announcement on Extending the Implementation Period of VAT Reduction and Exemption Policy for Small Scale Taxpayers (No. 24 of the Year 2020, State Taxation Administration, Ministry of Finance of the People’s Republic of China)
  - Guangdong Provincial Tax Service, State Taxation Administration  
Notice on Strengthening the Implementation of Tax Policies to Resolutely Win the Battle Against the Epidemic (No. 16 of the Year 2020, Guangdong Provincial Tax Service, State Taxation Administration)



I have heard about many supporting policies for enterprises in Shenzhen, but are foreigners eligible for them?

Most of the enterprise subsidy policies do not specify the applicant's nationality or type of enterprise. You may apply as long as you meet the application criteria.

EG

## Policies for enterprises

### 1. Shenzhen Enterprise Technology Transformation and Support Plan – Rewards and Subsidies for Major Projects

**Targeted applicants:** The reporting unit is an independent legal person, industry association and social organization registered in Shenzhen (including the Shen-Shan Special Cooperation Zone, same below), and the technical transformation projects shall be filed on record in the municipal enterprise technical transformation project records system in accordance with the "Shenzhen Enterprise Technology Transformation Project Record Management Implementation Measures" (Shenzhen Economic and Trade Information Regulations [2017] No. 3), including those haven't been listed as a target for joint punishment for dishonesty.

**Focus areas of subsidy:** Supports major industrial projects and technological transformation projects that meet key development objectives such as smart, green, service, fashion and safety manufacturing.

**Funding criteria:** Concurrent support will be provided to a single project at no more than 20% of its actual fixed asset investment, with the maximum not exceeding RMB 50 million (the fixed asset investment supported can be traced to at most 2 natural years before the year the project is submitted).

#### Enquiry details:

Contact number: 0755-88127053; 88101037; 88102084

Address: General Service Window, Shenzhen Administrative Service West Hall, Zone B, Fuzhong 3rd Road, Futian District, Shenzhen

Remarks: The above information is obtained from the Shenzhen Industrial and Information Technology Bureau.

Directions:

(Bus)

1. Civic Center stop: Route 38, 60, 107, 236, 398, m123 and m390;
2. Civic Center East stop: Route 34, 38, 41, 60, 64, 371 shuttle, n9, etc.

(Metro)

1. Civic Center station: Shekou Line 2 (Exit B), Longhua Line 4 (Exit B);
2. Children's Palace station: Longgang Line 3, Longhua Line 4 (Exit D, A1 and A2).

## 2. Shenzhen Employment Retention Subsidy for Enterprises

**Targeted applicants:** Enterprises that participate in unemployment insurance in accordance with the law and pay unemployment insurance premiums in full, that have during the previous year not laid off any employees or kept its layoff rate lower than the urban registered unemployment rate of the current year, and that maintain a sound finance framework and proper management operations, will be provided with employment retention subsidies by the unemployment insurance fund (referred to as the "fund" below).

**Funding criteria:** Employment retention subsidies will be given to qualified enterprises at 50% of the total actual amount of unemployment insurance premiums paid by the enterprise and its employees in the previous year.

#### Enquiry details:

Contact number: 0755-83460844; 0755-88100506

Address: Service Hall, Talent Service Park, City Administrative Service Hall, No. 8005 Shennan Avenue, Futian District, Shenzhen

Remarks: The above information is obtained from the Shenzhen Human Resources and Social Security Bureau.

Directions:

(Bus)

1. Shenzhen Talent Park ① stop: Route 79, 101, 113, 204 and 223;
2. Shenzhen Talent Park ② stop: Route 222, 234, 324, 395, n6, etc.

(Metro)

1. Zhuzilin station: Line 1 (Exit B1).

## 3. Gathering and Subsidy for Entrepreneurial Projects

**Targeted applicants:** A project holder that has obtained legal business qualifications in Shenzhen and has operated an entrepreneurial project for more than one year.

**Focus areas of subsidy:** These projects are in line with the Shenzhen's requirements for economic transformation, industrial restructuring, development of green industries, low-carbon economy, circular economy, emerging industries, environmental protection and high-tech development, and meet the needs of services, business model innovation and employment.

**Funding criteria:** The public employment service department conducts activities calling for submissions of public welfare entrepreneurship projects, to establish a comprehensive database of entrepreneurial projects, gather and develop entrepreneurial projects in engagement with the society, and improve the inclusion, updating and eliminating mechanisms for entrepreneurial projects. An entrepreneurial project received and approved for inclusion on the database after review is entitled to a one-off subsidy of RMB 3,000.

#### Enquiry details:

Contact number: 0755-88123461

Address: Service Hall, Talent Service Park, City Administrative Service Hall, No. 8005 Shennan Avenue, Futian District, Shenzhen

Remarks: The above information is obtained from the Shenzhen Human Resources and Social Security Bureau.

Directions:

(Bus)

1. Shenzhen Talent Park ① stop: Route 79, 101, 113, 204, and 223;
2. Shenzhen Talent Park ② Park: Route 222, 234, 324, 395, n6, etc.

(Metro) 1. Zhuzilin station: Line 1 (Exit B1).



#### 4.Special Fund for Shenzhen Intellectual Property Operation Service System

**Targeted applicants:** Enterprises, scientific research institutions, intellectual property research institutions, intellectual property service agencies, legal service institutions, industry associations, industrial parks, intellectual property incubators, industrial intellectual property alliances and other entities, that are registered in Shenzhen (including the Shen-Shan Special Cooperation Zone).

**Funding criteria:**

Applicants who obtain commercial bank loans by pledging their intellectual property rights (patents, trademarks, copyrights, etc.) shall be subsidized at 50% of their actual loan interest.

For a single intellectual property pledge financing incurred by an applicant, a bank loan of not more than RMB 5 million shall be subsidized at 80% of its actual guarantee and assessment fees; a bank loan of more than RMB 5 million but not more than RMB 10 million shall be funded at 50% of its actual guarantees and evaluation fees; a bank loan of more than RMB 10 million will be funded at 30% of its actual guarantees and evaluation fees.

**Enquiry details:**

Telephone enquiry: 0755-12315

Office: General Service Window, Shenzhen Administrative Service West Hall, Zone B, Fuzhong 3rd Road, Lianhua Sub-district, Futian District, Shenzhen

Remarks: The above information is obtained from the Shenzhen Municipal Market and Quality Supervision Committee.

Directions:

(Bus)

1. Civic Center stop: Route 38, 60,107, 236, 398, m123 and m390;
2. Civic Center East stop: Route 34, 38, 41, 60, 64, 371 shuttle, n9, etc.

(Metro)

1. Civic Center station: Shekou Line 2 (Exit B), Longhua Line 4 (Exit B);
2. Children's Palace station: Longgang Line 3, Longhua Line 4 (Exit D, A1 and A2).

#### 5. Recognition of National High-Tech Enterprises

**Targeted applicants:** Companies recognized as national high-tech enterprises.

**Benefits:** Article 28 of the Enterprise Income Tax Law of the People's Republic of China provides that high-tech enterprises are entitled to a 15% reduction in income tax rate, which is a 40% decrease of the original 25% tax rate.

**Enquiry details:**

Telephone enquiry: 0755-86329895, 0755-26548598

Office: General Service Window, Shenzhen Administrative Service West Hall, Fuzhong 3rd Road, Futian District, Shenzhen

Remarks: The above information is obtained from the Shenzhen Science and Technology Innovation Commission.

Remarks: The above information is obtained from the Shenzhen Science and Technology Innovation Commission.

Directions:

(Bus)

1. Civic Center stop: Route 38, 60, 107, 236, 398, m123 and m390;
2. Civic Center East stop: Route 34, 38, 41, 60, 64, 371 shuttle, n9, etc.

(Metro)

1. Civic Center station: Shekou Line 2 (Exit B), Longhua Line 4 (Exit B);
2. Children's Palace station: Longgang Line 3, Longhua Line 4 (Exit D, A1 and A2).

## Policy Responses to Epidemic

### 1. Some Measures to Deal with Novel Coronavirus Pneumonia Epidemic and Supporting Enterprises to Overcome the Difficulties

#### Policy Extracts

#### 1、Postpone the payment of social insurance premiums in accordance with laws and regulations.

If the employer is unable to pay the corporate social insurance premium on time due to the epidemic situation, the payment may be postponed to 3 months after the epidemic situation is over, and no late payment penalty will be charged during the period.

**2、Reduce the proportion of enterprise housing provident fund.** Enterprises that are affected by the epidemic and have real difficulties in depositing housing provident fund may, in accordance with the law, apply for a reduction of the housing provident fund payment proportion to a minimum of 3% for no more than 12 months; or apply for deferred payment of housing provident funds for no more than 12 months.

**3、Intensify aid to stabilize jobs.** During the period of epidemic prevention and control, 50% of the unemployment insurance premium actually paid in the previous year will be refunded to the insured enterprises that do not lay off or have fewer layoffs. For the insured enterprises that have difficulties in production and operation and insist on no or less layoffs, 25% of the social insurance premium paid by the enterprise and its employees in the previous year shall be refunded. The wages paid by the enterprise during the period of treatment or isolation due to epidemic situation shall be subsidized to the enterprise according to 50% of the basic endowment insurance payment base.

**4、Increasing subsidies for the skill training of enterprise employees.** For enterprises that organize employees to participate in vocational skills training according to their post needs in 2020, the training subsidy standard of enterprises will be further increased. The subsidy for post training will be increased from 900 yuan per person to 1500 yuan, and the subsidy for skill upgrading training will be increased from 1400 yuan to 2000 yuan per person.

For further information, please scan the QR Code to refer to the original policy

#### Consultation Methods:

According to the different policy terms, each department formulates the corresponding policy implementation rules, and the enterprise consults with the corresponding handling agencies according to the actual needs (List):

Shenzhen Social Insurance Fund Management Bureau	0755-12333
Shenzhen Housing Provident Fund Management Center	0755-12329
Futian District Human Resources Bureau	0755-82918165
Nanshan District Human Resources Bureau	0755-86387912

.....



### 2. State Taxation Administration, Ministry of Finance of the People's Republic of China

*Announcement on Supporting VAT Policies for Privately or Individually-owned Business to Resume Work and Business (No. 13 of the Year 2020, State Taxation Administration, Ministry of Finance of the People's Republic of China)*  
**State Taxation Administration, Ministry of Finance of the People's Republic of China**

*Announcement on Extending the Implementation Period of VAT Reduction and Exemption Policy for Small Scale Taxpayers (No. 24 of the Year 2020, State Taxation Administration, Ministry of Finance of the People's Republic of China)*

From March 1 to May 31, 2020, for small-scale VAT taxpayers in Hubei Province, the taxable sales income with 3% levy rate will be exempted from VAT; and the prepaid VAT items with 3% prepayment rate will be suspended. Except Hubei Province, for small-scale VAT taxpayers in other provinces, autonomous regions and municipalities directly under the central government, the VAT shall be levied at the **reduced rate of 1%** for the taxable sales income at the rate of 3%; for the VAT items with the prepayment rate of 3%, the VAT shall be prepaid at the rate of 1%.

State Taxation Administration, Ministry of Finance of the People's Republic of China

The implementation period of preferential tax policies stipulated in the Announcement on Supporting VAT Policies for Privately or Individually-owned Business to Resume Work and Business (No. 13 of the Year 2020, State Taxation Administration, Ministry of Finance of the People's Republic of China) shall be **extended to December 31, 2020**.

For further information, please scan the QR Codes to refer to the original policy:



Hotline: 0755-12366

### 3. Guangdong Provincial Tax Service, State Taxation Administration

#### *Notice on Strengthening the Implementation of Tax Policies to Resolutely Win the Battle Against the Epidemic (No. 16 of the Year 2020, Guangdong Provincial Tax Service, State Taxation Administration)*

#### Policy Extracts

**Efforts should be made to support scientific research breakthrough.** Vigorously serve relevant enterprises and speed up scientific research, and guide enterprises to implement the preferential income tax rate for high-tech enterprises, additional deduction policies for research and development expenses, and policies such as technology transfer and technology development exemption from value-added tax, and technology transfer income reduction and exemption of corporate income tax. Provide timely, full amount, priority for the purchase of domestic equipment tax rebate services for qualified r&d institutions producing related drugs, reagents, vaccines.

Details As Follows:

- (1) High-tech enterprises supported by the state will be taxed at a reduced tax rate of 15%;
- (2) If the actual research and development expenses incurred by the enterprise during its research and development activities do not form intangible assets to be recorded into the current profits and losses, they shall be deducted in accordance with the provisions and on the basis of the actual deductions, from January 1, 2018 to December 31, 2020, they shall be deducted by **75%** of the actual amount before tax; if an intangible asset is formed, it shall be amortized before tax at 175% of the cost of the intangible asset during the aforesaid period.
- (3) Technology transfer, technology development, and related technical consultation and technical services provided by taxpayers shall be exempted from value-added tax.
- (4) Within a tax year, the part of the income from technology transfer of resident enterprises does not exceed 5 million yuan shall be exempted from enterprise income tax; the part exceeding 5 million yuan shall be subject to enterprise income tax by half.

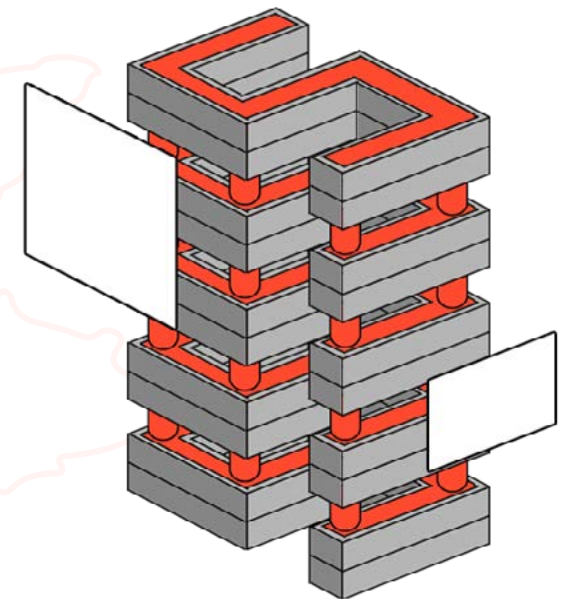
For further information, please scan the QR Code to refer to the original policy:



Hotline: 0755-12366



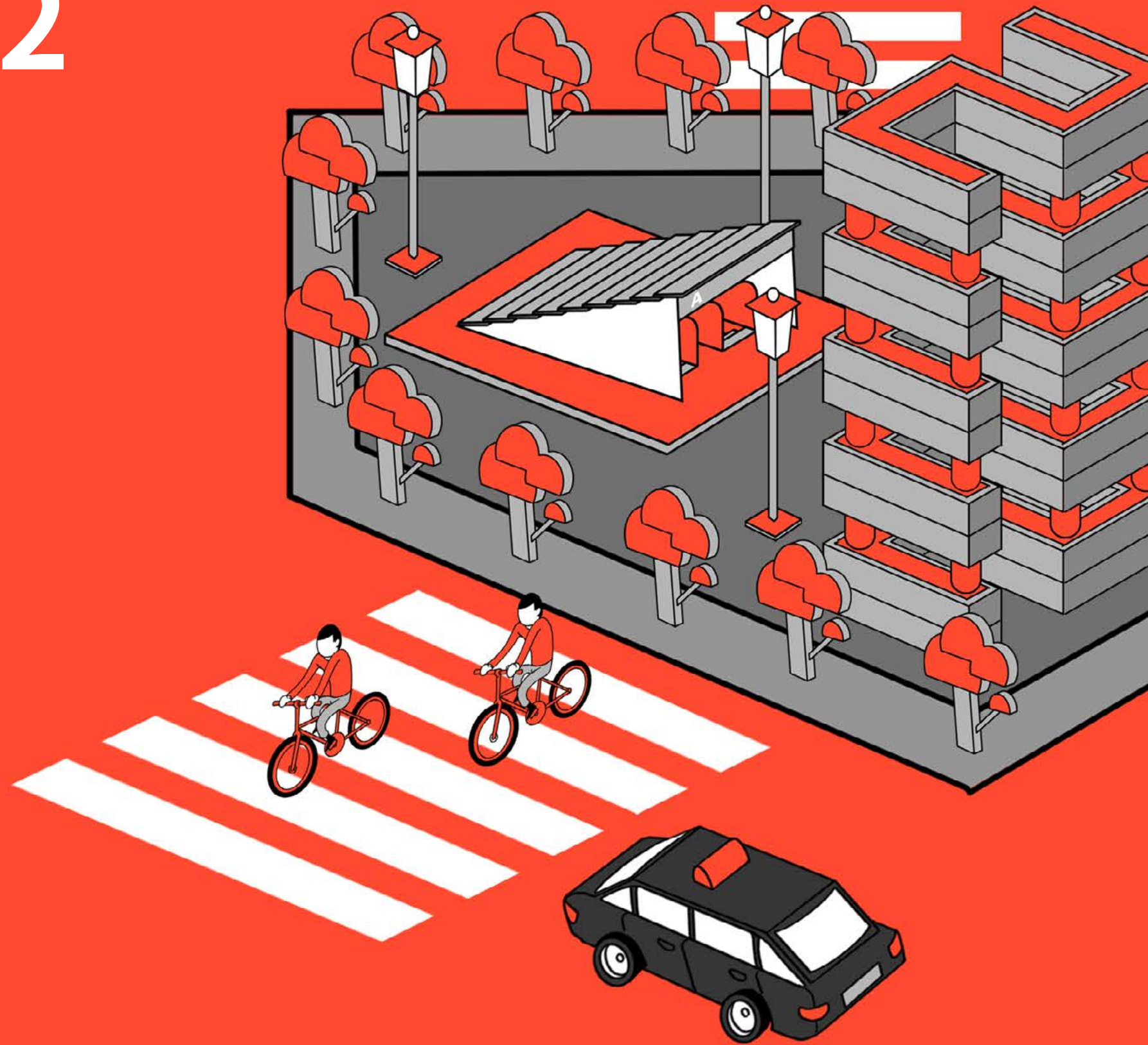
Shenzhen is truly a city that fosters the development of "start-ups by the people". With so many helpful government supporting policies available, I can hardly wait to embark on my start-up journey.





# CHAPTER 2

## Starting Business in Shenzhen, Step by Step





# 1. Forming a Company

\*This chapter has been created in conjunction with Hexcubes Business, a high-quality business services provider.

## Foreword:

The aim of this chapter is to provide a better practical guide for foreign entrepreneurs in Shenzhen and to create an “obstacle-free entrepreneurial experience in Shenzhen.” Professional start-up consultant EG from Start-Up Guide will start from industrial and commercial registration (application for company business license), foreign investment information report filling, seal carving, corporate bank account opening, etc, and go over the relevant processes and lists of documents required for establishing a foreign-invested limited liability company in Shenzhen, as well as highlighting the key things to take note of for each stage.

## Reading Guide:

- Company registration (applying for a business license)
- Foreign investment information report filling
- Making company seals
- Opening business bank accounts

## Profile Card



**Name :** Leanne Danielle Coop

**Nationality :** UK

**Number of years in Shenzhen :** 4

**Date established Start-up :** 2018

**Profession :** Marketing

**Hobbies :** Travelling, swimming, meeting new friends

**Favorite food:** dumplings

### Company vision

I have worked in Shenzhen for 5 years, and I love the food in China. When I first arrived, I had no idea where to go for good food. Once I went with some friends for a meal, and we found that the social media posts of a few foreign restaurants could not be shared directly between customers, despite thousands of dollars having been spent on creating the content. That was when we saw an opportunity to create a WeChat mini program for food. 88haha Restaurant & Bar is a public-facing platform and a bilingual space for Chinese and English-speaking users, making it perfect for both locals and foreigners. Apart from that, they provide detailed information and give out free vouchers for local restaurants and bars to members of the public, which can be easily shared with friends on WeChat. It's perfect for small groups on a weekend outing.

Leanne shared her thought of creating a WeChat mini program for food with her family and friends, and they were all supportive of the idea. Leanne learned that the Regulations on Employment of Foreigners in China prohibit the employment of foreigners by economic organizations and nationals. Therefore, Leanne wanted to set up a foreign-invested limited liability company, but she was clueless about where to start. Leanne met professional start-up consultant EG from Start-Up Guide, and found out from him that to establish a foreign-invested company she would need to complete a series of processes, such as **company registration (applying for a business license)**, **foreign investment information report filling (combined with the industrial and commercial establishment registration, and subsequent changes need to be filled separately)**, making company seals, and opening business bank accounts.

## Step 1: Company establishment registration (applying for a business license)

### (1) Process flow for company establishment registration:

Remarks: Processing time indicated is for reference only.

Registration number and password  
(Log on to the Guangdong government services website)



Independent declaration of the company's name  
(Market Supervision Administration of Shenzhen Municipality)



Fill in details and make appointment, including foreign investment information report filling  
(Market Supervision Administration of Shenzhen Municipality)



Obtain number on-site and submit application  
Application processed for 1 to 3 working days  
(Registration Hall of Market Supervision Administration of Shenzhen Municipality)



Collect business license  
(Registration Hall of Market Supervision Administration of Shenzhen Municipality)

(2) Foreign investment information report filling (combined with the industrial and commercial establishment registration, and subsequent changes need to be filled separately)

1.The Release of Foreign Investment Law

On March 15, 2019, the Second Session of the Thirteenth National People's Congress passed *the Foreign Investment Law of the People's Republic of China*. This law came into effect on January 1, 2020 and replaced the previous *Three Laws for Foreign Investment*. *The Foreign Investment Law* implements a "pre-entry national treatment" + "negative list" system for foreign investment.

*The Foreign Investment Law* and its implementation regulations established in the form of laws and regulations that the establishment of foreign-invested enterprises will no longer be subject to examination and approval and filing management, that is, the implementation of "either prohibition or entry". Maximize the protection of the legitimate rights and interests of investors.

For foreign-invested enterprises established in accordance with the *Three Laws for Foreign Investment*, within 5 years after the implementation of the Foreign Investment Law, their organizational form and organizational structure may be adjusted in accordance with the *Company Law of the People's Republic of China*, *the Partnership Enterprise Law of the People's Republic of China* and other laws Etc., and go through the change registration in accordance with the laws, or continue to retain the original enterprise organizational form, organizational structure, etc.

Starting from January 1, 2025, for the existing foreign-invested enterprises that have not adjusted their organizational forms, organizational structures, etc. according to law, and have undergone changes in registration, the Market Supervision and Administration will not handle other registration matters that they apply for and will publicize the relevant circumstances .

*The Three Laws on Foreign Investment are the Law on Sino-foreign Equity Joint Ventures of the People's Republic of China, the Law on Foreign-funded Enterprises of the People's Republic of China and the Law on Sino-foreign Cooperative Joint Ventures of the People's Republic of China.*

2.The Source of Foreign Investment Information Report Filling

According to *the Foreign Investment Law of the People' s Republic of China* and *the Measures for Reporting Foreign Investment Information*, starting from January 1, 2020, foreign-invested companies and foreign-invested partnership enterprises engaged in production and business activities in China, and the resident representative offices of foreign (regional) enterprises engaged in production and business activities in China, investment companies, venture capital enterprises and partnership enterprises whose main business is investment in China are required to file the foreign investment information report.

The heads of relevant departments and bureaus of the Ministry of Commerce and the State Administration for Market Regulation said: "The establishment and implementation of the foreign investment information reporting system will greatly reduce the burden on foreign investors and foreign-invested enterprises. Under the information reporting system, nearly 30% of data items can be collected by the sharing between departments, and foreign investors or foreign-invested enterprises do not need to submit information repeatedly.

(3) What documents are needed for a company registration?

What documents are needed for a company registration?

Shareholders ' structure	List of documents (the following information is for reference only)
Foreign-invested Limited Liability Company (sole proprietorship of natural person, sole proprietorship of legal person)	Foreign Individual Shareholder: 1. Shareholders provide personal notarized certificates or sign before the application submission personnel at the local registration hall; 2. Original passports of individual shareholders;  Legal Person Shareholder of Foreign Enterprise: 3. Provide subject qualification certificate; 4. 4.Photocopies of identification documents of directors, supervisors, managers and finance executives (Hong Kong and Macau residents: Mainland travel permits and personal identification cards; Foreigners: Passports; Taiwanese: Mainland travel permits for Taiwan residents and identity card) 5. 5.Photocopies of personal identification cards or business licenses of designated recipients of legal documents (who must be a Chinese natural person or enterprise) 6. 6.Application Form for Company Registration (Joint Issuance of Business License and Social Credit Code) (downloadable on website) 7. Corporate charter (template downloadable on website) 8. Letter of appointment (template downloadable on website) 9. Office leasing agreement and proof (to be provided according to the relevant requirements of the local market supervision bureaus)
Foreign-invested Limited Liability Company (foreign-invested, non-sole proprietorship)	Foreign Individual Shareholder: 1. Shareholders provide personal notarized certificates or sign before the application submission personnel at the local registration hall; 2. Original passports of individual shareholders;  Chinese Individual Shareholder: 3. Original identification cards;  Legal Person Shareholder of Foreign Enterprise: 4. Provide subject qualification certificate;  Legal Person Shareholder of Chinese Enterprise: 5. Photocopies of sealed business licenses of the Chinese enterprise; 6. Photocopies of identification documents of directors, supervisors, managers and finance executives (Hong Kong and Macau residents: Mainland travel permits and personal identification cards; Foreigners: Passports; Taiwanese: Mainland travel permits for Taiwan residents and identity card) 7. Photocopies of personal identification cards and business licenses of designated recipients of legal documents (who must be a Chinese natural person or enterprise) 8. Application Form for Company Registration (Joint Issuance of Business License and Social Credit Code) (downloadable on website) 9. Corporate charter (template downloadable on website) 10. Letter of appointment (template downloadable on website) 11. Office leasing agreement and proof (to be provided according to the relevant requirements of local market supervision bureaus)

Shareholders' structure

List of documents (the following information is for reference only)

Foreign-invested Partnership Enterprise

- Foreign Individual Partner:
- 1. Partners provide personal notarized certificates or sign before the application submission personnel at the local registration hall;
  - 2. Original passports of individual partner;
- Chinese Individual Partner:
- 3. Original identification cards;
- Legal Person Partner of Foreign Enterprise:
- 4. Provide subject qualification certificate;
- Legal Person Partner of Chinese Enterprise:
- 5. Photocopies of sealed business licenses of the Chinese enterprise;
  - 6. If the executive partner is a legal person partner or other organization, the power of attorney for the appointed representative shall also be submitted (downloadable on website);
  - 7. Photocopies of identification documents of appointed representative (Hong Kong and Macau residents: Mainland travel permits and personal identification cards; Foreigners: Passports; Taiwanese: Mainland travel permits for Taiwan residents and identity card);
  - 8. Application Form for Company Registration (Joint Issuance of Business License and Social Credit Code) (downloadable on website);
  - 9. Partnership agreement (template downloadable on website);
  - 10. Power of attorney by all partners entrusting to the executive partner (template downloadable on website);
  - 11. The power of attorney for the partnership's executive affairs partner to appoint a representative (template downloadable on website);
  - 12. Letter of confirmation of capital contribution of partnership enterprise (template downloadable on website);
  - 13. Certificate of credit status;
  - 14. Office leasing agreement and proof (to be provided according to the relevant requirements of local market supervision bureaus)

After hearing EG's explanation on how to establish a foreign-invested limited liability company, Leanne now wants to know how much capital is required to start up her company. In order to give Leanne a more intuitive impression and obtain more information, professional start-up consultant EG from Start-Up Guide took Leanne to the company registration hall of Shenzhen to learn about the registration process.

Addresses and contact information of company registration halls in Shenzhen (only partially listed, subject to the actual appointment):

Registration hall name	Address	Contact Details
Electronic One-Stop Service Center Hall (Qianhai Bureau of Industry and Commerce)	One-Stop Service Center First Floor, Building A, No. 1, Qianwan 1st Road, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen	960090
Registration hall of Futian Sub-Bureau	3rd Floor, Block F, International Innovation Center, No. 1006, Shennan Boulevard, Futian District, Shenzhen	12345
Administrative Services Hall of Luohu District	2nd Floor, Administrative Services Hall of Luohu District, Jing'er Road, Luohu District, Shenzhen	12345
Registration hall of Nanshan Sub-Bureau	Administrative Services Hall of Nanshan District, Shenzhen Bay Sports Center, No. 3001, Binhai Boulevard Side Road, Nanshan District (Single building south-east of Shenzhen Bay Sports Center), Shenzhen	12345
Registration Hall of Bao'an Sub-Bureau	1st Floor, Integrated Training Building of Bao'an Sports Center, Intersection of Bao'an Boulevard and Luotian Road, Bao'an District, Shenzhen (Opposite the Bao'an Immigration Permit Application Hall)	12345
Registration Hall of Longgang Sub-Bureau	No. 8033-1, Longxiang Boulevard, Longcheng Subdistrict, Longgang District (south-west of main gate of District Government Office), Shenzhen	12345
Registration hall of Yantian Sub-Bureau	Administrative Services Hall of Nanshan District, Xiangjing South Road, Yantian District, Shenzhen	12345
Registration hall of Guangming Sub-Bureau	Administrative Services Hall of Guangming District, 1st Floor, Public service platform at the junction of Niushan Road and Deya Road, Guangming District, Shenzhen	12345
Registration hall of Pingshan Sub-Bureau	2nd Floor, Qixing Building, No. 12, Jinniu West Road, Pingshan District, Shenzhen	12345
Registration hall of Dapeng Sub-Bureau	1st Floor, Administrative Services Hall, No. 10, Zhongshan Road, Dapeng Boulevard, Dapeng New District, Shenzhen	12345
Registration hall of Longhua Sub-Bureau	1st Floor, Block A, Guohong Building, No. 98, Meilong Boulevard, Longhua District, Shenzhen	12345



Registered capital is subscription-based, and can be fixed according to the needs of the company. There are no minimum requirements for registered capital except for certain special industries and companies in the Qianhai Free Trade Zone. An enterprise can provide in its corporate charter the time period for and number of times of registered capital payments, without requiring a one-off payment of all registered capital. Payment of capital can be made over multiple terms, without any specific requirements for the amount paid for each term.

EG



If I set a registered capital amount at the time of establishing my company, can I reduce it later if I don't have that much capital?

Yes, you can. However, Company Law requires that any reduction of registered capital must be announced in the newspapers, and the application to reduce registered capital can only be made 45 days after publishing the announcement.

EG



My partners and I are planning to develop a WeChat mini program for food and beverage and also start a food and beverage business in China. Besides a business license, do we need to apply for any other permits?

Yes, you will also need a food business license. Please also bear in mind that all documents submitted to the Market Supervision Administration of Shenzhen Municipality must be in Chinese. Any foreign-language documents (e.g. passports or other application documents) must be translated into Chinese before they are submitted.

EG

Leanne now has a clearer idea about the process for applying for a business license in China. With the help of professional start-up consultant EG from Start-Up Guide, she has filed in the forms, made an appointment, and successfully registered a wholly foreign-owned enterprise, named Shenzhen 88haha Media Co., Ltd.

### Step 3: Making company seals

In order to create a first-class business environment, further streamline the start-up process of enterprises, and effectively reduce the burden of enterprises, the general office of Shenzhen Municipal People's government issued the **Notice of Engraving Official Seals for Newly Established Enterprises Free of Charge**. From January 1, 2020, four official seals (corporate seal, financial seal, invoice seal and contract seal) will be engraved for new enterprises in the whole city. Enterprises can select "Free Seal Engraving" when applying for starting an enterprise, and then go to the administrative service hall of each district to get the seals. Due to the system upgrade of the Qianhai Bureau of Industry and Commerce and other reasons, it may not be possible to choose "Free Seal Engraving" in some cases, which requires enterprises to select online or offline seal engraving shops to apply for seal engraving with the seal engraving verification code.

#### The Applications of Seals:

- (1) Official seal/administrative seal (required for opening business bank accounts)
- (2) Financial seal (required for opening business bank accounts)
- (3) Legal representative's personal seal (with personal name) (required for opening business bank accounts)
- (4) Invoice seal (for stamping on invoices)
- (5) Agreement seal (for signing of agreements)

Since her company is still in the early stages of its operations, Leanne only made an official seal, a financial seal, and a legal representative's personal seal, with the other seals to be made when needed later on.

### Step 4: Opening business bank accounts

Leanne is delighted that she was able to successfully obtain a business license for Shenzhen 88haha Media Co., Ltd. and have the seals made, but she is also now concerned about the next step. An enterprise needs capital to operate, and she realizes that the company does not yet have a bank account. She is also discussing business operations with her partners, so a company bank account is now more urgently needed than ever.

To familiarize Leanne with the kinds of documents required for opening a bank account in China, professional start-up consultant EG from Start-Up Guide provides Leanne with a list of contact numbers for major banks in China, with which she can make enquiries.

By dialing the following numbers, you will be directed to the English-language service of the respective banks:

Bank	Customer service number
Bank of China	95566 press 8
China Construction Bank	95533 press 4
Industrial and Commercial Bank of China	95588 press 0
Agricultural Bank of China	95599 press 9
China Merchants Bank	95555 press 8
Shanghai Pudong Development Bank	95528 press 2
China CITIC Bank	95558 press 4
China Minsheng Bank	95568 press 9
China Everbright Bank	95595 press * press 7
Industrial Bank Co., Ltd.	95561 press 9

After her call has gone through, the customer service executive informs Leanne that there are **three common types of foreign-invested company bank accounts**:

- ① **Basic account** (required for an enterprise, with only one allowed). A basic account is the first bank account that an enterprise needs. You must first have a basic account to be able to open other accounts. A basic account allows you to deposit and withdraw funds, receive payments, pay withholding tax, pay wages, etc.

- ② **Foreign currency capital account** (required for foreign-invested enterprises):

This is an account for receiving capital paid by foreign shareholders in foreign currencies. When making capital payments from a foreign bank to a foreign currency capital account in China, the purpose of payment must be stated as “investment” or “capital”. This is to make it easier for the auditor to identify the amount as registered capital in the capital verification report.

After injecting the registered capital, the enterprise needs to go through the “FDI entry registration” procedure at the bank.

At the same time, the bank will have set certain rules regarding the use of the registered capital in accordance to the instructions and requirements of the Administration of Foreign Exchange of Shenzhen Municipality. Please be sure to adhere to the specific requirements of each bank. For example: A foreign trade company that intends to make payments to its suppliers must present the relevant agreements, invoices and other documents at the bank counter to apply for the account before it is able to make any overseas payments.

On April 10, 2020, the State Administration of Foreign Exchange issued the *Notice of the State Administration of Foreign Exchange on Optimizing Foreign Exchange Administration and Supporting the Development of Foreign-related Business* (HF [2020] No. 8), which will promote the reform of capital account income payment facilitation throughout the country. That is to say, when eligible companies are allowed to use capital item income such as capital, foreign debt and overseas listings for domestic payments, they do not need to provide the bank with proof of authenticity in advance. The handling bank shall follow the principle of prudent expansion of business, manage and control relevant business risks, and conduct random checks on the facilitation of capital item income payment afterwards in accordance with relevant requirements. However, there are certain difficulties in actual implementation. Generally, companies with good credit can avoid providing information in advance. This need to be implemented step by step.

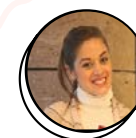
- ③ **General account** (not required, multiple accounts allowed)

An enterprise may open a general account locally or overseas, which allows for the deposit of cash, but not withdrawal. Only bank transfers are allowed, as well as payment of withholding tax.

After learning about the different types of business bank accounts available, Leanne has the following question: Where should I open the accounts, then?

The customer service executive replies:

1. You can choose any bank near you. You can keep an eye out and see if any preferred bank is located downstairs from or in the vicinity of your office. Since you will most likely need to visit the bank often for banking errands after the company is in full operation, it might be wise to choose a bank close to your office to save time and obtain banking information quickly.
2. Choose a bank you are familiar with. If you have used Bank of China before while overseas, then you can try and open a business account at a Bank of China branch in Shenzhen. There would be fewer differences between the operations and management of branches of the same bank.



Do I need to make an appointment before visiting a bank to open a bank account? How should I make an appointment?

The customer service executive replies:

1. You may schedule an appointment on the phone with the bank staff;
2. You may walk in and make an appointment at your selected bank;
3. You may also schedule an appointment through the bank's website or the bank's WeChat public account.

Additionally, it is advisable to bring along some cash to the bank for payment of possible account-opening fees, such as:

1. Account-opening processing fee;
2. Account management fee (usually paid monthly);
3. USB Key processing fee;
4. Online banking management fee (paid monthly or quarterly);

After hearing all this, Leanne is a little intimidated by the complicated process. Leanne's friend in China was eager to help, and introduced her to a client manager from a Bank of China branch in Nanshan District. The manager sent Leanne an email detailing the process, the list of documents required, common issues and some important things to keep in mind for opening a bank account.

**Process flow for opening a basic bank account (for reference only - please refer to the individual requirements of each bank):**

1. Find a bank and schedule an appointment
2. Bring along company documents; the legal representative is required to apply in person at the bank counter(application will take 1 to 5 working days to process if documents submitted are complete)
3. The bank customer manager comes to take pictures (the company should hang the doorplate in the office) [subject to bank requirements]
4. Collect the basic deposit account information sheet, USB key and other account-opening documents. (Process can be completed on the same day)
5. Account is in regular use, including payment collection.

**(1) List of documents required for opening a basic account (for reference only - please refer to the individual requirements of each bank):**

1. Original business license of the company;
2. Original office leasing agreement and proof;
3. Original trust agreement for company office in Qianhai (required for enterprises in the Qianhai Free Trade Zone)
4. The legal representative needs to attend to the application in person at the bank account, and have his or her picture taken by the bank employee;
5. Original passport of the legal representative;
6. The company's official seal, financial seal, and legal representative's personal seal;
7. Original passport of the company's online banking executive;
8. Original passports of natural person shareholders.

**Tips:**

**The bank employee may ask the legal representative the following questions when handling the application in person:**

1. What is the registered address of the company? Is it the same as the company's office address?
2. What is the main business area of the company?
3. How many employees does the company currently have?
4. Who are the company's shareholders? What are their capital shares?
5. What is the estimated annual sales revenue of the company?

There are no standard answers to the above questions. You only need to answer based on your company's situation.

**(2) Process flow for opening a foreign currency capital account (for reference only - please refer to the individual requirements of each bank):**

1. Applying for registration certificate for FDI (Process takes 2 to 5 working days);
2. Bring along company documents, the legal representative is required to attend to the application at the bank counter to open foreign currency capital account (application will take 1 to 5 working days to process if documents submitted are complete);
3. The bank customer manager comes to take pictures (the company should hang the doorplate in the office)
4. Collect the basic deposit account information sheet, USB key and other account-opening documents. (Process can be completed on the same day)
5. In regular use  
When the shareholders transfer the registered capital from abroad,they need to remark as "investment funds" .
6. Bring along company documents, and register for the crediting of FDI into the account at the relevant bank.

**Confirm that the capital has been credited into the foreign currency capital account.**

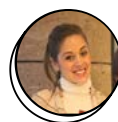
**(3) List of documents required for applying for FDI (for reference only - please refer to the individual requirements of each bank):**

1. Original business license;
2. Original office leasing agreement and proof;
3. Original and photocopy of passport of legal representative (whether he or she needs to be at the bank in person depends on the bank's requirements);
4. Original and photocopy of account-opening permit (if available);
5. Company's official seal, financial seal, and legal representative's personal seal;
6. Original receipt of acknowledgement of record filing for registration of foreign-invested enterprises;
7. Original record-filing declaration form for registration of foreign-invested enterprises;
8. Original corporate charter;
9. Original personal identification card of application representative;
10. Photocopies of passports of foreign natural person shareholders;
11. Photocopies of registration certificates of foreign shareholders.

**(4) List of documents required for opening a foreign currency capital account (for reference only - please refer to the individual requirements of each bank):**

1. Original business license;
2. Original office leasing agreement and proof;
3. Original trust agreement for company office in Qianhai (required for enterprises in the Qianhai Free Trade Zone)
4. The legal representative needs to attend the application in person at the bank, and have his or her picture taken by the bank employee (depending on each bank's requirements);
5. Original and photocopy of the passport of the legal representative;
6. Company's official seal, financial seal, and legal representative's personal seal;
7. Original and photocopy of the passport of the payment contact person;
8. Original personal identification card of application representative;
9. Original business registration certificate.

## (5) Q&amp;A



What should I keep in mind before opening a basic bank account for a foreign-invested enterprise?

The company's legal representative and online banking executive need to have a mainland China mobile number for contact with and receiving verification codes from the bank.

EG



After the company's seals have been made, what is the time limit for opening a basic bank account for a foreign-invested enterprise?

There are no specific time requirements with regard to opening a business bank account. The company may make the relevant arrangements depending on its operations. If the company will not be engaging in business dealings anytime soon, it may choose not to open an account for the time being. The application processes for basic accounts and foreign currency capital accounts may take around 2 weeks, depending on the circumstances of each bank.

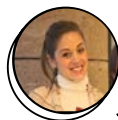
EG



What are the supported currencies for foreign currency capital accounts? What are the differences between accounts of different currencies?

The currencies supported by a foreign currency capital account can be either offshore RMB or other currencies (mainly USD). There are no major differences between the use of any particular currencies for a foreign currency capital account, except that the application process for an offshore RMB capital account will take a longer time, because the bank will need to run more compliance checks on the source and legality of the RMB received by enterprises from outside the country.

EG



The legal representative needs to be present at the counter when opening a bank account for the company. Is that still required for the collection of the bank verification card and other account-opening documents?

The legal representative only needs to be present on the day of submitting the application. For the collection of documents, the company can authorize an employee to do so at the bank counter.

EG



How many online banking USB Keys are given to an enterprise? How do I use them?

The number of USB Keys provided by each bank varies. Generally around two to three are given. USB Keys are used for generation and review of bills. The legal representative will hold the USB Key with the review function, while the finance executive will hold the USB Key for bill generation. Payments with USB Keys require two people to execute (bill generation and review), to avoid any risks and ensure the security of the company's funds.

After receiving the company USB Keys, you will still need to activate them. You can easily do so by seeking the assistance of the bank manager or professional start-up consultant EG from Start-Up Guide.

EG



After a bank account has been opened, how do I go about its day-to-day management?

Every bank reconciles account transactions monthly/quarterly with the client company. The company can perform account reconciliation using online banking or paper statements. If you do not perform reconciliation in time, your account may likely be listed as dormant and be frozen. An account being listed as dormant creates a lot of issues, as you will need to unfreeze and reapply to open an account, which is a complicated and time-consuming process.

EG

After two months, the bank accounts for Shenzhen 88haha Media Co., Ltd. have finally been opened successfully. Thinking back on the experience, Leanne feels that the process for opening a business bank account in China is very lengthy, and different in many aspects from in the UK.



At different stages of the process, we visited the bank at least three times or more. I'm very lucky to have had the help of an agency throughout the entire process. I think that if I hadn't had a professional to guide me through the whole process, I would've had a much harder time applying for a business license by myself.



# 2. Choice of Visa and Immigration

\*This chapter has been created in conjunction with Hexcubes Business, a high-quality business services provider.

## Foreword:

After obtaining licenses for the company, the next order of business is employee recruitment. Issues such as how to apply for employee work visas or even permanent residence applications (immigration) need to be considered. Professional start-up consultant EG from Start-Up Guide provides some detailed answers covering the types of visas available to foreigners, visa application process, address and contact details of the application center for foreigner's work permit, and the requirements, process and fee rates for immigration applications.

## Reading Guide:

- Work visas
  - Types of visas and their application requirements
  - Work classifications for foreigners
  - Process flow for visa application
- Immigration (applying for permanent residence permit for the first time)

## Profile Card



**Name :** Victoria Margaret Mella  
**Nationality :** UK  
**Number of years in Shenzhen :** 3  
**Date established Start-up :** 2018  
**Profession :** Music  
**Hobbies :** Travelling  
**Favorite food :** Lanzhou Noodles

### Company vision

I've been incredibly passionate about writing and editing since I was a child, and this is reflected in my works. Through visiting various exhibitions in Shenzhen, I realized that many Chinese companies were doing amazing things but were hampered by a lack of understanding of Western culture and the language barrier. These were real gaps that needed to be filled. Based on market research, I found that there were almost no professional agencies in Shenzhen offering this kind of services. Shenzhen is a business hub, and more companies are looking to conduct business internationally. With my in-depth understanding of Chinese culture, and my many years of experience in content marketing, printing and online publishing, I believed my company could provide businesses in China with effective and reliable strategies and services to help them expand their operations overseas.

Victoria obtained a two-year China business (M) visa when she was in the UK. To enable herself to stay longer and develop her business in Shenzhen, Victoria met with professional start-up consultant EG from Start-Up Guide to learn more about how to apply for a Foreigner's Work Permit.

Professional start-up consultant EG from Start-Up Guide introduced Victoria to the types of visas available to foreigners and the application requirements for work permits.

## (1) Visa (Foreigner's Visa)

Relevant Authority: Shenzhen Science and Technology Innovation Commission

### 1. Classification of Visas

Types of Visas	Scope of Applicants
C	Crew members on international aviation and sea transportation, crew members of international aircrafts and vessels, and their accompanying family members, and drivers for land transportation
D	Foreigners intending to live in China permanently
F	Foreigners invited to China for exchange, official visits, research study, etc.
G	Foreigners transiting through China
J1	Foreign journalists posted to news organizations in China for a long term (more than 180 days)
J2	Foreign journalists who are on temporary interview assignments in China for a short term (not more than 180 days)
L	Tourists visiting China
M	Foreigners visiting China for business or trade purposes
Q1	Family members (spouse, parents, children, children's spouses, siblings, paternal grandparents, maternal grandparents, paternal grandchildren, maternal grandchildren, and in-laws) of Chinese citizens or permanent residents of China who are applying for residency for the purpose of family reunion, or those applying for the purpose of child fostering
Q2	Family members of Chinese citizens or permanent residents of China intending to stay in China short-term (not more than 180 days) to visit family
R	Highly-qualified talent, and talent urgently needed in China
S1	Spouses, parents, children below the age of 18, and in-laws of foreigners residing in China for work or study, who intend to stay for a long term (more than 180 days) to visit family, or for any other personal reasons that require them to be in China
S2	Family members (spouses, parents, children, children's spouses, siblings, paternal grandparents, maternal grandparents, paternal grandchildren, maternal grandchildren, and in-laws) of foreigners residing in China for work or study, who intend to stay short-term (not more than 180 days) to visit family, or for any other personal reasons that require them to be in China
X1	Foreign students whose period of study is more than 180 days
X2	Foreign students whose period of study is not more than 180 days
Z	Foreigners employed in China

## 2. Criteria for work permit application

### (1) Basic requirements for employers

1. That the hiring organization has been incorporated legally in China and has not had any record of serious breach of trust; that the job position for which the foreigner is being employed is especially needed, for which no suitable candidates can currently be found locally, and that it complies with national laws and regulations; that the wage or salary paid to the foreigner employed must meet the local minimum wage requirement.

2. If it is required by laws and regulations that the employment must be approved at the outset by the supervisory authority for the industry, such approval must first be obtained.

### (2) Basic requirements for applicants

1. Applicants must be of 18 years of age, healthy, and not hold any criminal record. They must have a confirmed employer in China, and possess the professional skills or corresponding level of knowledge and expertise required for the job concerned.

2. The applicant's job serves the economic and social development needs of the country, and he or she is a professional urgently needed in China.

3. Any other requirements otherwise specified by the laws and regulations with regard to foreigners intending to work in China shall also apply.

## 3. Work classifications for foreigners

### 1. Top foreign talent (Tier A)

Top foreign talent refers to scientists, leading technology talent, international entrepreneurs, and specialized experts that meet the requirements of "high-end, specialized and urgently needed" talent, the market demands, and the economic and social development needs of China, as well as talent who have accumulated the requisite score points to be considered top foreign talent.

There are no restrictions on top foreign talents in terms of age, academic qualifications or work experience. The specific requirements are stated in the Work Classifications for Foreigners (Trial).

### 2. Foreign professional talent (Tier B)

Foreign professional talent refers to individuals who fulfill the requirements of the guiding directory for foreigners' work and the demand for the relevant job position, and who are urgently needed for the economic and social development needs of China. They must possess at least a Bachelor's degree and a minimum of two years of relevant work experience, and must not be more than 60 years of age. Restrictions in terms of age, qualifications or work experience may be loosened for talent who are urgently needed, who meet the criteria for innovation enterprises, professional skills, outstanding foreign graduates, or have earned the requisite score points to be considered foreign professional talent, or other criteria agreed between governments. The specific requirements are stated in the Work Classifications for Foreigners (Trial). Any other requirements otherwise specified by the laws and regulations with regard to specialized professionals and government project personnel shall also apply.

### 3. Others (Tier C)

These refer to other foreigners who meet the demands of the domestic labor market in China and other national policy requirements. The specific requirements are stated in the Work Classifications for Foreigners (Trial).



Application Guide for  
Foreigner's Work Permit  
(English version)

Tips: What are the differences between Tier A, B and C applications?

### 1) The documents required

Some of the application documents required for a Tier A work permit can be furnished by way of commitment, and documents such as proof of qualifications and absence of criminal record do not need to be notarized, where only a letter of commitment signed by the applicant is required. The proof of qualifications and absence of criminal record for Tier B and C applications must be notarized.

### 2) Validity period for work permit

Usually a Tier B and C work permit lasts for only a year. The longest validity period for a Tier A work permit is five years.

Note: If an applicant has worked for two years on a job, he or she can apply for a two-year work permit in the third year. Based on our experience, the chances of approval for such applications are relatively high.

### 3) Processing time

Compared to Tier B and C, the processing time for a Tier A work permit application has been reduced to five working days.

To find out more details about the work permit framework for foreigners, please scan the following QR codes:

With the rapid spread of COVID-19 around the world, China has decided to suspend the entry of foreigners with valid visas and residence permits to China from 0:00 on 28 March 2020. China will adjust the above measures according to the epidemic situation and announce separately.

Ministry of Foreign Affairs of the People's Republic of China National Immigration Administration Announcement on the Temporary Suspension of Entry by Foreign Nationals Holding Valid Chinese Visas or Residence Permits

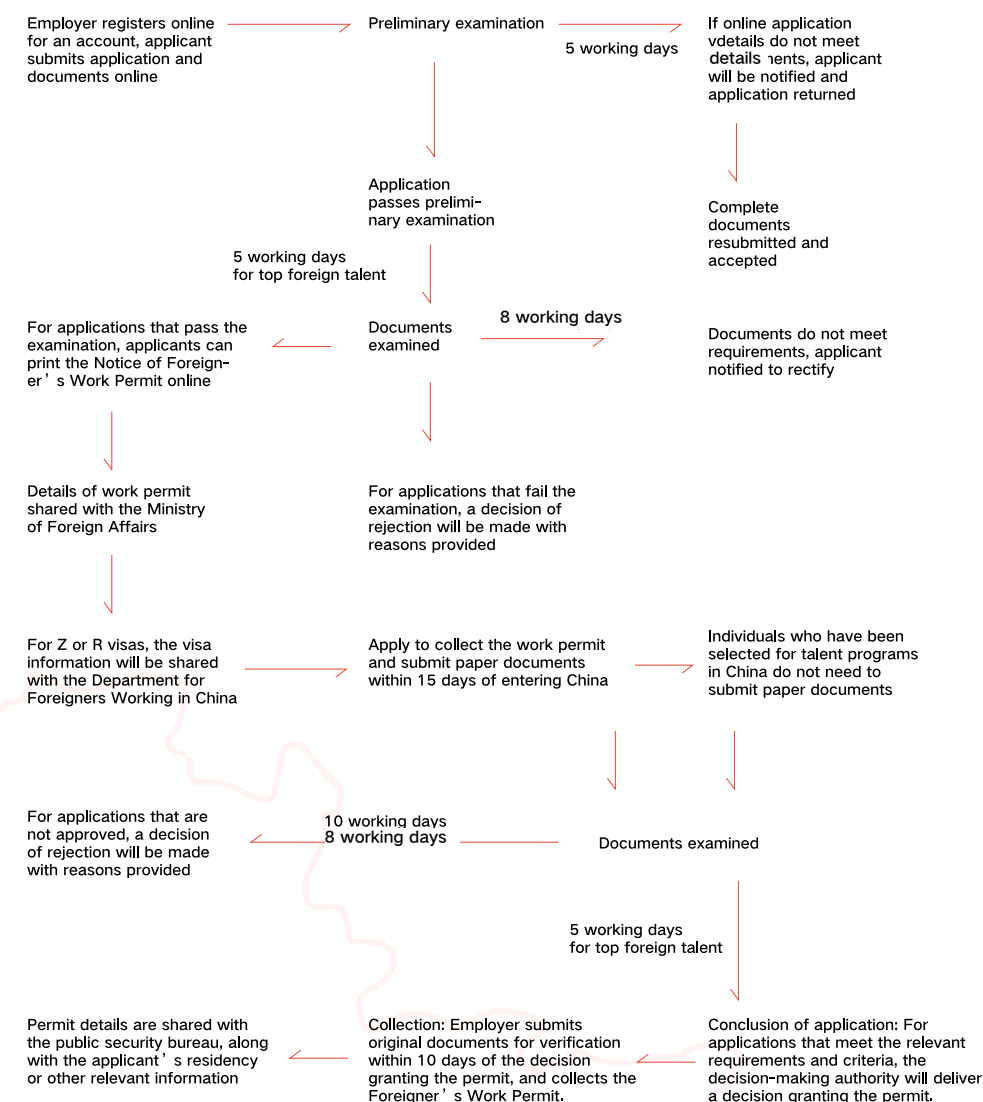
According to the current situation of novel coronavirus pneumonia epidemic and the need for prevention and control, we hereby adjust some measures in the *Announcement on Temporary Suspension of Entry by Foreigners holding Valid Chinese Visas and Residence Permits* jointly issued by the Ministry of Foreign Affairs and the National Immigration Administration on March 26, 2020 as follows:

From 0:00 on September 28, 2020, foreigners with valid Chinese residence permits for work, private affairs and family reunion will be allowed to enter China without the need to apply for new visas.

## (2) Process flow for foreigner's work permit application in China (for a period of work in China of 90 days or longer)

Source: Guangdong government services website

Application website: Service System for Foreigners Working in China (<https://fwp.safea.gov.cn>)



Victoria communicated with professional start-up consultant EG (Express delivery is available) from Start-Up Guide on the current situation of the company, and shared that she intends to hire employees for a period of at least one year.

Based on what you have told me, you should be opting for the application process for an employer hiring a foreigner to work in China (for a period of work in China of 90 days or longer). It is the process flow I have shown you earlier: ① The employer or appointed agency registers for an account on the Service System for Foreigners Working in China, submit the permit application online, and print the Notice of Foreigner's Work Permit online; ② The foreigner applies for a Z visa or R visa at an embassy or a consulate of the People's Republic of China by bringing the Notice of Foreigner's Work Permit and other required documents; ③ Within 15 days of the foreigner entering China using a valid visa, the employer shall apply for the Foreigner's Work Permit, and collect the permit at the local administration department for foreigners working in China. Please note that within 30 days of a foreigner entering China using a valid visa, he or she must apply for the relevant work approvals and permits at the exit and entry administration of the local public security bureau where the employer is located.

EG





What are the things I need to bear in mind before arriving in China?

Here are some things to take note of:

- (1) Make sure that your visa is valid, with the sufficient number of times stated for entry.
- (2) Foreigners need to comply with the relevant laws and regulations in China if they are bringing animals and plants into the country.
- (3) To not engage in any activities in China unrelated to activities declared in the visa application.
- (4) Foreigners are not allowed to overstay their visa period in China.
- (5) Foreigners are not allowed to enter foreigner-restricted areas without permission.
- (6) The following circumstances will result in an individual being denied boarding, entry into China or penalized. Please ensure to avoid:
  1. Entering China without obtaining a visa beforehand (except where visa is exempted);
  2. Entering China with an expired visa;
  3. Overstaying your visa period in China;
  4. Having your passport expire during your stay in China (regardless of whether the visa period is still valid).

EG



Now I get it! What documents do I need before applying for a foreigner's work permit?

The required application documents include:

- (1) Passport Your passport must be valid for a further six months, must have a blank page for the visa, and you need to submit a photocopy of the passport photo page;
- (2) Visa application form and photo: To submit one Application Form for Visa of the People's Republic of China, and a recent passport photo in color (light color background) showing the person's face without wearing a hat;
- (3) Legal proof of stay or residency (applicable to applicants outside their home country): If you are applying for a visa outside your home country, you must provide the original and photocopies of valid proof of your stay, residency, work or study in your host country, or your valid visa;
- (4) Original Chinese passport or visa (applicable to those who were Chinese citizens but later adopted another nationality): If you are applying for a Chinese visa for the first time, you must provide the original Chinese passport and a photocopy of the passport photo page. If you have been granted a Chinese visa before, and are now applying for a visa with a renewed foreign passport, you must provide a photocopy of the original foreign passport photo page and the Chinese visa previously received (if the name on the new passport is inconsistent with the original passport, you will have to furnish the proof of name change issued by the relevant authority);
- (5) Submit any other documents required according to the visa category.

EG

### (3) Address and contact details of the application center for foreigner's work permit

Address: Administrative Services East Hall, Zone B, Civic Center, Fuzhong 3rd Road, Futian District, Shenzhen

Application counters: No. 55-57

Telephone enquiry: 0755-88121678

Directions:

(Bus)

1. Civic Center stop: Route 38, 60, 107, 236, 398 and m123;
2. Civic Center East stop: Route 34, 38, 41, 60, 64, 371 and 398 etc...

(Metro)

1. Civic Center station: Shekou Line 2 (Exit E), Longhua Line 4 (Exit B);
2. Children's Palace station: Longgang Line 3, Longhua Line 4 (Exit D, A1 and A2).

Now that her work permit issues have been addressed, Victoria is thinking that since a work permit only provides at most a five-year validity period, if she wants to stay in China for the long term, she should consider applying for a permanent resident card.



How Do Foreigners Work Legally in China?

## (2) Immigration (applying for a permanent resident card for the first time)

**Relevant Authority:** Shenzhen Municipal Public Security Bureau

### (1) Application requirements

Foreigners applying for permanent residency in China must comply with the laws of China, be in good health, hold no criminal record, and meet one of the following criteria:

1. Having direct investments in China with good performance for a consecutive three years, and having a good tax payment record;
2. Holding the position of a deputy general manager, deputy factory manager or any other similar position, or an associate professor, a research associate or any other deputy senior position in China, and receiving equivalent benefits, on a continuous tenure of more than four years, with a cumulative period of residency of not less than three years and having a good tax payment record;
3. Foreigners who have made significant and outstanding contributions to China and are urgently needed by the country;
4. Spouses and unmarried children not older than 18 years old of individuals referred to in item 1, 2 and 3 above;
5. Spouses of Chinese citizens or foreigners who have permanent residency in China, having been in the marriage for at least five years, having resided in China continuously for five years, during which no less than nine months each year is spent in China, and having a stable means of living and residence;

6. Unmarried children of a foreign nationality no older than 18 years who are looking to depend on their parents in mainland China;

7. Individuals of 60 years of age or above, who do not have direct relations outside China and are looking to depend on direct relations in China, having resided in China continuously for five years, during which time no less than nine months each year is spent in China, and having a stable means of living and residence.

For more details please scan the QR code (English version)

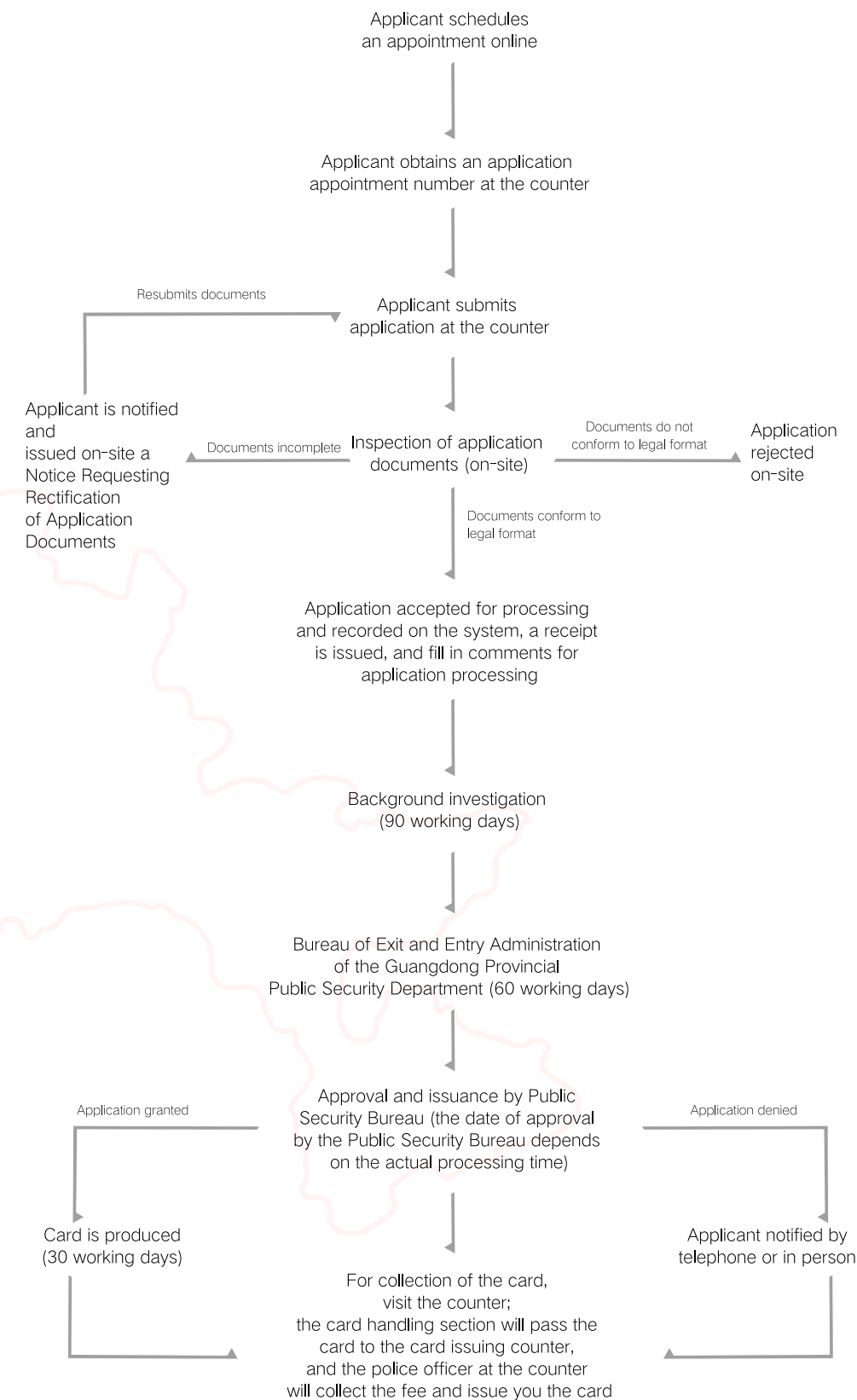


How to get a Chinese 'green card'?

**Furthermore, foreigners meeting the following criteria may also apply for permanent residency (immigration):**

1. Foreign members of innovative enterprise teams in Shenzhen and foreign technology talent selected and employed by enterprises;
2. Foreign ethnic Chinese working in Shenzhen;
3. Foreigners whose annual salary income and personal income tax meet the relevant standards;
4. Foreigners who are appointed personnel, their spouses, and their children who are minors (appointed personnel and family category);
5. Foreigners who are special personnel, their spouses, and their children who are minors (special personnel category);
6. Foreigners looking to depend on family members with household registration in Shenzhen (dependents category);
7. Top foreign talent who has worked for a full three years;
8. Foreigners who are minors looking to reunite with parents in Shenzhen (family reunion category);
9. Foreigners having investments in China, their spouses, and their children who are minors (investors and family category);
10. Foreigners who married an individual with household registration in Shenzhen;
11. High-level foreign talents, their spouses and their minor children (recommended by the Office of China (Guangdong) Pilot Free Trade Zone or Shenzhen Municipal People's Government)

## (2) Application process flow



### (3) Fee rates

1. Processing fee: RMB 1500; (non-refundable even if application is rejected)
2. Fee for Foreigner's Permanent Resident Card: RMB 300.

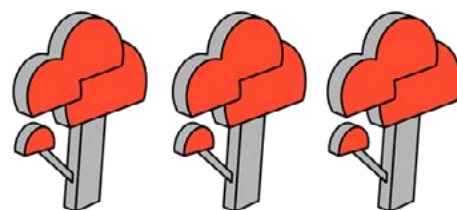
#### [Tips]

1. Documents of proof issued by foreign authorities must be notarized by the Chinese embassy or consulate in that country.

Documents in a foreign language must be translated into Chinese, and the translation document and the photocopy of the business license of the translation company must be stamped with the seal of the translation company.

2. If the applicant wants their Chinese name typed on the Foreigner's Permanent Resident Card, they must specify "please include Chinese name XXX on the card" in the "Other Details" section on the application form, otherwise it may be filled in as "N/A".

3. If any matter requires investigation and verification by the public security authorities, the period of investigation shall not include working days. Currently, the time required to process a permanent residency application is around one year.



For visa or immigration-related queries, you may contact the following five organizations directly:

#### 1. Bureau of Exit and Entry Administration of the Shenzhen Municipal Public Security Bureau

Address: General Counter of the Exit and Entry Services Hall, Shenzhen Municipal Administrative Services Hall, No. 4016, Jiefang Road, Luohu District, Shenzhen

Tel No.: 84465490

#### 2. Management Committee of Shenzhen's Qianhai Shekou Free Trade Zone

Address: Integrated Office for the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone, South of Intersection of Dongbin Road and Yueliangwan Boulevard, Nanshan District, Shenzhen

Telephone enquiry: 960090

#### 3. Foreign Experts and Science and Technology Talent Service Department of Shenzhen Science and Technology Innovation Commission

Address: Shenzhen Talent Park, No. 8005, Shennan Boulevard, Futian District, Shenzhen

Telephone enquiry: 88123456

#### 4. Overseas Chinese Affairs Office of Shenzhen

Address: 6th - 7th Floor, Second Municipal Government Office, No. 1023, Shangbu Middle Road, Futian District, Shenzhen

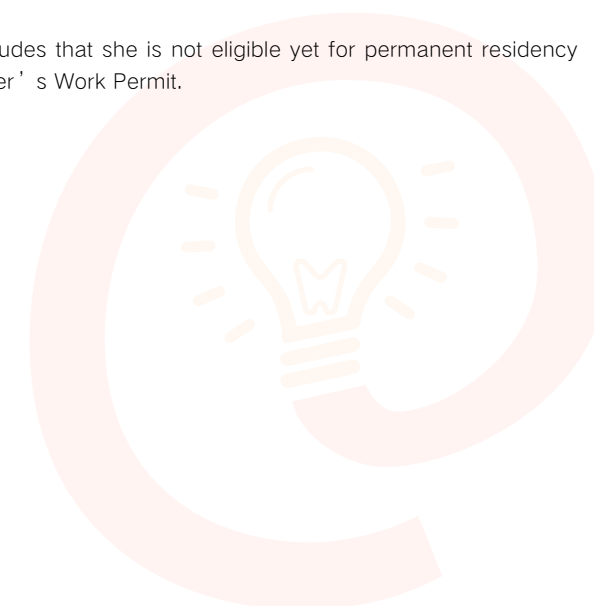
Telephone enquiry: 88136167

#### 5. Shenzhen Port Hospital

Address: Huanggang Port Residential Area, Binhe Boulevard, Fujian District, Shenzhen

Telephone enquiry: 83774013

After learning the information above, Victoria concludes that she is not eligible yet for permanent residency status, therefore she decides to apply for a Foreigner's Work Permit.



# 3. Choice of Office Location

\*This chapter has been created in collaboration with Hexcubes Business, a high-quality business services provider, and Startup Grind, a global community for tech entrepreneurs.

## Foreword:


Around the world, mass innovation spaces, business incubators and co-working spaces have become the preferred choice of workplace for entrepreneurs and innovative start-ups. Shenzhen is no exception. There are currently 47 mass innovation spaces, 500 business incubators and 60 co-working space operators in Shenzhen. Different work spaces offer their own unique set of services to help entrepreneurs grow more productively.

## Reading Guide:

- Mass innovation spaces
- Incubators
- Co-working spaces



## Profile Card



**Name :** David Matthew Shomaker  
**Nationality :** The United States  
**Number of years in Shenzhen :** 10  
**Date established Start-up :** 2010  
**Profession :** Psychology  
**Hobbies :** Water sports (surfing and water polo)  
**Favorite food :** Sichuan spicy chicken

### Vision for the start-up

I started swimming when I was two years old. My coach Duffy was teaching me with an approach that I found refreshing and interesting, so I developed a deep interest in swimming at a very young age. In my college years, I joined several swimming competitions and maintained a personal record for many years. In 1995, I was certified a professional swimming coach and began coaching. Through creating the swim club, I wanted to let kids in China have the opportunity to learn to swim well while being able to improve their English, and to experience American culture through a teaching methodology built around fun games - killing two birds with one stone. The David Awesome Swim Club currently has five and three swimming centers respectively in Shenzhen and Guangzhou.

David started the Dawei Awesome Swim Club in 2010 in Shenzhen. With English as the language of instruction, the Swim Club's vision was to let students learn to swim while improving their spoken English, to experience a different culture while enjoying a fun sport.

One day, a friend from the U.S. came to visit and found that David's office was really comfortable and vibrant, which made it an ideal workplace. He talked about wanting to lease an office space in Shenzhen, but had no idea where to start. David approached professional start-up consultant EG from Start-Up Guide, and asked if he could explain to his friend the differences between a mass innovation space, an incubator and a co-working space.

There are three main types of office spaces in Shenzhen: Mass innovation space, business incubator and co-working space. Despite the differences in scale, model of operation and services, the common aim of these spaces is to provide small entrepreneurs in the early stages of their venture with a platform to grow rapidly, and to assist them in the key phases of their company's activation, including office space, hardware, resources matching, raising funds and business coaching.

EG

## 1. Mass innovation spaces

"Zhong Chuang" (mass innovation) is a phrase coined in China. In September 2014, Premier Li Keqiang said at the Summer Davos: We want to create a new wave of entrepreneurship among the people and grass roots, and encourage "collective entrepreneurship and innovation". In March 2015, the State Council introduced the idea of "Zhong Chuang Kong Jian" (mass innovation space) was introduced for the first time: It is a new service platform for entrepreneurs that cater to people's innovation and entrepreneurial needs with stronger and more professional service capabilities. Examples include new incubator models such as makerspaces, cafes and innovation workshops, which offer the fundamental benefits of an affordable, convenient, comprehensive and open workplace.

Over the four years since their inception, mass innovation spaces have encompassed several forms, including business incubators, co-working spaces, makerspaces and entrepreneurs' communities, all with the common aim of providing the public with the convenience and resources necessary for innovation. With the dominance of the hardware industry in Shenzhen, makerspaces have become a rather unique expression of the mass innovation space concept in the city. In addition to providing foreign entrepreneurs in hardware-related fields with needed equipment such as 3D printers, and welding and cutting tools, they also host public educational training courses focused on the STEAM (acronym for Science, Technology, Engineering, Arts, Maths) fields, to educate the public on general knowledge of science.

To many foreigners, Trouble Maker is often one of the first names encountered when they are looking for a makerspace in Shenzhen. Setting up base in October 2015 in the HuaQiangBei International Maker Center, Trouble Maker is an international team made up of makers from Norway, France and the Netherlands. They are a hardware accelerator that offers leading technology, comprehensive facilities and mature collaborative capabilities, and provide makers local and broad with all-round professional assistance including industrial design, prototyping, procurement and manufacturing. With a membership subscription, makers can not only use facilities and office spaces available on-site, but also choose partners to work with from the engineers' network of Trouble Maker, and form a team and develop their own products.

Shenzhen Open Innovation Lab was started by David Li, which is unique for using an Open Source Manufacturing system and seeks to help the mass-production ecosystem and small hardware start-ups tackle issues and develop solutions.

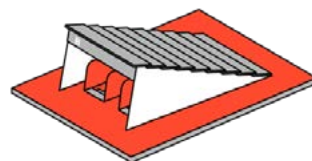
x.factory is operated by Chaihuo Maker Space. Started in 2011, it is the earliest leading makerspace in the Shenzhen scene. It provides makers with necessary production facilities such as prototyping, limited quantity production services and co-working spaces. A partner of hardware manufacture Seeed, x.factory connects its members with the extensive supply chain resources of Shenzhen, and the industries and market resources in China. (<https://www.xfactory.io/>)

With an open and vibrant spirit and a focus on practical application, mass innovation spaces play an instrumental role in shaping Shenzhen as the "Silicon Valley of China".

#### The kinds of services offered by mass innovation spaces include:

1. Work spaces and business facilities (some mass innovation spaces have their own cafes);
2. Training and coaching services for entrepreneurs;
3. Incubator or investment and financing services for start-ups, and connecting entrepreneurs with individual and institutional investors;
4. Recruitment services;
5. Project roadshow.

Approximate rental: RMB 1200-1500/space/month



#### List of some makerspaces in Shenzhen (for reference only)

Source: National and Shenzhen Mass Innovation Spaces, and recommendations of industry professionals

Name of mass innovation space	Address	Website	Overview
Wedo	14th Floor, New Times Plaza, No. 1, Taizi Road, Nanshan District, Shenzhen	<a href="https://www.ucommune.com">https://www.ucommune.com</a> 13559775851	Wedo is a community-based co-working space + business incubator, which is also the incubator base for Charles Xue's NEEQ enterprises, a national-level incubator for tech enterprises, and the demonstration unit for Shenzhen's first makerspaces.
Huaqiangbei International Maker Center	7th Floor, Podium, Huaqiang Plaza, No. 1019, Huaqiang North Road, Futian District, Shenzhen	<a href="http://www.hqdna.com">http://www.hqdna.com</a> 4008380040	The Huaqiangbei International Maker Center is an integrated ecosystem for innovation enterprises providing one-stop services for entrepreneurs.
Maker Institute CAS	Building C2, Nanshan iPark, No. 1001, Xueyuan Boulevard, University Town of Shenzhen, Xili Subdistrict, Nanshan District, Shenzhen	<a href="http://maker.siat.ac.cn/htm/#">http://maker.siat.ac.cn/htm/#</a> 0755-86392087	Maker Institute CAS is an international makerspace in Shenzhen that is a joint initiative of the Nanshan District government and the Shenzhen Institutes of Advanced Technology of the Chinese Academy of Sciences.
China Academy of Science and Technology Development	Incubator Center Building, China Academy of Science and Technology Development, Gaoxin South 1st Road, Nanshan District, Shenzhen	<a href="http://www.castd.cn">http://www.castd.cn</a>	The China Academy of Science & Technology Development is a professional organization specializing in the development of hi-tech technology and incubation of technology enterprises.
Nan Ji Quan	4B-602, Shenzhen Software Industry Base	<a href="http://www.nanjiquan.com">http://www.nanjiquan.com</a>	Nan Ji Quan provides one-stop services for entrepreneurs including incubation, financing, brand advisory, human resources and training for entrepreneurs.

Techcode Shenzhen	18/F, Yihua Finance Building, No. 2388, Houhai Boulevard, Nanshan Boulevard, Shenzhen	<a href="http://www.techcode.com/Portal/Accelerators/index/id/2.html">http://www.techcode.com/Portal/Accelerators/index/id/2.html</a> 13411095573	With an edge in internet technology and smart hardware along with a global vision, Techcode Shenzhen aims to become the leading innovation space in the global online and smart hardware field.
TechTemple	2nd Floor, the Base of Industry-academia-research of China University of Geosciences, No. 8, Yuxing 3rd Road, Nanshan District, Shenzhen	<a href="http://www.kejisi.com/en/13530678139">http://www.kejisi.com/en/13530678139</a>	TechTemple aims to create the most globalized innovative platform in Asia. It offers services covering the entire supply chain ranging from access to Chinese and English bilingual media for entrepreneurship and investment, international tech events, a globalized community, a mass innovation space to start-up investments, bringing the online and offline segments of the start-up ecosystem neatly together.
WeWork	Tower D, CR Land Building, Nanshan District, Shenzhen	<a href="https://www.wework.com/en-GB/">https://www.wework.com/en-GB/</a>	WeWork is an office space leasing company based in New York, offering co-working spaces in an open workplace environment with comprehensive workplace facilities. It first opened its doors in New York in April 2011, providing services to entrepreneurs in the city.
Tencent WeStart (Shenzhen)	Building 6, Software Industry Base, Shenzhen (Shenzhen Bay Inno Park)	<a href="https://c.qq.com/base/detail?bid=100021">https://c.qq.com/base/detail?bid=100021</a>	Created jointly by Tencent, Shenzhen Investment Holdings and the Coral Group, Tencent WeStart (Shenzhen) is a mass innovation space focusing on internet technology and smart hardware. Based in the Shenzhen Bay Inno Park, with its first phase occupying an area of 10,000m <sup>2</sup> , Tencent WeStart provides a full suite of three-dimensional incubator and accelerator services to help entrepreneurs boost the growth of their start-ups.

## 2. Business incubators

Business incubators focus on supporting early start-ups with novel ideas. The core of their services lies in start-up counseling, to prepare them for rapid growth and development. Business incubators are mostly industry-specific, such as software, medicine, VR, finance or hardware. Incubators are able to endorse entrepreneurs with their strong industry background, and provide them with the necessary channel resources, specialized technology and tools.

Joining a business incubator usually involves a strict review process. A start-up would typically be given start-up counseling for a period of three to six months by the incubator. During this period, the selected enterprise would meet regularly with a designated mentor to work on key issues such as its business model, product development, marketing, branding and personnel structure. In the end, the entrepreneur would participate in Pitch Day where they would present their business idea to investors.

Shenzhen is called the Silicon Valley of China. It has a comprehensive industry network for the development, manufacturing and distribution of hardware products, which is why it has attracted a huge number of business incubators and accelerators in the hardware field, such as HAX, Shenzhen Capital Group<sup>1</sup>, Chaihuo Maker Space, and the Huaqiangbei incubator cluster which consists of SegMaker, Huaqiang Makerspace, Huaqiangbei International Maker Center, etc.

Start-ups are usually required to offer 5-10% of equity in exchange for an incubator's services. Therefore, before deciding to join an incubator, it is advisable for an entrepreneur to conduct extensive research and seek the advice of start-up teams that have joined the incubator.

"... it's really good to have a couple of meetings with local entrepreneurs or community builders, who can help you break down your personal story and background, and show you what are the pros and cons of going for example to HAX, compared to another Accelerators."

– Founder of Impact Hub  
Marek Koys



Name	Marek Koys
Occupation	Founder of Impact Hub
Nationality	Czech Republic
Number of years in Shenzhen	6 years
Company type	WFOE

1. Full name: Shenzhen Capital Group Co., Ltd.

The CEO of medical start-up MedAnt China, who is also a serial entrepreneur from France, suggests that in addition to the regular services provided by an incubator, an entrepreneur should also consider whether the incubator is able to help him or her obtain the subsidies for entrepreneurs provided by the local government, and whether it can provide business partnership opportunities. *Henk Werner*, co-founder of Trouble Maker, also points out that due to language barriers and the constant change in policies, foreign entrepreneurs tend to miss out on first-hand information on subsidies available to entrepreneurs in Shenzhen, and they are also unclear about the relevant application processes. Therefore, it would be a great bonus if business incubators are able to help in this regard.

#### Services of a business incubator:

1. Space and business facilities;
2. Incubator or investment and financing services for start-ups, and connecting entrepreneurs with individual and institutional investors;
3. Entrepreneurial training sessions focusing on legal, tax, investment strategy, production strategy and other aspects.

**Approximate rental: RMB 1200-2000/space/month**

#### List of some business incubators in Shenzhen (for reference only)

Source: National/Shenzhen Incubators, and recommendations of industry professionals

Name of incubator	Address	Website	Description of incubator
HAXLR8R	21A, Century Plaza, No. 3018, Shennan Middle Road, Futian District, Shenzhen	<a href="https://hax.co">https://hax.co</a>	HAX is a hardware start-up accelerator + makerspace started by foreigners in the Huaqiangbei area. HAX is the world's leading hardware accelerator, providing support services such as seed funding, mentoring, offices and work spaces, and comprehensive assistance including product design, parts procurement, industrial design, market positioning, sales strategy, etc.
China Academy of Science & Technology Development	Incubator Center Building, China Academy of Science and Technology Development, Gaoxin South 1st Road, Nanshan District, Shenzhen	<a href="http://www.castd.cn">http://www.castd.cn</a>	The China Academy of Science & Technology Development is a professional organization specializing in the development of hi-tech technology and incubation of technology enterprises.
The Center for Innovation, Design & Entrepreneurship of the Chinese University of Hong Kong, Shenzhen	3rd Floor, Letian Building, Chinese University of Hong Kong Shenzhen, No. 2001, Longxiang Boulevard, Longgang District, Shenzhen	<a href="http://cide.cuhk.edu.cn/zh-hans">http://cide.cuhk.edu.cn/zh-hans</a> 0755-23518770	The Center for Innovation, Design & Entrepreneurship (CIDE in short) seeks to create an incubation services system for innovation enterprises on campus, and provide innovation entrepreneurs with an open space for working, networking and socializing that is affordable, convenient, and all-encompassing.
Tian'an Cloud Park Incubator Base for Start-ups	Tian'an Cloud Park, No. 2018 Xuegang Road, Bantian Subdistrict, Longgang District, Shenzhen	<a href="http://www.szyungu.com/">http://www.szyungu.com/</a> 0755-89396868	Located in the Huawei Tech City, Tian'an Yungu aims to develop emerging industries with a focus on cloud computing, internet technology, IoT, or other forms of new-generation IT, and to establish itself as an integrated body for emerging industries and a national-level demonstration base for strategic emerging industries that is globally competitive and brings product development, supporting businesses, supporting residential projects and convenient services together under one roof.



SegMaker	World Trade Plaza Branch: 12th - 13th Floor, Huaqiangbei SEG Plaza, Futian District, Shenzhen; Zhenxing Branch: 3rd Floor, West Block, Building 101, Shangbu Industrial Zone, Hongli Road	<a href="http://www.segcyhapp.com/">http://www.segcyhapp.com/</a> 18620327271	Located in the Shenzhen landmark SEG Plaza, the first phase of SegMaker takes up a total area of 5000 m <sup>2</sup> , of which the 11th floor of SEG Plaza features a large roadshow hall and a 360-degree sky garden, and the 12th floor houses a hardware processing workshop and open work spaces, while the 13th floor is a hardware innovation accelerator equipped with 100 open work spaces and 30 dedicated incubator rooms. They provide smart hardware entrepreneurs with a most comfortable and conducive collaborative platform and entrepreneurial space.
Shenzhen Internet Industry Park Incubator	No. 68, Guowei Road, Liantang Subdistrict, Luohu District, Shenzhen	<a href="http://gd.zhaoshang.net/yuanqu/detail/9973">http://gd.zhaoshang.net/yuanqu/detail/9973</a> 400-168-6016	The Shenzhen Internet Industry Park Incubator selects enterprises based on the core principle of "cluster development", with the underlying focus of attracting e-commerce service enterprises, and guided by the rationale of its "vertical and horizontal" axes.
Maker Institute CAS	Building C2, Nanshan iPark, No. 1001, Xueyuan Boulevard, University Town of Shenzhen, Xili Subdistrict, Nanshan District, Shenzhen	<a href="http://maker.siat.ac.cn/htm/#">http://maker.siat.ac.cn/htm/#</a> 0755 86392087	Maker Institute CAS is an international makerspace in Shenzhen that is a joint initiative of the Nanshan District government and the Shenzhen Institutes of Advanced Technology of the Chinese Academy of Sciences.


3. Co-working spaces

Co-working spaces are a popular choice of workplace with foreign entrepreneurs, small start-up teams, and freelancers. Their flexible user sign-on requirements, convenient transportation access and rich community resources help entrepreneurs who have newly arrived in Shenzhen integrate quickly into the local start-up environment, and connect with the industry resources and start building their businesses and brands.

Foreign entrepreneurs who have joined co-working spaces view community support as the most notable advantage of this type of workplace. For instance, Nausheen Ishtiaq-Chen, CEO of film and television production company Zen & Zany, has been part of three different co-working spaces and points out that apart from hardware equipment support, they also provide users with a sort of "psychological support" :

"Of course it has the first advantage of making contacts, but I have realized recently that actually it has a psychological advantage: When you are working late, and you see other people are working around you, it's very motivating."


— Nausheen Ishtiaq-Chen



Name	Nausheen Ishtiaq-Chen
Occupation	CEO of Zen & Zany
Nationality	Pakistan
Number of years in Shenzhen	3 years
Company type	Chinese enterprise
Duration of company establishment	2.5 years

"Co-working spaces are made up of globalized communities, where you can bounce off ideas with each other and improve productivity."

— Brian Hirsh



Name	Brian Hirsh
Occupation	Founder of BrightWood, Smart Lighting Start-up
Nationality	The United States
Number of years in Shenzhen	1.5 years
Company type	WOFE
Duration of company establishment	4 months

"As far as I know, the community events organized by Beeplus do a good job of helping connect locals and foreigners. The pricing for co-working spaces is also transparent - prices won't be hiked up simply because you are a foreigner."

— Marek Koys



Name	Marek Koys
Occupation	Founder of Impact Hub
Nationality	Czech Republic
Number of years in Shenzhen	6 years
Company type	WFOE

There are also certain things to keep in mind when choosing a co-working space:

### (1) Try it out first before deciding.

Many co-working spaces offer free trial periods for users to experience their services and facilities.

"I think you just have to go and feel the atmosphere, and talk to the people, ask if they do events there or host events for others. Talk to other people if they are hanging out in the lobby. If you feel that if they are really open-minded, and happy to see you and sharing basic information, and I think you potentially in the right place."

— Henk Werner



Name	Henk Werner
Occupation	Founder of Trouble Maker
Nationality	Netherlands
Number of years in Shenzhen	7 years
Company type	Chinese enterprise
Duration of company establishment	2 years

Most co-working spaces also organize events like entrepreneurs' gatherings or sharing sessions. You can pay them a visit to get a feel for their community atmosphere, and see if these features will benefit your company.

### (2) Cost control

For certain locations in Shenzhen, the fee for co-working spaces may in some cases be higher than leasing a business office.

"I have always followed in all of my companies, that just to keep the overhead as low as possible. I think a lot of companies that don't survive tend to be the ones that when they start a company, they want a really nice office and really nice desk. I think it's more important to open and make profit before you start doing that kind of thing."

— Chris Butt



Name	Chris Butt
Occupation	CEO of ShenzhenEat
Nationality	The United Kingdom
Number of years in Shenzhen	7 years
Company type	Chinese Company
Duration of company establishment	5 years

"I've done some basic calculations when I was looking for an office space. I realized that when you have fewer than five full-time employees in your team, it is more cost-efficient to go with co-working spaces rather than a conventional office space. However, if your company has grown to more than five team members, it's better to consider leasing an independent office."

— Nausheen Ishtiaq-Chen




Name	Nausheen Ishtiaq-Chen
Occupation	CEO of Zen & Zany
Nationality	Pakistan
Number of years in Shenzhen	3 years
Company type	Chinese enterprise
Duration of company establishment	2.5 years

(3)Impression management

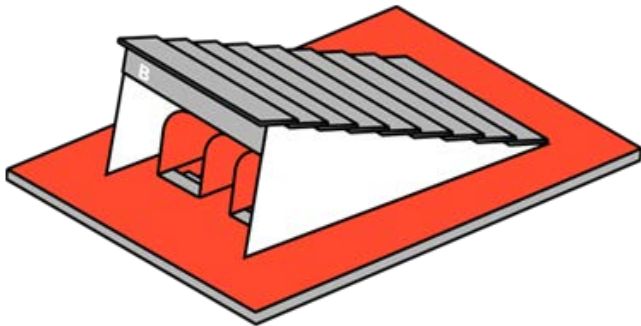
Although this is happening less now, there are still entrepreneurs who are concerned that potential clients would see them as novices or amateurs if they are based in a co-working space. The clientele of digital marketing company Somos Digital consists of many large traditional Chinese enterprises. To foster a better image for themselves, before they were able to take up an independent office space in 2018 they paid visits to their clients in person.

"The only possible con is I don't know if someone might perceive a company as being less professional because they are in a co-working space. And I feel like that impression should really die down because there are so many big companies that started off from co-working spaces. So it really shouldn't be a reflection of the seriousness or commitment of the team."

— Nausheen Ishtiaq-Chen




Name	Nausheen Ishtiaq-Chen
Occupation	CEO of Zen & Zany
Nationality	Pakistan
Number of years in Shenzhen	3 years
Company type	Chinese enterprise
Duration of company establishment	2.5 years



(4)User recommendations

"I'm currently operating my Start-up from TechTemple. I think co-working spaces in Shenzhen such as TechTemple, Beeplus, SimplyWork, and WeWork from the U.S., are all great choices as co-working space operators. If you are involved in hardware, especially at the prototyping stage, you may want to seek out somewhere closer to Huaqiangbei. Trouble Maker, for instance, is a good option. "

— Brian Hirsh



Name	Brian Hirsh
Occupation	Founder of BrightWood, Smart Lighting Start-up
Nationality	The United States
Number of years in Shenzhen	1.5 years
Company type	WFOE
Duration of company establishment	4 months

On May 6, 2020, the Department of Science and Technology of Guangdong Province issued the *Measures on Technology Business Incubation Carrier Management of Guangdong Province*, and for the first time proposed the concept of "Science and Technology Business Incubation Carriers". In addition to the original maker space and incubator, for the first time, accelerometer accreditation was included in the management measures. The accreditation conditions for accelerators are higher than those for maker space and incubator in terms of the area of the incubation venues and complete supporting service facilities. Enterprises will have more and more choices for venues. Because accelerators are newly included in the management measures, there are few references at present.

Overall, mass innovation spaces, business incubators and co-working spaces all have their own pros and cons. Entrepreneurs need to choose the kind of workplace which best suits their own needs and the development of their company, to help it grow and develop in a more focused way.



# 4. Recruitment

\*This chapter has been created in collaboration with Hexcubes Business, a high-quality business services provider, and Startup Grind, a global community for tech entrepreneurs.

## Foreword:

Having chosen your office location, the next step would be to recruit the members of your team. Professional start-up consultant EG from Start-Up Guide explains to David that in addition to the common online job platforms and career fairs, there are also other channels such as WeChat friend groups, offline public events, or entrepreneurs' communities that provide opportunities for recruiting talents in China.

## Reading Guide:

- Online job platforms and career fairs
- Flexible recruitment approaches



The most common recruitment method is through online job platforms. These offer the benefits of high data volume and a large candidate pool, with no time and spatial restrictions, and the costs of job postings are also relatively low. But for companies, online recruitment requires more manpower as they would need to select the right candidate from a sea of applications. There is also the likelihood that job seekers may exaggerate in their CVs, which could reduce the percentage of candidates shortlisted for interviews.

#### Common online recruitment channels include:

1. Jobsite China: [www.jobsitechina.com](http://www.jobsitechina.com)
2. eChinacities: [www.echinacities.com](http://www.echinacities.com)
3. HiredChina: [www.hiredchina.com](http://www.hiredchina.com)
4. Chinajobstreet: [www.chinajobstreet.com](http://www.chinajobstreet.com)
5. SinoJobs: [www.sinojobs.com](http://www.sinojobs.com)
6. anesl: [www.anesl.com](http://www.anesl.com)
7. Shenzhen Party: [www.shenzhenparty.com](http://www.shenzhenparty.com)
8. JobTube: [jobtube.cn](http://jobtube.cn)

The other common method is through career fairs. This is where you can interact with potential candidates face-to-face and enhance the quantity and quality of CVs received at an affordable cost. However, as on-site interviews are done fairly quickly, the candidates may not be able to learn enough about each recruiting company, and this could result in companies missing out on bright talents. Furthermore, it may be hard to ensure the quantity and quality of candidates as the recruitment outcome may depend on the publicity efforts of the event organizer.

#### A number of university career fairs are held in Shenzhen every year:

1. Chinese Service Center for Scholarly Exchange of the Ministry of Education: Online Recruitment Fair for Oversea Returnees
2. Shenzhen Job Fair: Comprehensive Recruitment Fair of Shenzhen New Way Human Resources Market
3. Shenzhen Public Employment Service Center: On-campus Job Fair and Online Recruitment Fair

However, foreign entrepreneurs in Shenzhen may be unfamiliar with some of the established job platforms such as Lagou or 51job, or they may not have the funds to hire recruitment agencies. Therefore, it may help to be flexible with your recruitment methods:

## 1. WeChat groups and moments

Ever since the emergence of WeChat in China, WeChat groups with their powerful functionalities have become the preferred medium for foreigners in Shenzhen to hire their first employees.

Take <sup>1</sup>Jeff J. Brown for example. He opened a tuition school in Shenzhen in August 2018 called "Professor Brown", and added many teachers' groups on WeChat he'd known from his teaching years, such as Shenzhen Teachers. Each group numbered about 500 people. With this setup, he was able to share updates in these groups conveniently whenever he had need for teachers for his school or any related questions.

1

**Name:** Jeff J. Brown

**Occupation:** CEO of Professor Brown

**Nationality:** France

**Number of years in Shenzhen:** 2 years

**Company type:** WFOE

**Duration of company establishment:** 2 months



<sup>2</sup>John Rood, founder of digital marketing company Somos Digital, also added himself into a number of WeChat groups for digital marketers. As he'd been in China for many years and had made many friends through these groups, he would create images with recruitment details and share them in the groups. From there he'd receive replies and recommendations from his WeChat friends. For foreigners who have just arrived in Shenzhen, finding these WeChat groups and asking a friend to add them in can be an efficient and affordable way to recruit for their companies.

2

**Name:** John Rood

**Occupation:** Cofounder of Somos Digital

**Nationality:** The United States

**Number of years in Shenzhen:** 5 years

**Company type:** WFOE

**Duration of company establishment:** 2 years



## 2. Direct invitation in person

<sup>3</sup>Nuno Batista, who has been in Shenzhen for four years, found his first employee at a cafe when he'd just started his company - a local Chinese assistant who spoke excellent English. Over breakfast with his new friend, Nuno was impressed by her good English and her ability to get work done. So he invited her straight away to his company to talk about employment possibilities. Nuno's advice:

"When you don't have many resources, you need to put yourself out there. Know people. Go out. And eventually you will meet someone that fits your company. And then we start growing from there."



**Name** Nuno Batista

**Occupation** CEO of Soulfato Group

**Nationality** Portugal

**Number of years in Shenzhen** 4 years

**Duration of company establishment** 4 years

3

Truthfully, a direct and personal invitation is not really something that happens by chance. *Brian Hirsh*,<sup>4</sup> founder of smart home equipment company BrightWood, was based in TechTemple, and through the community at the co-working space he met a friend from China who he thought could be the right person to help him in his business, and so he invited them to join his company. Foreigners who are new to Shenzhen and have not fully assimilated into the local community network may initially start with environments that they trust, such as makerspaces and co-working spaces. If a suitable candidate is found, you can then extend a personal invitation, which can turn out to be a direct and effective strategy.

### 3. Platforms and communities

Platforms are a consolidation of all the information and people from a particular field. Certain online platforms like WeChat carry a huge volume of information and can be distracting. Employers do not usually have the luxury of time to do background checks on a large number of candidates, so the filtering process can take up a lot of time. The platforms referred to here are of a more focused nature.

One type of such platforms is the mass innovation spaces. These places have huge flows of people and are hubs for sharing Start-up information and for entrepreneurs. *Jason Stine*,<sup>5</sup> founder of map services app Lost LaoWai, said that he'd used the internal web network of a makerspace to recruit for his company. As a makerspace, Trouble Maker regularly receives visits from various business organizations, schools and companies. While introducing themselves, the hosts at Trouble Maker would also get visitors to recommend any potential employees that would fit into any of the start-ups based there. Information platforms such as ShenzhenParty, ShenzhenEat, Guide In China and HiredChina have a large number of users who are foreigners, so it may be worthwhile to pay a fee to post jobs on one of these sites or their public account.

4

**Name:** Brian Hirsh  
**Occupation:** Founder of BrightWood, Smart Lighting Start-up  
**Nationality:** The United States  
**Number of years in Shenzhen:** 1.5 years  
**Company type:** WOFE  
**Duration of company establishment:** 4 months



5

**Name:** Jason Stine  
**Occupation:** Founder of LostLaoWai APP  
**Nationality:** The United States  
**Number of years in Shenzhen:** 5 years  
**Company type:** WOFE



### 4. Public events

*Nausheen Ishtiaq-Chen*<sup>6</sup> used to study film production and media in New York. When she first arrived in Shenzhen, she wanted to start her own film and television production company, and to blend into the local film community. With her passion for community events, she started a series of workshops related to film-making, where she attracted a lot of attention and established a professional image for herself in the industry. These human resource networks that she built would help her tremendously in her search later on for film-making talent. *Ricky Cortes* and *Kwesi Hammond*,<sup>7</sup> founders of consultancy Start-up Gifted, were active in giving public talks in the early days of their venture, to share their methodology and beliefs in education. This attracted the attention and interest of some like-minded people, who then went on to join their company and become their partners.

For this recruitment approach, the first thing a foreigner new to the place can do is to identify a topic that they're well-versed in and that brings value to a niche area of the market. The entrepreneur can then ramp up the publicity and execution of their events by working with existing communities with established connections.

6

**Name:** Nausheen Ishtiaq-Chen  
**Occupation:** CEO of Zen & Zany  
**Nationality:** Pakistan  
**Number of years in Shenzhen:** 3 years  
**Company type:** Chinese enterprise  
**Duration of company establishment:** 2.5 years



7

**Name:** Ricky Cortes / Kwesi Hammond  
**Occupation:** Co-founder of Gifted  
**Nationality:** Columbia / Canada  
**Number of years in Shenzhen:** 7.5/ 5 years  
**Company type:** WOFE  
**Duration of company establishment:** 2.5 years



## 5. Alumni networks

Alumni networks can be widespread globally and are often reliable as members share similar background and experiences. *Marine Mallinson*<sup>8</sup>, founder of MedAnt, graduated from the Paris Institute of Political Studies. She hired her first full-time employee, Kira, through the institute's China alumni network. After that, she continued to hire more people through the alumni networks of her employees.

"It's always helpful if your existing staff reaches out to his or her network to recruit people to join them."

8

**Name:** Marine Mallinson  
**Occupation:** Founder & CEO of MedAnt China  
**Nationality:** France  
**Number of years in Shenzhen:** 2 years  
**Company type:** WOFE  
**Duration of company establishment:** 2 years



*Chris Butt*<sup>9</sup>, founder of ShenzhenEat, had an employee who graduated from Shenzhen University who was able to access and share recruitment information on the internal web pages and forums of the University, and received many applications.

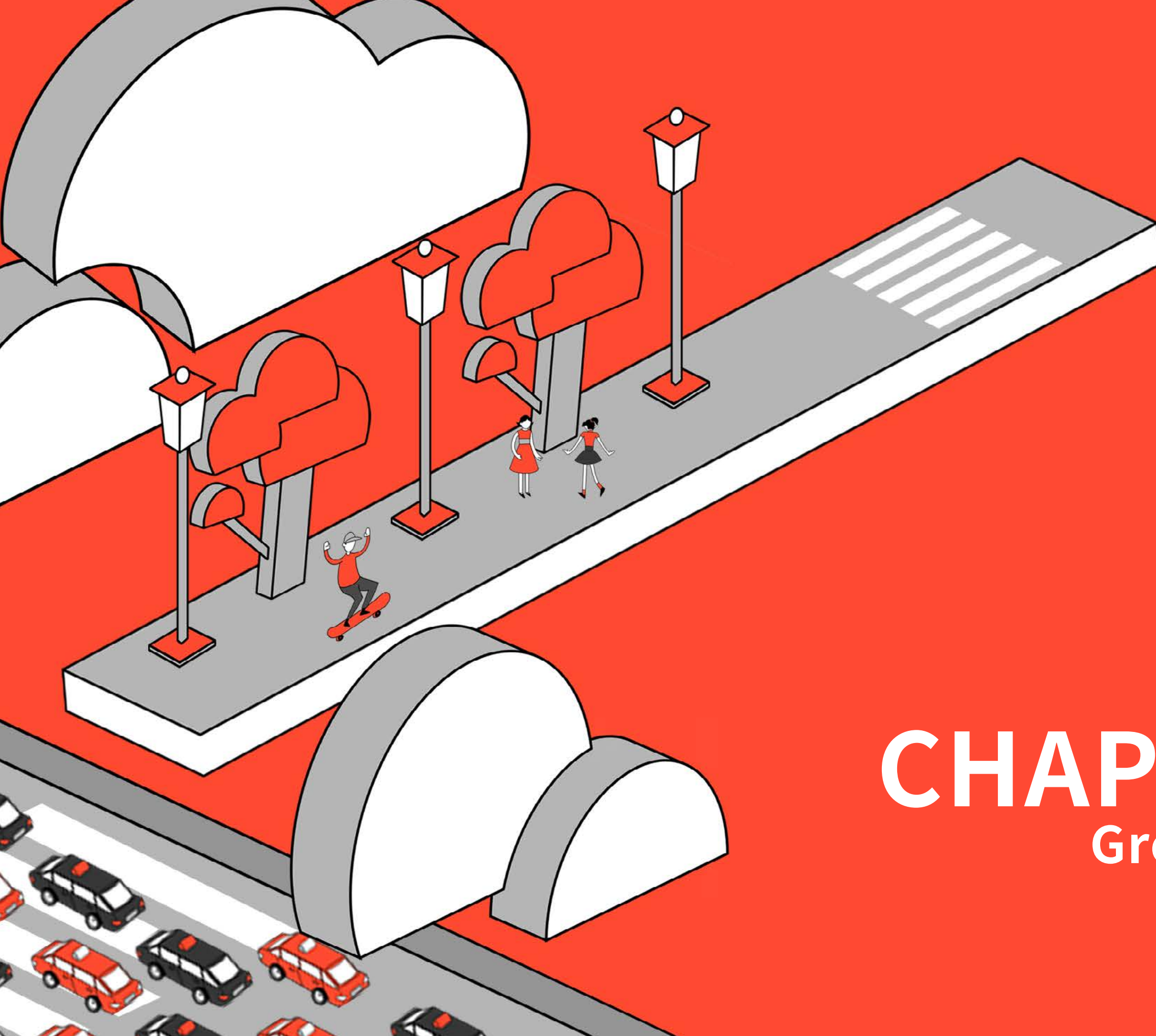
9

**Name:** Chris Butt  
**Occupation:** CEO of ShenzhenEa  
**Nationality:** The United Kingdom  
**Number of years in Shenzhen:** 7 years  
**Company type:** Chinese Company  
**Duration of company establishment:** 5 years



In the end, professional consultant EG from Start-Up Guide says that recruitment is not something David should be overly worried about. There are a myriad of ways to do it, and as long as a location has a flow of people, the possibility of sharing and circulating your information is there. Besides thinking about recruitment channels, the founder of a company should also be clear about their recruitment requirements and be specific about the quality and standards expected of a candidate, to facilitate a more targeted search for their desired employees.





# CHAPTER 3

Growing your  
Start-up in  
Shenzhen



## 1. Marketing and Publicity

\*This chapter was created in collaboration with global tech start-up community Start-up Grind.

Before starting Impact Hub, its founder Marek Koys had managed two product development start-ups in China. As an entrepreneur, he believes the following about marketing:

*"For Entrepreneur, every conversation is marketing! Therefore It's your responsibility, to make sure, that you are communicating a clear message about what are you doing in China and what are you looking for! Also, make sure, people you are communicating with clearly understand the value you can provide to others."*



Name	Marek Koys
Occupation	Founder of Impact Hub
Nationality	Czech Republic
Number of years in Shenzhen	6 years
Company type	WFOE

Marketing is deeply involved in every aspect of a start-up, but to a foreign entrepreneur who has recently arrived in Shenzhen, it is an enormous challenge to grow a customer base within the capabilities of a company. This is especially true in China, where the cultural and social media environment is remarkable different from other countries.

Here are some mainstream marketing methods that have been proven to be effective:

### 1. SEO, online marketing

*ShenzhenParty* has been in operation for 12 years, and was already profitable from its early days. Around 500,000 users from around the world log on to the website every year to catch up on the latest updates and information. As an online company, *ShenzhenParty*'s growth is heavily reliant on online marketing. Its founder Brent Deverman was networking a lot offline during the early days of the company. He took part in various events and recommended his company to people one-on-one, which eventually paid off. After that, he focused on Search Engine Optimization (SEO) marketing to expand his user base.

He started with Google SEO where he improved the *ShenzhenParty*'s site Google search ranking by creating content with high relevancy, which helped push up the number of visitors to the site. After Facebook took the internet by storm, he did the same and invited all his Facebook friends to like his site.

As a Shenzhen-based start-up, Brent was also closely following the social media trends in China. Initially, newsletters were one of the main mediums for publicity used by Brent. However, when WeChat started emerging, he imported the contacts on his phone into his WeChat friends list, and set up a WeChat public account. Articles on the public account were updated 5 to 6 times every week, and with simultaneously release on the website.

At the same time, Brent was also in sync with global user habits on social media, and frequently shared information related to Shenzhen on Facebook and Instagram, to convey to the users that they were an active and engaging site. In the meantime, *ShenzhenParty* also made use of opportunities working with partners such as local Key Opinion Leaders (KOL), event organizers, and chambers of commerce to generate a win-win outcome and build a symbiotic relationship.

## 2. Content

Similarly, to *ShenzhenParty*, *MedAnt*, a social platform for cancer patients in China, also relied on online marketing to increase its user numbers. As they operate in a field with a more specialized focus, on top of opening a WeChat public account, *MedAnt* has also been creating and releasing quality content that addresses topics such as treatment and nursing of cancer patients. Through a more professional tone, they were able to establish the core positioning of their brand.

As most of their current users are from China, *MedAnt* works with mainstream social media platforms in China, such as lifestyle sharing platform *RED*, to carry out KOL marketing. As of October 2018, *RED* had more than 150 million users. Considering the content that it generates, *MedAnt* also uses content platforms that are popular in China, such as *Toutiao* or *Zhihu* (similar to *Quora*) to disseminate its content and achieve user conversion.

## 3. Partners

Partnering with organizations or businesses that have established their own communities and networks is akin to "outsourcing" your marketing efforts, which can sometimes boost results enormously.

*Gifted*, started by Ricky and Kwesi, is focused on helping people discover their passion, an idea the founders have turned into a sustainable business. To find their users, *Gifted* built strategic relationships with partners who are adept at marketing, such as schools and organizations with channel resources, to help them with their marketing. This way they could also devote more time to building their product.

*MedAnt* collaborated with *iCarbonX*, a start-up in life digitization, in releasing a joint user study which attracted users with similar needs to join their platforms.

## 4. Community events

Offline public events can help entrepreneurs meet a relatively large number of people in a shorter period of time. Besides adding value to their companies, it also brings in new customers. In the early days of her company, Nausheen Ishtiaq-Chen, founder of film and television production company *Zen & Zany*, organized a series of workshop events. These not only helped her find employees, it also established her reputation which would become an important factor later on that brought in clients for her.

Through offline activities such as meetings, interviews and site visits, *Trouble Maker* was able to establish its presence in different groups and communities, such as business organizations, news media, researchers and foreign incubators. After the events, these people would share their experiences on social media, which would eventually turn into word-of-mouth publicity. At the same time, *Trouble Maker* also recognizes the need of Chinese users for training courses conducted in English. So, it began providing offline maker training courses, which also further strengthened the brand.

When it first started, digital marketing company *Somos Digital* participated frequently in cross-border e-commerce community events that catered mainly for Amazon sellers. They gave talks on topics involving overseas marketing expansion, which were well-received by their early customers.

## 5. Off-line Marketing

For certain start-ups, the target customers are not online, and so on-ground publicity becomes a more effective way of promoting the business and may even save more costs.

*ShenzhenEat* is a start-up that provides food-ordering services to foreigners. Having operated for five years, it now has an average of 10,000 active monthly users, and a revenue of up to RMB 1 million per month. The marketing approach used by its founder Chris Butt is fairly traditional: Displaying "Order on *ShenzhenEat*" stickers on the windows of restaurants. Foreigners new in Shenzhen are likely eager to explore their dining options. When they see these stickers at a restaurant or while passing by, they usually sign up as registered users. Also, since 80% of *ShenzhenEat*'s users are from the Shekou area, Chris would look for streets with high food traffic and partner with hawkers on these streets, such as a small cigarette stores, and pay them a small fee to place his ad banner next to the store.

Jeff J. Brown also used a similar method for on-ground publicity. The tuition school that he opened is situated between Longzhu Middle School and the International School of Nanshan, with many families living around the area. His school is located at street-level, and its entrance is a fully transparent floor-to-ceiling window, with a lamp that would stay lit the whole day. Every day after school, the droves of students passing by would be able to see clearly what was happening in the school. Meanwhile, Jeff also printed fliers for his school in English and Chinese, and left them in the information box by the entrance for anyone who was interested. Jeff says this way the "marketing cost is close to zero". Every week now Jeff teaches close to 70 students.

## 6. Word of mouth

In certain fields that have stronger offline presence, word of mouth is the main publicity tool. To earn recommendations, you will need successful user experiences to speak on your behalf. Therefore, it may turn out to be a better idea when the business is still young to focus on refining the product and improving the quality of the service, instead of investing too much energy and money in online marketing.

*Soulfato* is a business consultancy company that helps foreign companies to set themselves up in China. Its founder Nuno Batista shared that he had built a website and social media channels for the company a few years earlier, but with very low customer conversion rate. Many inquirers did not end up as real signing customers, so he decided to shut these channels down.

*"It would always start with one who you met at an event or going-out, and the client basically starts growing from there. A happy client is a returning client. He would then pass the word to other friends, we start getting other recommendations, the recommendations get other recommendations. So with word of mouth and relationships we got to increase our client base."*



Name	Nuno Batista
Occupation	CEO of Soulfato Group
Nationality	Portugal
Number of years in Shenzhen	4 years
Duration of company establishment	4 years

## 2. Recommendations for Start-up Communities

\*This chapter was created in collaboration with global tech start-up community Start-up Grind.

As a hub for tech start-ups, Shenzhen has many high-quality entrepreneurs' communities, which in addition to aiding in their businesses, also helps foreigners have a better-quality life.

### 1. Start-up Grind

*Start-up Grind* is an active start-up community. Started in 2010 in Silicon Valley, it now operates in more than 500 locations, and has footprints in over 150 countries. The community organizes one or two offline events every month, such as interviews with industry leaders, successful entrepreneurs, or start-up mentors, sharing their latest experiences and insights with entrepreneurs. Due to its global reach, *Start-up Grind* also regularly organizes English-language events that connect Chinese and foreign entrepreneurs in Shenzhen. Simultaneously, they help expand the mental approaches of local entrepreneurs, while acting as a high-quality platform for foreigners in Shenzhen to connect and collaborate with the locals.

*"Start-up Grind keeps the community active by upholding the values of helping one another, giving, and friendship. It is easy for newcomers to blend in, and is one of the few start-up communities that regularly organizes English-language events."*

— Nausheen Ishtiaq-Chen



Name	Nausheen Ishtiaq-Chen
Occupation	CEO of Zen & Zany
Nationality	Pakistan
Number of years in Shenzhen	3 years
Company type	Chinese enterprise
Duration of company establishment	2.5 years

### 2. Beeplus

*Beeplus* is a co-working space operator, and has two locations in Shenzhen - in Shekou and Futian. Since its inception, *Beeplus* has been organizing a series of community events aimed at helping entrepreneurs, and hosting visits and exchanges with foreign communities, enterprises and start-up groups. Distinct from most communities that focus on tech and start-ups, *Beeplus* is unique for hosting various fun cultural activities such as tango dancing, and music or cooking events, making life for entrepreneurs in Shenzhen more fun and interesting.

### 3. ABNET (Asia Business Net)

ABNET is an established community that helps foreigners start their businesses in Shenzhen. The community is membership-based, which comes with a membership fee. They organize social activities, charity events, entrepreneur sharing sessions, and talks on a regular basis.

"Through joining ABNET, I got the first batch of users for my product, and it helped me refine the Gifted product further and get the company to where it is today. ABNET currently has 400 members on WeChat, who come together for lunch once a week. This is a community that is small but close-knit. They usually run their activities in the Sea World and Shuiwan areas of Shekou."

- Ricky Cortes & Kwesi Hammond



Name	Ricky Cortes / Kwesi Hammond
Occupation	Co-founder of Gifted
Nationality	Columbia / Canada
Number of years in Shenzhen	7.5/ 5 years
Company type	WOFE
Duration of company establishment	2.5 years

### 4. Hardware Massive

Hardware Massive is a community started by foreign hardware entrepreneurs in Shenzhen that is more focused on technology and product development. Their activities, usually conducted in English, sometimes invite international hardware experts for talks or sharing sessions, and are most useful for international hardware entrepreneurs in Shenzhen.

### 5. Impact Hub

Impact Hub is a cooperative that supports projects based around the needs of communities. Their themes include: social enterprises, environmental protection and innovation. Their members include social entrepreneurs, social entrepreneurs promoting sustainable projects, and social investors willing to support these projects.

### 6. RISE Conference

RISE Conference is an international tech conference held in Hong Kong every year. Although it is not community-based, it shows the kind of convenience available to entrepreneurs in Shenzhen, which is access to technological resources in Hong Kong.

"What's so good about Shenzhen is that now you have access to all the start-ups in Shenzhen, and you also have the access to all the start-ups in Hongkong. If you are doing anything with blockchain, Hongkong is one of the leading places for blockchain. So you can pop across and attend those conferences, it's great that you can kind of play both sides. "

- Brent Deverman



Name	Brent Deverman
Occupation	CEO of ShenzhenParty
Nationality	The United States
Number of years in Shenzhen	18 years
Company type	WOFE
Duration of company establishment	12 year

## 3. Financing Opportunities

\*This chapter was created in collaboration with Hexcubes Business, a high-quality business service provider.

For all entrepreneurs, financing is a key step in driving their start-ups forward. For foreigners who are unfamiliar with the country's ecosystem, how can they utilize the start-up investment resources in China? In fact, many investment companies have a business proposal submission feature on their websites, where their employees carry out professional evaluation on business proposals submitted by entrepreneurs, and select projects that have good potential. Furthermore, there are also a wide range of start-up or tech media channels in China through which entrepreneurs can submit their proposals. In Shenzhen, there is always a project roadshow event taking place every day. The annual Innovation and Entrepreneurship Competition is the biggest event every year. If you have a good idea and plan, there is always a chance of it being picked up by investors. Entrepreneurs can look for funding opportunities in the following ways:

- (1) Submitting proposals on investment company websites;
- (2) Project roadshows;
- (3) Joining start-up competitions;
- (4) Pitching to online media for coverage.



## 1. Submitting proposals on investment company websites

**Sino-US Venture Capital** (<http://www.suvc.com.cn/>)

**Key focus:**

Internet, AI, advanced manufacturing, aerospace technology, life sciences and other high-tech and high-growth companies, with a main investment focus on promising start-ups in the seed, start-up or growth stage.

**Yunqi Partners** (<http://www.yunqi.vc/index/>)

**Key focus:**

AI and big data, intelligent connection equipment, advanced manufacturing, etc.

**Shunwei Capital** (<http://shunwei.com/>)

**Key focus:**

Mobile internet, Internet+, intelligent hardware, intelligent manufacturing, deep technology, rural internet, etc.

**IDG Capital** (<http://en.idgcapital.com/>)

**Key focus:**

TMT (Technology, Media and Telecommunications), hygiene and health, consumption and entertainment, advanced manufacturing, clean technology and energy, etc.

**Sinovation Ventures** (<http://www.sinovationventures.com/>)

**Key focus:**

AI & big data, consumption and Internet, B2B trading and enterprise service, education, medical service, etc.

**ZhenFund** (<http://www.zhenfund.com/US/index.htm>)

**Key focus:**

E-commerce, consumption, education, AI, enterprise service, mobile Internet, media, entertainment and sports, smart hardware and VR, fin-tech, hygiene and health, etc.

**Empower Investment** ([http://www.empowerinvestment.com/index\\_en.html](http://www.empowerinvestment.com/index_en.html))

**Key focus:**

Emerging industries with high-speed growth such as internet, AI, big data, automation, fintech, the cultural creative field, consumption upgrade, new materials, and bio-medicine.

## 2. Project roadshows

Project roadshows are an effective way of finding investors for your start-up. The organizer sorts through projects before a project roadshow, which helps ensure the quantity and quality of investors. A good project roadshow platform can help entrepreneurs search for investors more efficiently and secure funding. In China, different projects are being featured almost every day in project roadshows, which often include large exhibitions and makerspaces. For example: the Conference on International Exchange of Professionals, China Hi-Tech Fair, 3W Space (3W Cafe), We Young Maker Space, etc.

## 3. Joining start-up competitions

In addition to winning prize funding, joining different start-up competitions can help you get your name out there in a short period of time and attract the attention of more investors/investment companies. The more well-known start-up competitions in Shenzhen include China Innovation & Entrepreneurship Competition (in May), Innovation Nanshan Entrepreneurs Star Contest (in June) and TechCrunch International City Event Shenzhen (about November).

## 4. Pitching to online media for coverage

In the age of the internet, you can attract more eyeballs and generate more investment opportunities by sharing your project with the general public. The following are some mainstream tech and start-up media organizations in China. You can choose the media site that is the best fit for your project and send them your press releases.

Website	URL
Lieyunwang.com	<a href="https://www.lieyunwang.com/">https://www.lieyunwang.com/</a>
36kr	<a href="https://www.36kr.com/">https://www.36kr.com/</a>
TMTPOST	<a href="http://www.tmtpost.com/">http://www.tmtpost.com/</a>
lyiou	<a href="https://equalocean.com/">https://equalocean.com/</a>
Remarks: All the above websites accept English press releases.	

## 4. Case studies

\*This chapter was created in collaboration with global tech start-up community Start-up Grind and Shenzhen Daily, the only English newspaper in the south of China.

### (1) A filmmaker from Pakistan - Nausheen Ishtiaq-Chen: Tapping into the power of community

Before creating her own company, Nausheen Ishtiaq-Chen never thought of starting her own business. She's from Pakistan and studied media at The New School in New York. After graduating, she joined Procter & Gamble as a brand manager. She first moved to Shenzhen with her husband in 2015. Despite knowing in her heart that she wanted to do something related to filmmaking, she was new to her surroundings and so did not have any specific plans for what to do next. Initially, Nausheen simply operated as a "one-person team" and began taking small assignments, assuming multiple roles such as scriptwriting, directing, cinematography, editing and others all by herself.

In early 2016, Nausheen felt that she needed to have a deeper understanding of the film industry in Shenzhen, and the demands of users there for film and television production. And with her passion for community events, she came up with a brilliant plan: start her own filmmaking workshops. She would organize workshops on topics related to film production and visual marketing, and gather participants involved in these areas to learn and have discussions together. Since community events like this had been few and far between, Nausheen's workshops became an instant success and received a lot of positive feedback.

This brought two things for Nausheen: 1. Building up a network of people in the filmmaking industry which could potentially be the employees of her company she would later come to set up; 2. Establishing for Nausheen a "foreign filmmaker" brand image, which helped her company's preliminary marketing. In the summer of 2016, Nausheen took on a client who was working on a crowdfunding project. After finding out more about it, she learned that there was a huge demand for videos relating to such projects in Shenzhen's hardware industry. With that she began to focus on this segment of the market. After a year, Nausheen was starting to have a stable source of clients, and had established a good reputation for herself in the industry. She formed strategic relationships with crowdfunding agencies and digital marketing companies, and her company was finally getting on track.

When she first came to Shenzhen, Nausheen faced two challenges. The first is the start-up culture. As she had always held a nine-to-five job since graduating from college, the start-up culture was a brand-new experience for her, different from the more closed-off nature of conventional office culture. For an entrepreneur, she says, it is important to keep close contact with the community, and have in-depth communications with your partners, employees, customers and people from different lines of work or industries.

The second aspect is Shenzhen's pace. Having lived in Shenzhen for five years, Nausheen says the pace of living in Shenzhen is even faster than in New York.

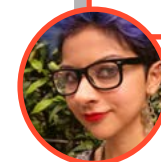
*"Everyone is in a hurry in New York, but they live a very structured life. For example, the timelines are never gonna be rushed. Very rarely would you encounter someone who can meet you today and say we are gonna have a proposal by tomorrow. That's not a thing in New York. In Shenzhen, it's totally a thing."*



Name	Nausheen Ishtiaq-Chen
Occupation	CEO of Zen & Zany
Nationality	Pakistan
Number of years in Shenzhen	3 years
Company type	Chinese enterprise
Duration of company establishment	2.5 years

Communication can sometimes be a difficult experience in a city like Shenzhen that is filled with opportunities.

*"I guess what's happening now is even with people that you can talk to in the same language, everyone has their head in like 20 different places. I think that's also a very Shenzhen thing. Everyone has a lot of balls in the air, all the time. Everyone is open to a lot of possibilities, because the city is very exciting. But that also means you always have WeChat messages, and are always expected to do something. And that also makes communication very difficult. People are not always present."*



Name	Nausheen Ishtiaq-Chen
Occupation	CEO of Zen & Zany
Nationality	Pakistan
Number of years in Shenzhen	3 years
Company type	Chinese enterprise
Duration of company establishment	2.5 years

However even in the face of these cultural impact and challenges, Nausheen is still optimistic about the growth of Shenzhen. This year, Nausheen had the opportunity to work with Ross Clarkson, a well-known cinematographer with plenty of experience in Hollywood. Since Ross Clarkson lived in Hong Kong, Nausheen was able to find him through her contacts. For Nausheen, to be able to direct an industry heavyweight like Ross was a most unforgettable experience in her career.

## (2) Husband and wife team with 30 years of teaching experience - Jeff & Florence Brown: Getting the full experience of registering a company in Shenzhen

Jeff J. Brown, 64 years old, and his wife Florence L. Brown, 62 years old, first arrived in Shenzhen to teach at an international school. but eventually they decided to start their own school – Professor Brown. Different from most foreign entrepreneurs in Shenzhen, Jeff had had decades of experience in teaching and senior company management. He had founded two companies in France and the US, and had corporate management experiences in many different countries around the world. He also loves writing and has published an English learning book "Doctor WriteRead" and books on China such as "China Rising - Capitalist Roads, Socialist Destinations" and "44 Days Backpacking in China".

When it comes to starting a business, Jeff is no stranger since he was made from a very young age by his parents to go out and make money for himself and learn how to do business. To narrow their focus down to the right target users, Jeff and his wife avoided popular office locations such as the Shenzhen High-Tech Industry Park and the Nanshan Software Industry Base which were highly tech-oriented, and chose Longzhu Boulevard instead, which is located a mere 500 meters away from the Taoyuancun metro station. This was considered a prime location for them because they were starting a tuition school targeted at high school students. Their location faces Longzhu Middle School to the west and the International School of Nanshan to the east, while also being surrounded by residential areas. Everyday after school, hundreds of students passed by his school's front door. Jeff also designed the school facade as a transparent floor-to-ceiling glass window, with a floor lamp lit 24 hours a day. This essentially worked as a live "billboard". Hence Jeff said his marketing costs were close to zero.

Company registration is usually one of the first hurdles for any foreigner forming a company. Many foreigners simply appoint an agency to do it for them because they do not understand Chinese and are usually at a loss about what the correct registration procedures and required application documents are. As a writer and blogger who frequently writes about China, Jeff decided to go the other way and put himself through the full experience of how to register a company, from handling business registration, opening business accounts to applying for work permits and visas. And so in the next four months, a tall foreigner speaking an accented Mandarin would often appear in the administrative halls of the Industry and Commerce Bureau, the Taxation Bureau, the bank and the Public Security Bureau, asking for details on how things should be done. Jeff said that he was usually the only foreigner in the hall, and everyone would be wondering "what is this person up to?" But after they had understood what his intentions were, Jeff was able to complete all the necessary procedures.

*"Actually getting the business license, setting up the corporation, getting chops and opening up the bank account was relatively easy. Where it really gets hard is when foreigners have to go get work permits and visas. But whether it was the business creation bureau, or tax bureau, whether it was the labor bureau or visa office and social security, the service is extraordinary. Unbelievably good. And there are computers you can work on and printers where they don't charge you any money. Everybody is helpful. And it's not because I was foreigner. I saw them being equally helpful with everybody. "*



Name	Jeff J. Brown
Occupation	CEO of Professor Brown
Nationality	France
Number of years in Shenzhen	2 years
Company type	WFOE
Duration of company establishment	2 months

After the experience, Jeff felt that even though the procedures might be complicated, even a foreigner can do it on his own as long as he understands some Chinese. Especially as everyone is so willing to help you throughout the process.

### (3) John Rood: Every change of office is a new milestone

In 2016, John Rood and his partner were studying at the Peking University HSBC Business School, where they met an Amazon seller of camera equipment from Shenzhen. At the time, John had no idea how huge the cross-border e-commerce community was in Shenzhen. The seller later added them into five WeChat seller groups with about 500 people each, and this made John realize how enormous the market was, and that only very few professional companies were around providing supporting services to this market segment.

One of the core services needed by cross-border e-commerce merchants were digital marketing, particularly international digital marketing which includes aspects such as company websites, marketing videos and social media management. To meet this demand, John founded a company Somos Digital with a Chinese partner Alicia. Due to her many years of experience in Shenzhen's cross-border e-commerce industry, Alicia knew very well who the target customers were, and was able to maintain good customer relationships. Meanwhile, John and his other partner from France were also familiar with nationalized marketing strategies. Such a team combination is not common in the Shenzhen start-up scene.

The company started out in the spirit of "bootstrapping", essentially a start-up model that does not rely on external help. Without taking any capital or leasing any office space, John and his partners were staying in the international students hostel at Peking University. They started by taking jobs such as product descriptions or translation and management of social media content. After two months, they found a co-working space that was free, but with extremely basic facilities and located far away in Longhua. When the three of them first moved in, they even doubted whether they were making the right choice starting the company.

But as things turned out, it was. In the beginning, they tried as much as possible to save costs and grow their user base. The three partners, all of different nationalities, shared an apartment for six months and took salaries that were much lower than the market pay. But it was due to their relentless attention to cost control and professional ethos for service, that *Somos Digital* began growing steadily from August 2016, and secured more long-time clients from major brands in 2017. In 2018, they were finally convinced that they were able to afford better office space. They moved to the Mindray Building in Nanshan, and expanded their team to 8 people.

Looking back on their start-up journey over the last two years, John says the key to his company's success was that some of the founders had already had numerous years of experience in China, which made it relatively easier for them to understand the preferences and needs of their customers.

*"If you haven't been here before, and you don't have a Chinese partner, then a co-working space is probably the best thing you can do. When I look at other companies and other foreigners who have started here, the best ones are all run by people who have been here longer, who can speak the language and understand the culture. "*



Name	John Rood
Occupation	Co-founder of Somos Digital
Nationality	The United States
Number of years in Shenzhen	5 years
Company type	WFOE
Duration of company establishment	2 year

## (4) ShenzhenParty: Shenzhen's portal to the world

Brent Deverman studied Chinese and computer science at university. He didn't want to abandon his Chinese skills after graduating in 2000, so he found a job at a watch-making factory, and began his life in Shenzhen.

Being some of the first foreigners to arrive in Shenzhen in the early years, Brent and his friends witnessed the explosive growth of Shenzhen across the span of 20 years. By starting his own company, he served a large number of foreigners who came to work and live in Shenzhen during this period. *ShenzhenParty*, as he described, is Shenzhen's portal to the world.

The idea of *ShenzhenParty* first came about out of Brent's personal needs. He and his friends were looking for places to socialize and relax after work, such as restaurants, bars and movie theaters. But at the time very limited information was available online, let alone information in English. So, Brent built a website in his free time, and began uploading details about restaurants that he had visited. Gradually the number of users grew, and soon he had to leave his job to focus on running the site full-time, and expanding its coverage to hotels, recruitment, international schools, etc. Around 500,000 users from around the world use the website each year to prepare themselves before coming to Shenzhen, including users from countries as far away as Mauritius.

The challenges faced by Brent in his start-up journey reflect the key characteristic of Shenzhen's start-up culture: The only constant is change. Firstly, it is the rapid emergence and constant change of the online industry. When Brent first started *ShenzhenParty*, Shenzhen's online scene was still in its infancy. Various infrastructure, such as broadband, server hosting and filing policies, was not fully in place yet. Brent once had a situation where the server hosting company contacted him saying they would start maintenance in three days, which meant he had to relocate his website as quickly as possible to keep it accessible for users. Secondly, it is about changes in business models. When *ShenzhenParty* was first running, Brent was focused on offline marketing in order to feature more restaurants. However, he quickly realized that this was not very profitable. After discussing with his team, he turned the site into an integrated platform. Users and companies could now upload and share information themselves and look for resources, and even get recommendations by paying a fee. Altogether, this created a business marketing channel that encompasses Instagram, WeChat, Facebook, official sites and other social media platforms.

Understanding change is the key to understanding Shenzhen. With the speed at which Shenzhen is growing, many nascent business models and areas may find themselves being reshuffled and eliminated very quickly. After running *ShenzhenParty* for 12 years, Brent understands this on a deep level. He made decisions at key moments that leveraged change for his company, and that has kept it on a healthy path of growth to this day.



## (5) Firm creates multifunction 'bricks'

### **InnoSpace (of Chuangpai (Shenzhen) Tech Incubator Co., Ltd.) - Brickspower**

*InnoSpace* is an incubator established in 2012, and is one of the earliest batch of incubators in China, as well as a "national-level collective innovation space" certified by the Ministry of Science and Technology. Their services include business incubator, industry accelerator, a college for innovation, a community for start-up investments, and the INNOSPACE+Venture angel funds, which together form a comprehensive and vibrant start-up services ecosystem, having incubated and served nearly 400 start-ups to date.

In 2018, the *InnoSpace* services system expanded into five main product lines: Business incubator, industry accelerator, college for innovation, community for start-up investments, and the INNOSPACE-Venture angel funds, which together form a comprehensive and vibrant start-up service ecosystem, upgrading themselves into a start-up community that focuses on early-stage project investment and incubation as well as big enterprise and industry innovation.



*InnoSpace* incubators now include the *InnoSpace* flagship in Yangpu, Shanghai, *InnoSpace* Shenzhen Bay, and *InnoSpace* Xuanwu, Nanjing, providing a full range of entrepreneurial services to start-up teams.

In an age when almost everything relies on something electronic, a new type of anxiety occurs as people find their devices are running out of power. Against this backdrop, a series of electronic devices, such as portable and wireless chargers, have been launched to save people from this predicament.



*Brickspower*'s wireless charger is one of these products currently available on the market. However, Alex Au, founder and CEO of the company, said that *Brickspower* is not just a wireless charger. In fact, it is a multifunctional device that can be used with a portable fan and LED lamp.

Au explained that the key for this design is the structure, which can be split into two detachable parts, namely the battery and the charger.

"A wireless charger is only one of the devices, or 'bricks.' Other 'bricks' can also be combined with the battery. We intend to offer more devices and combine them with the battery brick to create several new portable devices. This is also how we came up with the name, *Brickspower*," said Au.





Asked about the "Aha!" moment for the design, Au said that he wanted to build a brand not just a product.

"I actually first had the idea of using different 'bricks' to form an array of devices for outdoor activities. The wireless charger is just the first step before putting the whole idea into practice," said Au, adding that "although we have only launched the wireless charger so far, we are planning something big and we will unveil new bricks very soon."

"I always describe myself as a stubborn person." This might be a hint to his reason for starting his own business.

Au said he began his entrepreneurship by establishing a design company. "No one believed me or was willing to wait for profits to come in step by step when I introduced some of my ideas to them. So, I did it on my own," said Au, adding that "If you are easily swayed by others, you will not be able to do something big. It is true for many big figures."

Au said that he prefers Shenzhen over Guangzhou and Dongguan because of its business environment. "I really appreciate all the help that we received from *InnoSpace* Shenzhen," said Au.

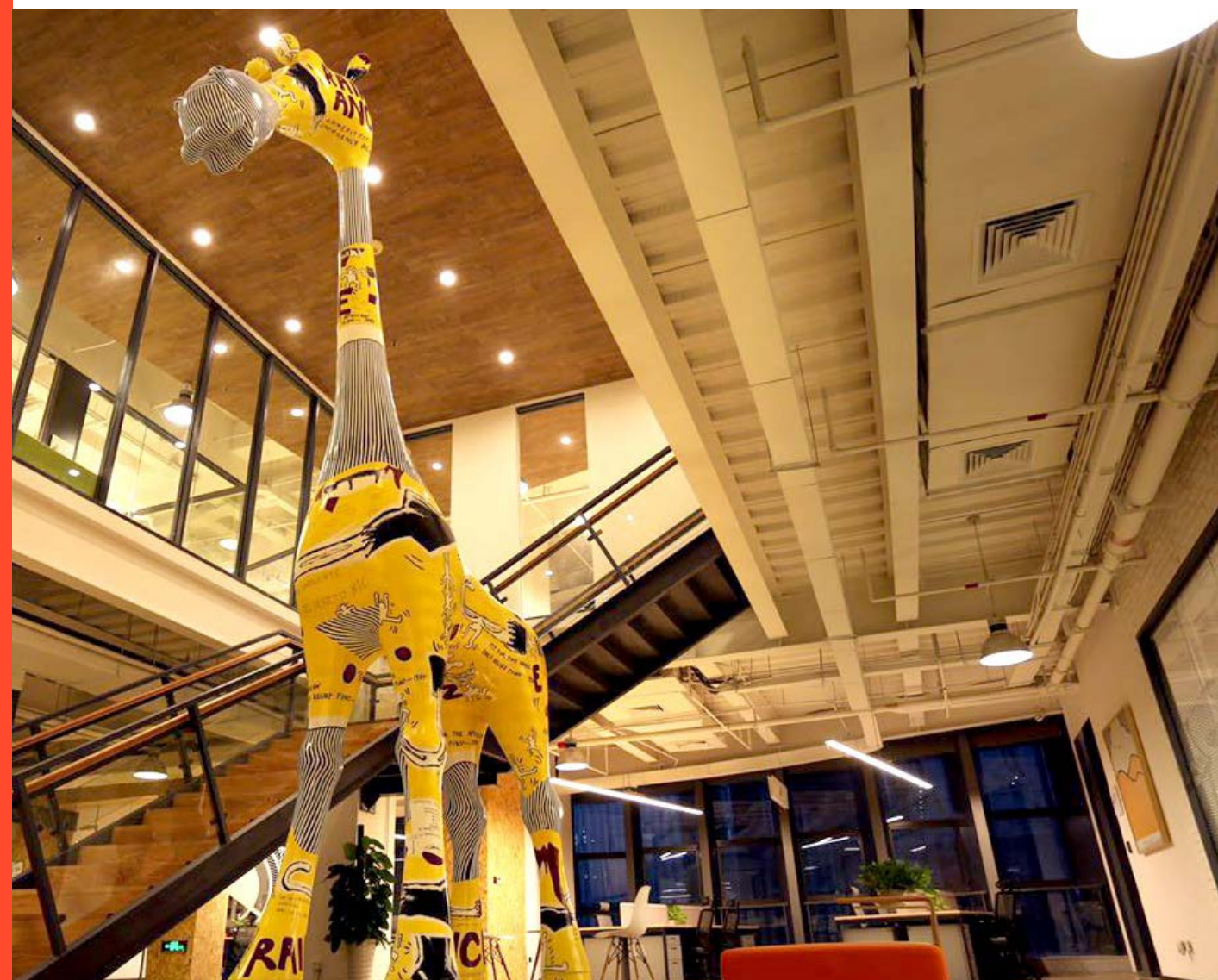


*InnoSpace* Shenzhen focuses on offering high-quality resources to start-ups in the Guangdong-Hong Kong-Macao Greater Bay Area.

## (6) Firm dedicated to revitalizing urban settings

### **We Young Maker Space – MLA+**

*We Young Maker Space* is the base of the biggest entrepreneurship competition in China – the Nanshan "Entrepreneurship Star" Contest. *We Young* advocates the principle of "industry innovation and acceleration", by adopting an acceleration and incubation model centered on the industry chain layout of leading enterprises, and connecting innovation start-ups with the industry resources of leading enterprises, facilitating their growth and innovation. It works with major leading corporations of their respective fields such as ZTE, Foxconn, TCL, Midea, BGI, Sany and Kingdee, in laying out the future roadmaps for industries, and helping small and micro-enterprises create and innovate.





For architectural firm *MLA+*, their biggest goal is to make life amazing! Working as architects, urban planners and strategic consultants, the Netherlands-based company has more than 25 years of experience in facing the challenges posed by urbanization.

"We set up our Shenzhen office in 2017 after we completed several architectural projects in the city. Shenzhen is a young city and we see vast potential in the market," said Cao Ruizhi, deputy director of *MLA+*'s China division.

According to Cao, the company has been very active in engaging in the city's urban development for years and has worked closely with the local government and developers.

One of *MLA+*'s prominent projects in the city is the library at the popular Xiangmi Park in Futian District. "The park was originally used for agricultural research and had been left largely untouched. So we planned to keep much of the existing assets while enriching it with more possibilities to experience nature," Cao said.

Apart from the library project, *MLA+*, in collaboration with *Felixx* Landscape Architects & Planners, China Academy of Urban Planning and Design and Shenzhen Design & Research Institute, has also won the first prize in the design competition for the regeneration of the area along the G107 national highway in Bao'an District.



(A photo of the *MLA+* team)

"We are also very concerned about the renovation of urban villages in Shenzhen and have worked for developer Vanke to design small residential units at Liuxiandong in Nanshan District," Cao said.

When asked if *MLA+* will participate in the bidding for the architectural design of the city's new science museum, which had been announced recently to be located in Guangming District, Cao answered, "Yes!"

"We've heard the news and we are very interested in the bidding. In fact, we've been following the updates of the new science museum for a long time. Hopefully, we can win the competition," Cao said with a beaming smile.

With a total staff of more than 100 employees and offices in London, Rotterdam, St Petersburg, Rio de Janeiro and Shanghai, *MLA+* works on urban planning, architecture and consultancy projects across Europe, South America, Africa and Asia.



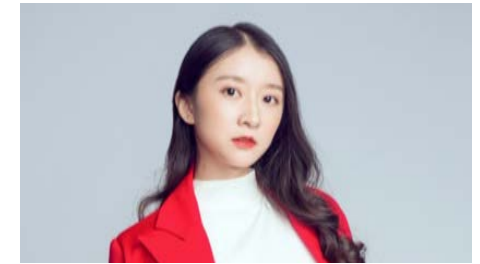
(The library at Xiangmi Park in Futian District is one of *MLA+*'s prominent projects in the city)



## (7) Firm tries to take a bite out of cosmetics industry

### **We Young Maker Space – Elneque Makeup**

*We Young Maker Space* is the base of the biggest entrepreneurship competition in China - the Nanshan "Entrepreneurship Star" Contest. *We Young* advocates the principle of "industry innovation and acceleration", by adopting an acceleration and incubation model centered on the industry chain layout of leading enterprises, and connecting innovation start-ups with the industry resources of leading enterprises, facilitating their growth and innovation. It works with major leading corporations of their respective fields such as *ZTE*, *Foxconn*, *TCL*, *Midea*, *BGI*, *Sany* and *Kingdee*, in laying out the future roadmaps for industries, and helping small and micro-enterprises create and innovate.



(Mu Pengyu, founder of *Elneque*)

The cosmetics industry is probably one of the most promising fields for business in China for the near future, as the total retail sales of skincare products and makeup products in China reached 186.7 billion yuan (US\$27.79 billion) and 34.4 billion yuan in 2017, respectively, according to market intelligence firm Euromonitor.

Although the industry worldwide is largely dominated by a small number of multinational corporations, like *L'Oreal Group*, *Procter & Gamble Co.*, *Unilever* and *Shiseido Co. Ltd.*, a beauty start-up in Nanshan District called Shenzhen *Elneque* Biotechnology Co. Ltd. has ambitions to take a bite out of the lucrative and thriving industry.

"Many Chinese people seemed to prefer foreign brands at first, but later we found that the domestic cosmetics market in fact had huge potential. So we decided to create our own brand," said Mu Pengyu, founder of *Elneque*.

Mu went to Hong Kong for her postgraduate studies in 2014. With the entrepreneurial spirit deep-rooted in her heart, Mu embarked on a business venture in 2017.

According to Mu, if customers keep buying a product and become the brand's loyal fans, "that's what makes a successful brand."

"To put it plainly, skincare products first need to be recognized by getting customers to know who you are. Secondly, you need to have featured products so that others can remember who you are."



(Mu (L), talks with the research team of *Elneque*.)

"Thirdly, customers must be willing to use the products. And fourthly, customers have to be able to see the corresponding effect when using the product and be willing to recommend it by word of mouth," Mu said.

Mu said *Elneque* focuses on floral-inspired skincare products. The company extracts the nourishing ingredients from flowers and adopts internationally advanced technologies to retain the essence of the flowers to the greatest extent, so as to achieve scientific, natural and effective skin nourishment.

"Each of our products has undergone an R&D process for at least half a year before being launched. Our first product was a facial mask and it was developed for 10 months, but we got a lot of positive feedback," Mu said.

"We currently have two major products, and a third one will be released soon," she added.

*Elneque* set up an office at the incubator *Weyoung* Public Space in Nanshan District last October.



(A group photo of attendees participating in a lecture organized by *Elneque*.)

## (8) *VetNX* makes pet care more accessible

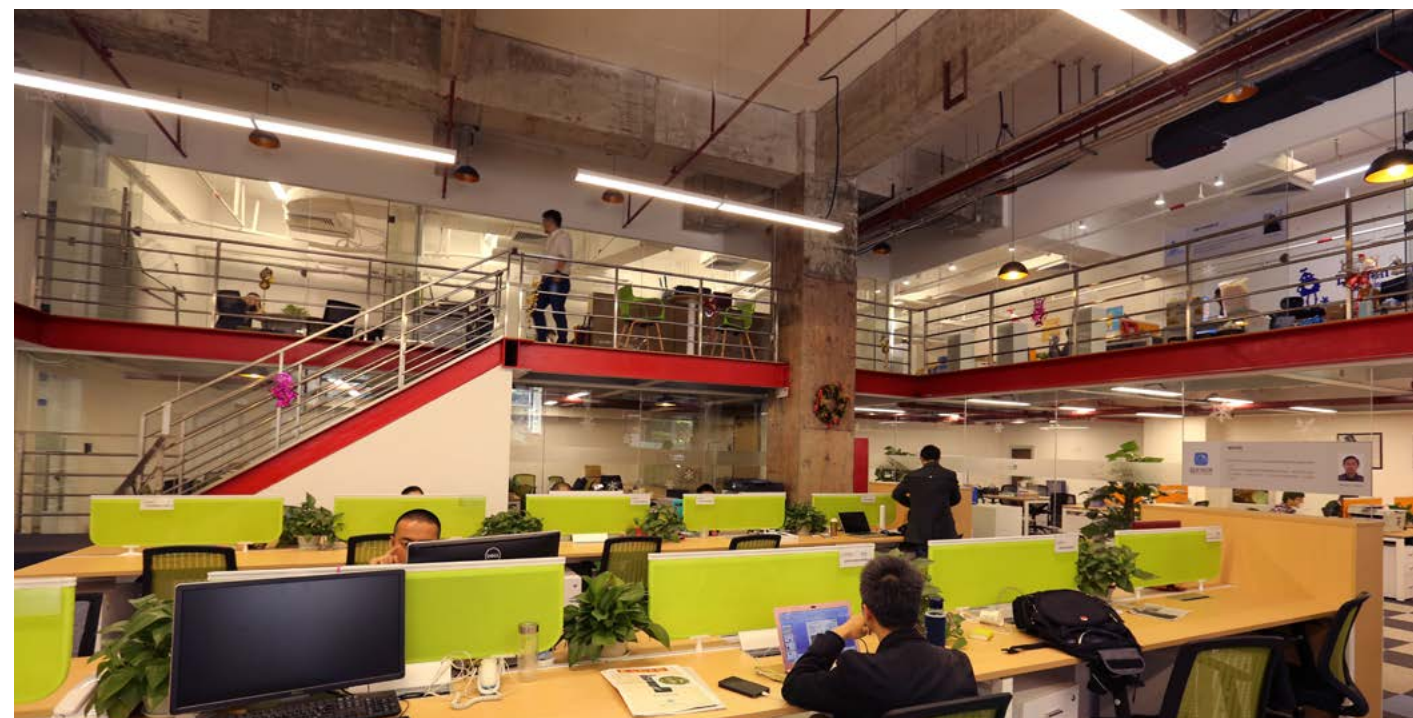
### *Stargeek Incubator Co., Ltd. - VetNX*

Founded in 2014 by Legend Star, *Stargeek* Incubator focuses on the field of hardware technology and integrates start-up acceleration, investment, cloud factory and supply chain all into one. It is the first start-up investment acceleration platform in the country that offers hardware supply chain solutions and the first of its kind based in the Shenzhen Bay Start-up Square.

*Stargeek* Incubator has now set up over 10 start-up accelerators in first and second-tier urban start-up hotspots such as Beijing, Shenzhen, Shanghai, Wuhan and Nanjing. As of July 2018, they have assisted over 300 start-up projects, with more than 30% of them securing Series A funding or more.

Bringing your lovely pet to a local pet hospital can be very strenuous given that you probably would have to miss work and struggle with your pet's container on public transport. Sometimes by the time you arrive at the hospital, your pet will have suddenly experienced a magic recovery.

Janice Wong, one of the founders of *VetNX*, an online health-care platform for pets, said that she had an experience like this with her dog, and it was at that moment when the idea to set up an online platform to deliver comprehensive health-care services for pet animals began to germinate.

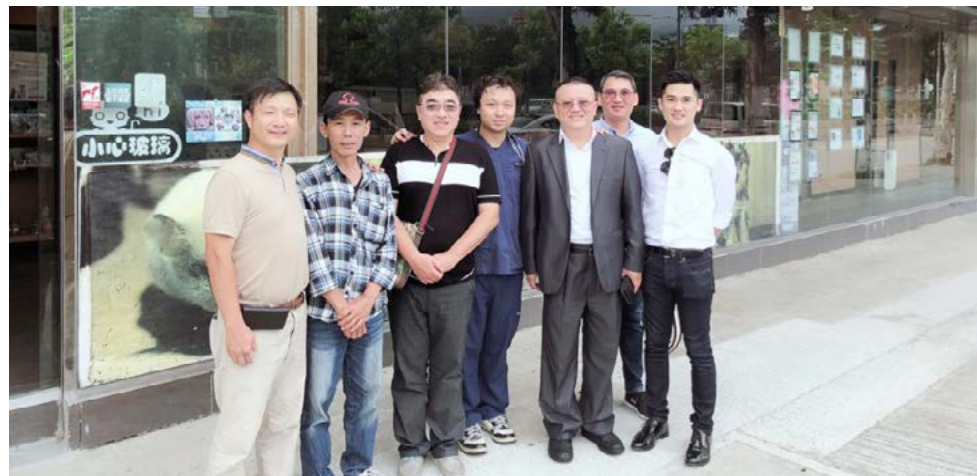




Soon after, Wong and her partners began putting this idea into practice in Hong Kong and established VetNX. VetNX is actually the first true telehealth provider for pets in Hong Kong. With VetNX's online platform, pet owners can contact professional vets at any time and from anywhere to get a timely treatment or solutions for their little friends.

All of the staff have a working license, and most of the personnel working on the platform come from Hong Kong and Taiwan and have nearly 20 to 30 years of clinical experience, according to Wong.

Wong said the vets and pet industry is more sophisticated in Hong Kong and Taiwan. There is also degree education in this field. Wong explained that this was also a reason why they recruited vets from Hong Kong and Taiwan, to help local pet owners safeguard their animals' health.



With the help of the pet experts, pet owners can not only get immediate solutions to their pets' problems but also be offered with practical suggestions regarding pet caring.

Not long after VetNX made its debut in Hong Kong, the company expanded its market to the Chinese mainland. "The mainland has an extremely huge market, so there is no reason not to open it," said Wong.

Having been to many cities on the mainland, including Beijing and Shanghai, Wong said that she still prefers Shenzhen, so they decided to set up their offices in Shenzhen. "Shenzhen is a very young city, which means the city has great potential, especially in technology," Wong added.

In order to successfully enter the mainland market, VetNX cooperated with Stargeek, an incubator providing services for emerging industries. "They provide us an office in Shenzhen and also help us handle things related to polices, which is very supportive," said Wong.

Besides providing basic support for enterprises, Stargeek also offers supply chain support, which is one of their specialities that distinguish it from other incubators, according to staff at Stargeek.

With easy access to accurate advice and high-quality health-care services, VetNX hopes that they can help to enhance the joy of owning a pet and wants every pet owner to have quality time with their little friends.



## (9) Tech firm finds new solution for public cemeteries

### Shenzhen Innovation Development Hub Co., Ltd. – FORE TECH

*Innovation Development Hub* is an integrated start-up services company under CDF-Capital, which has established an "Incubator + Accelerator" second-level full-process start-up services model and is focused on developing itself as a start-up investment incubator. By providing start-up resources and combining innovation resources, *Innovation Development Hub* has provided start-ups with integrated and full-range "nanny-style" services and mentor counselling, and has also built a 3+1 operation model and a one-on-one service model, which offer enterprises with comprehensive resources needed for their growth. *Innovation Development Hub* now occupies more than 30,000 m<sup>2</sup> in floor area, with incubators in various locations including Shenzhen and Beijing.



Although death might be a heavy topic, Song Shiyu, founder of *FORE TECH*, said that a hard fact that residents, especially those living in big cities, will have to face in the near future is that there is fewer and fewer land available for public cemeteries.

Song said that she first came to realise this issue while traveling in Hong Kong, where applicants for public plots usually have to wait five to six years. Inspired by this, Song chose the transformation of the design of future public cemeteries as the topic for her doctoral thesis while studying architecture at the University of Hawaii.

The idea also attracted the attention of two of Song's classmates, Jaecho Choi from South Korea and Duc Tran from Vietnam. After graduation, they came to Shenzhen and established *FORE TECH* in 2017, which is said to be the first research and development company in China offering technological solutions for funeral products.

To address the issue of limited land for cemeteries, Song suggested combing the remains of multiple family members in the same grave as a possible solution. "Just like an underground parking lot, we store cinerary caskets there and utilize equipment to transport them to the ground at the request of visitors. In this case, there is no need to make room for each cinerary urn. Instead, a digital grave can be shared so people can mourn their deceased relatives or friends with photos," said Song.



Additionally, Song said technology can be applied to make it more efficient. For example, cemetery parks can provide electronic cards for family members to use when they enter the parks. Then the information stored on the card will direct the system to transport the correct cinerary urn to the ground. "I learned this from Japan and I know that many cities in Japan have already put this idea into practice," said Song.

However, due to strong traditional beliefs held by Chinese people, especially those who were born before the 1970s, it will not be easy to realize this idea in a very short period of time, according to Song.

"As a result, we hope to conduct this step by step. For example, we know that in Chongqing, some companies have carried out ideas like this for pet animals as it is more easily accepted. So maybe we can start by getting our hands on this as well," said Song, adding that many companies offering funeral-related services have actually embraced the ideas, so they just need some time.

As for the reason that they came to Shenzhen to start their business, both Song and her partners said that Shenzhen has a favourable environment for entrepreneurs and is close to Hong Kong, which is convenient for conducting researches. "Besides, the Shenzhen city government offers alluring subsidies for people with doctoral degrees, like us, to start businesses," said Song.

"We also cooperate with *Shenzhen Innovation Development Hub (IDH)* to help us do business in China. They provide a lot of useful information," said Song.

According to the staff at IDH, their concept is to create a business ecological circle for all of the companies they help incubate, so that in the long run they can also support each other when needed.

At present, although traditional beliefs seem to be the major bottleneck for *FORE TECH*, Song believes that young people will be more open to the idea when the time comes

It is positive to see that some people have already considered changing and are turning to more ecological methods, such as sea burials and tree burials, she said.





## (10) Conavi develops image guidance technology for MIS

### Shenzhen Sci Innovation Center Co., Ltd. – Conavi Medical

The *Sci* Innovation Centre was founded in May 2017, and is one of the seven foreign innovation centers authorized by the Shenzhen municipal government globally. With innovation centres in both Shenzhen and Toronto, the *Sci* Innovation Centre aims to synergize the technological talent and innovation resources of China and Canada, to promote the exchange and development of technological innovation between Shenzhen and North America. The *Sci* Innovation Centre was established with the support of the Shenzhen municipal government, Toronto City Council and Ontario Science Centre. It collaborates closely with 11 renowned institutions of higher learning in Canada, including the University of Toronto, University of Waterloo, and University of Western Ontario, and has deep strategic partnership with the Ontario Centres of Excellence, a well-known innovation incubator organization in Canada.

The Nanshan Accelerator of the *Sci* Innovation Centre is located in the Shenzhen Bay Science and Technology Ecological Park of the South Zone of the Shenzhen High-Tech Industry Park. It is situated in the central Shenzhen Bay area, adjoining the Qianhai Shenzhen-Hong Kong Cooperation Zone, Houhai Headquarters Base and the vibrant Houhai Commercial District. Its ideal geographical location and convenient transportation means that major urban facilities in Hong Kong and Shenzhen are within easy reach.

The Nanshan Accelerator of the *Sci* Innovation Centre occupies a total floor area of 5,560.86 m<sup>2</sup>, and aims to provide different organizations such as start-up teams, SMEs and tech service companies with a diverse range of office spaces. Whether it is an independent deluxe office space or open desk spaces, work places ranging from 30 to 300 m<sup>2</sup> can be customized for companies according to their individual needs. The office space is also equipped with multi-purpose shared combined spaces such as meeting rooms, discussion rooms, as well as a salon roadshow area, recreation area, and gym area.

Minimally invasive surgery (MIS) or keyhole surgery, where physicians only make small cuts in patients' bodies, has become a clear trend as it is safer, more efficient and less painful versus the traditional open procedure.

However, behind this breakthrough, there is a demand for image guidance technologies to enable surgeons to see a full picture to complete operations. *Conavi* Medical, a medical device company based in Toronto, is devoted to develop this technology for use in MIS procedures.

Patrick Li, business manager of *Conavi* in China, said that although this technology is available on the market, many of them have flaws in terms of the cost of equipment and the safety of patients.

"As a result, we are devoted to tackling this problem to provide the safest and most cost-effective equipments," Li added. "For example, intravascular coronary imaging is currently limited to intravascular ultrasound (IVUS) or Optical Coherence Tomography (OCT). But IVUS has low resolution while OCT provides an incomplete picture even though it overcomes the issue of low resolution," said Li.

Li said that *Conavi* has combined these two technologies into one product, named Novasight Hybrid, which is said to be the world's first integrated intravascular imaging system that enables physicians to simultaneously have two images with both IVUS and OCT in one location.

Their another product, Foresight ICE system, provides both 2D and 3D images with a full 360-degree field of view, outperforming devices developed by Abbott and J&J, which are only able to provide 2D images with a 90-degree field.

According to Li, the rationale behind their move to Shenzhen is that Shenzhen is an innovation city. The talent in the Greater Bay Area provides advantages for the company to achieve sustainable development.

*Conavi* collaborated with *Sci* Innovation Center to distribute the technology to China. "They have brilliant teams not only in China but also in Canada, which is convenient to coordinate businesses. Besides, they can help us obtain timely resources from the government," said Li.

*Sci* holds three brand activities each year, namely *Sci* Innovation Competition, *SCI* Innovation Festival and *Sci* Innovation Forum, to promote exchange between China and Canada, said Liu Huanming, CEO of *Sci*.



## (11) Indiegogo helps entrepreneurs explore the global market

### **Tencent WeStart, an incubator co-founded by Shenzhen Bay Technology Co., Ltd. – Indiegogo**

A collaborative project between the Shenzhen Nanshan District government, Shenzhen Bay Technology and Tencent Holdings, *Tencent WeStart* (Shenzhen) is one of the largest offline collective innovation spaces offering complete innovation elements backed by a nationwide network. The focus of *Tencent WeStart* is on TMT, particularly vertical industries such as mobile internet software, IoT applications such as big data processing, AI, and the cultural creative field, and to expand from this core to other areas. *Tencent WeStart* aims to build a self-sufficient start-up ecosystem community, having helped 18 start-ups to secure funding since operations began at the end of 2016. It has earned accolades such as Hurun Report 2017's "Top 50 incubators in Shenzhen contributing the most to the industry", and Xiaoweifeng's Best Co-Working Space of 2017.

Supporting entrepreneurs from their earliest "Aha!" moments through the nitty-gritty details of sharing their projects with the world, crowdfunding platform *Indiegogo* is committed to helping budding companies build their audiences and ship products to customers around the world.

The platform, which made its debut in the United States in 2008, has been exploring business in China since 2016 and officially announced its *Indiegogo* China Global Fast-Track Program on June 5, 2018.

It also opened a satellite office in the *Tencent* incubator in Shenzhen — a manufacturing hub for hardware start-ups.



"*Indiegogo* has always attached great importance to the Chinese market. We are delighted to help Chinese companies launch innovative products through the crowdfunding platform and take their first step in building international brands," said by Barron Zuo, *Indiegogo*'s senior director of global strategic programs.

The platform has launched services dedicated to supporting Chinese entrepreneurs, including a Chinese-language team based in Shenzhen and consultants who provide advice on branding, marketing and campaign management.

According to *Indiegogo*, over 3,500 China-based innovators have raised more than US\$150 million since 2016. Thirty-five products have raised more than US\$1 million, and a number of start-ups in China have launched more than one crowdfunding campaign on the platform.

For instance, bluetooth headphone company *Crazybaby* raised more than US\$4 million across three campaigns. *Omnicharge*, a charger for laptops, cameras and small appliances, raised US\$5 million across two projects.

Zuo said that for innovative domestic products to be launched globally, *Indiegogo* boasts several advantages compared to traditional channels.

In addition to helping entrepreneurs launch direct-to-consumer businesses by building an early audience, the platform also enables companies to obtain timely feedback from their real customer groups and uses big data to help companies analyze customer suitability.

*Indiegogo* also shares investments designed to help investors feel more confident in seeing the products they back.



(Barron Zuo, *Indiegogo*'s senior director of global strategic programs, speaks at the *Indiegogo* China launch ceremony.)



## (12) Kneron aims to popularize AI chips



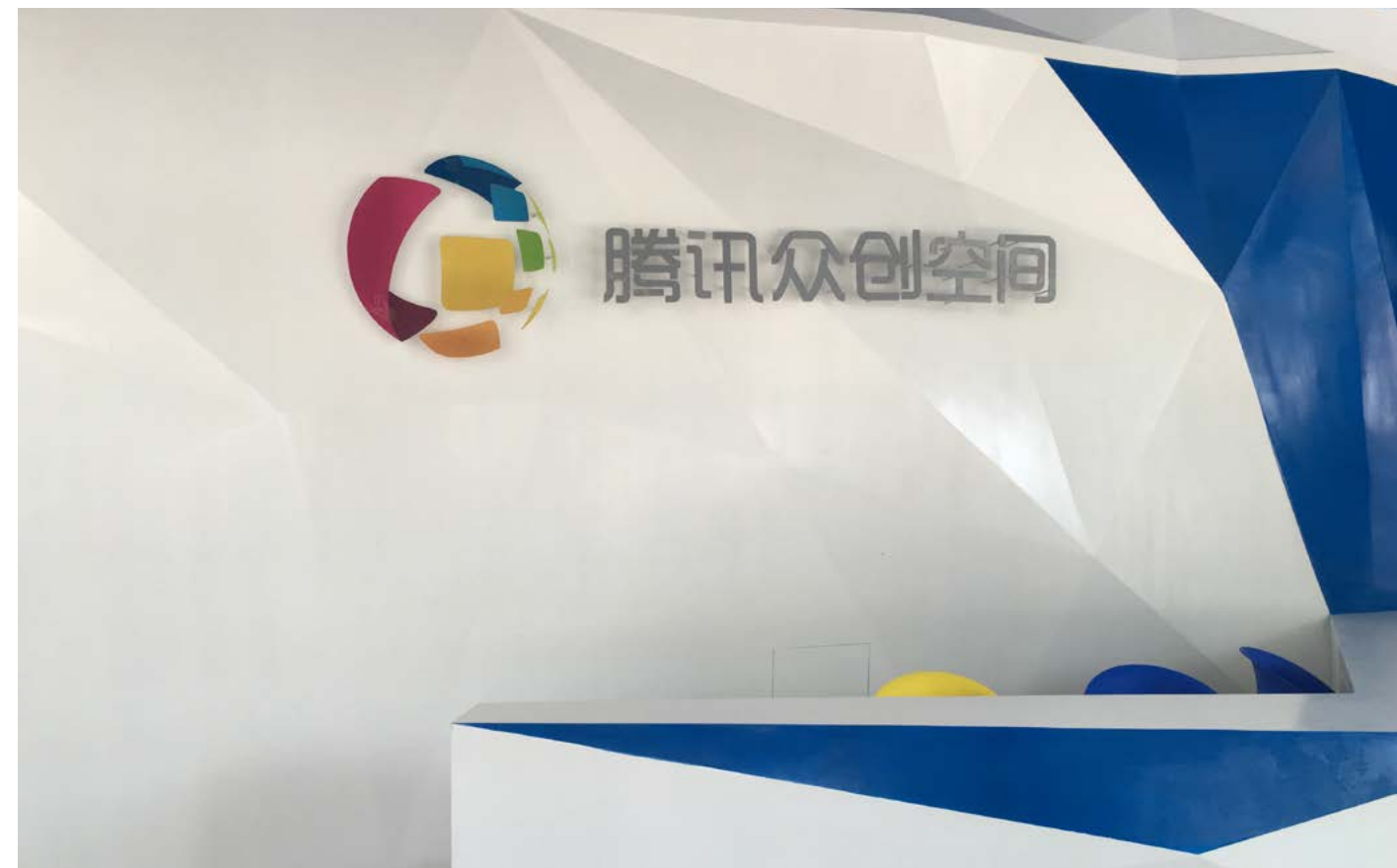
(David Mandelbrot (R) interacts with audience at the *Indiegogo* China launch ceremony.)

***Tencent WeStart, an incubator co-founded by Shenzhen Bay Technology Co., Ltd. – Kneron***

A collaborative project between the Shenzhen Nanshan District government, Shenzhen Bay Technology and Tencent Holdings, *Tencent WeStart* (Shenzhen) is one of the largest offline collective innovation spaces offering complete innovation elements backed by a nationwide network. The focus of *Tencent WeStart* is on TMT, particularly vertical industries such as mobile internet software, IoT applications such as big data processing, AI, and the cultural creative field, and to expand from this core to other areas. *Tencent WeStart* aims to build a self-sufficient start-up ecosystem community, having helped 18 start-ups to secure funding since operations began at the end of 2016. It has earned accolades such as Hurun Report 2017's "Top 50 incubators in Shenzhen contributing the most to the industry", and Xiaoweifeng's Best Co-Working Space of 2017.



(David Mandelbrot, CEO of *Indiegogo*, delivers a speech at the Indiegogo China launch ceremony held at Wuzhou Guest House, Shenzhen, on June 5, 2018.)



You've probably seen artificial intelligence (AI) technology being adopted by apps, devices and services, to do things like recognize faces in photos and endow smart speakers with human-sounding voices.

But to speed up the popularity of AI applications, processors with high computing performance and low power consumption are the key, according to *Kneron*, a provider of edge AI solutions.

Edge AI means that AI algorithms are processed locally on a hardware device.

"*Kneron's* edge AI solutions are able to do real-time recognition, inference and analysis with no need to connect to the cloud. Thus, the solutions are faster, more reliable and secure, while reducing significantly cost and the cloud burden," said by Albert Liu, founder and CEO of *Kneron*.



Albert Liu in *Kneron's* Taipei office

According to Liu, edge AI is the key to the popularity of AI applications, and the effective combination between edge AI and cloud AI will become a trend.

Established in the United States in 2015, *Kneron* provides software and hardware integrated AI solutions, including a neural processing unit (NPU), a dedicated edge AI device processor and a range of visual recognition software. It currently has offices in San Diego, Taipei, Shenzhen and Zhuhai.

The company's Shenzhen office, in cooperation with incubator Tencent Public Space, aims to leverage the city's abundant innovation resources and strengthen the company's presence in China.

"We wanted to create some value for the world and society, and improve people's lives," said Liu, while talking about his team's intentions in starting the business.

As AI technologies such as 3-D facial recognition find increasingly wide utilizations, the downstream industries will usher in a new round of consumption upgrading, and AI chip manufacturers are very likely to get a share of the dividends, according to Liu.

Liu noted that NPU is the best tool for mainstream applications such as facial, speech and object recognition and will become a leading dedicated AI processor due to advantages including high computing performance, low power consumption and small size.

"*Kneron's* AI solutions, which integrate hardware and software technologies, have been recognized by many customers. We will continue to develop critical AI technologies, deepen the AI applications in diversified fields and work together with our partners to create a new era of AI," said Liu.

Currently, *Kneron* has provided customized solutions for home appliances, surveillance and smart phones to several international companies. The company completed its series A1 financing led by Horizons Venture, a venture capital firm founded by Li Ka-shing, in May 2018.





Kneron's San Diego team



Albert Liu at the International Consumer Electronic Show (CES) 2019

### (13) Expat promotes parent-child relations

#### *Yuanquan Ventures Start-up Incubator Co., Ltd. – Alef- RAFA*

Shenzhen *Yuanquan Venture* Start-up Incubator is an industry ecosystem incubator that brings together investment and loan services. In 2016, *Yuanquan Ventures* was certified by the Torch High Technology Industry Development Center of the Ministry of Science and Technology as a national-level makerspace. The core services of *Yuanquan Ventures* include: Incubator services, investment and funding services, start-up training, and international technology transfer, all of which are aimed at helping start-ups achieve rapid growth.



The objective and goal of *Yuanquan Ventures* Start-up Incubator is to open up pathways for innovators while growing alongside the entrepreneurs. Since its inception, *Yuanquan Ventures* has worked with more than 200 enterprises in its incubator programs. The professional team at *Yuanquan Ventures* is made up of dozens of experts who are leaders in their respective fields, consisting of five mentor teams in the areas of social media, technology, investment, culture and training. By integrating the strategic resources of various industries, the mentors help start-up teams to tackle practical challenges through one-stop maker services such as market prospect evaluation, technological support, start-up and company operation counselling, finance services, social media, branding and counselling for company listing.

Jewish people have contributed to human progress in many fields, especially to the development of Western Civilization.

Raphael Genis, a Jewish German, said that the reputation might be partly related to their emphasis on education. However, Genis suggested that instead of hoping their children to get high grades by the end of the day, Jewish parents concentrate on building a healthy relationship with their kids.

Having been in China for around eight years, Genis speaks fluent Mandarin. He lived in Shanghai before settling down in Shenzhen. With a background in parenting education, Genis established his company *Alef-RAFA* in 2016, which provides education services for parents with kids under 6 in China.

"In Israel, we have a tradition to get together with family Friday night. At first, we did this just to stay safe. Now we treat it as a good and essential way for family members to do activities together and to chat with each other," said Genis.

Genis said education is not just about school. Family education is also a significant part and it is important for parents to show attention to their children. "Sparing some time for children does not necessarily mean that parents need to help children work out a solution to a math problem or tell them how they should behave when they complain about things. Instead, it is all about letting children know that their parents are always there and they are good listeners," Genis added.



"I want to help more parents. However, as a foreigner, it's not easy to run your own business in China. Luckily, with advices from *Yuanquan Ventures* (YQ Ventures), a business incubator, things started getting better," said Genis.

In addition to providing both basic and tailored services for enterprises doing business in China, YQ Ventures also has an office in Israel, which not only helps entrepreneurs in Israel enter the Chinese market but also offers a chance for Chinese enterprises to take a study tour or do business in Israel, according to staff with YQ Ventures.

Genis has a very busy schedule, giving lectures and organizing workshops across China. He said that apart from calling for a healthy parent-child relationship, he also encouraged parents to help children build a strong heart as it is where true strength comes from.

In order to achieve this, Genis suggested letting children experience whatever happens in their life without trying to overprotect them or arrange everything for them, as he believes that the more kids do, the richer they become.





## (14) Bobo Design: takes practical approach to interior design

### ***Yuanquan Ventures Start-up Incubator Co., Ltd. – Bobo Design***

Shenzhen *Yuanquan Venture* Start-up Incubator is an industry ecosystem incubator that brings together investment and loan services. In 2016, *Yuanquan Ventures* was certified by the Torch High Technology Industry Development Center of the Ministry of Science and Technology as a national-level makerspace. The core services of *Yuanquan Ventures* include: Incubator services, investment and funding services, start-up training, and international technology transfer, all of which are aimed at helping start-ups achieve rapid growth.



The objective and goal of *Yuanquan Ventures* Start-up Incubator is to open up pathways for innovators while growing alongside the entrepreneurs. Since its inception, *Yuanquan Ventures* has worked with more than 200 enterprises in its incubator programs. The professional team at *Yuanquan Ventures* is made up of dozens of experts who are leaders in their respective fields, consisting of five mentor teams in the areas of social media, technology, investment, culture and training. By integrating the strategic resources of various industries, the mentors help start-up teams to tackle practical challenges through one-stop maker services such as market prospect evaluation, technological support, start-up and company operation counselling, finance services, social media, branding and counselling for company listing.

Who doesn't want an aesthetically pleasing environment where they live or work? *Bobo Design*, an interior design firm founded by Hong Kong designer Bobo Lam, is committed to providing practical solutions for different interior spaces and endowing them with vitality.

Lam started her career at a well-known interior design firm in Hong Kong. She grew from a designer to a senior designer and eventually an art director. In 2016, she set up her own firm in Shenzhen.



(Bobo Lam, founder of *Bobo Design*)

"Shenzhen is adjacent to Hong Kong and has been developing very fast and well in recent years. That's why we chose to set up the company in Shenzhen," Lam said.

The firm mainly engages in designing commercial spaces, incubator offices, high-end residential estates and boutique hotels. "For us, we value space the most, and then the sense of design. So we adopt a practical approach in our design and try to maximize the space without overlooking quality," said Lam.

In addition to function, Lam's design firm also attaches much importance to soft furnishings in order to create more added value for their customers.

According to Lam, the cultural and creative industry in Shenzhen has gained obvious momentum in tandem with scientific and technological innovation in the past two years.

"More foreign talents are choosing to settle in Shenzhen and more creative companies from overseas are looking forward to setting up branches and seeking development in Shenzhen," Lam said, adding that she expects to see more international exchange activities in the design industry in Shenzhen.



(The Yuanquan Ventures, a Shenzhen-based business incubator that offers help to the company)

Lam noted that the company currently has a professional design team in both Hong Kong and Shenzhen. It has aimed at setting up a new office in Singapore in recent years.

Lam also mentioned that the company has benefited a lot from the help of Yuanquan Ventures, a Shenzhen-based business incubator, in the past three years.

"The incubator welcomes different customer groups and runs business activities regularly. I'm glad that more people and companies in different sectors can get to know us through this platform, and new resources and customers are being brought to our company," said Lam.

Lam graduated from the School of Professional & Continuing Education at the University of Hong Kong majoring in interior design, after many years of overseas education. Her strengths are in integral architecture, interior design, visual imaging and decoration.



(Design projects of Bobo Design)

## Appendix: Partners

### (1) HEXCUBES BUSINESS



HEXCUBES BUSINESS Adviser

WeChat QR Code



HEXCUBES BUSINESS WeChat

Official Account

Founded in 2013, HEXCUBES BUSINESS (full name: Shenzhen Foresea Cube Information Technology Co., Ltd.) is a member of the HEXCUBES Group, and was awarded "Top 8 Global Partners for Government-Business Collaboration"

For many years, HEXCUBES BUSINESS has been providing high-quality business services to foreign enterprises. The company has a professional team comprising policy analysts and data experts, bringing in more than 5000 foreign start-ups in the Guangdong-Hong Kong-Macau Greater Bay Area, and providing more than 15,000 SMEs with systematic supporting services including policy consultation, financial and tax handling, office space leasing, and salon roadshows.

Based on the principle of "one-time service for a lifetime of trust", HEXCUBES BUSINESS' s team of advisers go above and beyond the market standards in their high-quality services, offering clients with insightful business analyses and the most comprehensive solutions, and building a quality and sustainable service value system. HEXCUBES BUSINESS has evolved into a leading brand in the foreign business services industry in Shenzhen and the south of China.

**Website:** <http://www.iqianhai.com>

**Address:** HEXCUBES BUSINESS, 7th Floor, Building 10-A, Shenzhen Bay Science and Technology Ecological Park, Nanshan District, Shenzhen

**Contact:** 18617165897 or 0755-27605666

**Email:** [sevice@hexcubes.com](mailto:sevice@hexcubes.com)



### (2) Startup Grind

**startupgrind**

SHENZHEN

IN PARTNERSHIP WITH Google for Startups

Startup Grind is a global tech start-up community powered by Google, which aims to help entrepreneurs learn from and inspire one another and share resources. We organize events in more than 500 cities in 120 countries around the world. Each month, we invite local entrepreneurs and company founders, innovators, educators and investors to participate in our events, and share their personal stories as well as their experiences and lessons learned from their start-up journeys.

**Contact:** Grace Zhang

**Email:** [geng@start-upgrind.com](mailto:geng@start-upgrind.com)

**WECHAT:** 27246054 (please specify intention when adding friends)



WeChat public account: start-upgrind



### (3)Shenzhen Daily / EYESHENZHEN

#### Shenzhen Daily



Founded on July 1, 1997, Shenzhen Daily is the only English-language newspaper in the southern region of China. Based in the Pearl River Delta with a nationwide and global reach, its publishing locations include Mainland China, Hong Kong, the US and Indonesia. Shenzhen Daily has been part of the media industry for 20 years, and is widely acclaimed by the industry and readers for its diverse and globalized point of view and professional and impactful content. It is now one of the most influential foreign-language newspapers and comprehensive English-language media platforms in the south of China.

#### It hosts various media platforms including:

Shenzhen Daily;

EYESHENZHEN (Shenzhen's English language portal website);

Shenzhen Daily WeChat public account;

EYESHENZHEN WeChat public account;

Shenzhen Daily Weibo, WeChat, Twitter and Facebook pages;

#### EYESHENZHEN

With a focus on news, lifestyle information and services, Shenzhen' s English-language portal website EYESHENZHEN is an integrated services platform catering to the foreigners' and global communities, connecting locals with foreigners and bridging global communications.

## 2.Honors of Shenzhen

#### Honors in Social Progress:

Among “The National Civilized City” for the 6th time in 2018

“Demonstration City for Harmonious Communities”

Among “The Most Attractive Chinese Cities for Foreigners” for 9 consecutive years

#### Honors in Environmental Protection:

“National Forest City”

“International Garden City”

UIA' s Sir Patrick Abercrombie Prize

UNEP' s Global Top 500 Laureate Roll of Honor

“National Model City for Environmental Protection”

“National Ecological Garden City”

“Model City for Protection of the Ozone Layer”

“National Model Green City”

“National excellent tourism city”

The United Nations' World Habitat Award

China Habitat Award

“Healthy China City of the Year 2018”

“National Sanitary City”

“National Intellectual Property Rights Demonstration City”

One of China' s top ten cities with the best air quality

#### Honors in Indigenous Innovation:

Ranked 1st among “The Top 30 Innovative Cities in China” by Forbes China in 2018

Hailed as “Silicon Delta” by The Economist

One of the Top 10 Chinese Cities for High-quality Basic Research by Nature

Daya Bay neutrino experiment results were listed as one of the Top 10 Breakthroughs of the Year 2012 by Science

“One of the Best Locales for International Entrepreneurs” by The Economist



Honors in Investment environment:

The most successful out of the 4300 special economic zones worldwide by The Economist

Top city in terms of comprehensive competitiveness in Chinese Academy of Social Sciences’ The Blue Book of Urban Competitiveness.

Forty-four Shenzheners among “the 100 richest people in China” by 2018 “Forbes China Rich List”

One of the 10 Asian Cities of the Future 2011/2012 by The Financial Times’ Foreign Direct Investment (FDI)

Ranked 4th Globally in the Global Urban Competitiveness Report 2019-2020

One of the 55 world first-tier cities in GaWC’s Roster for World-class Cities

Ranked 10th in Asia’s Top Fifty Cities by the Royal Society

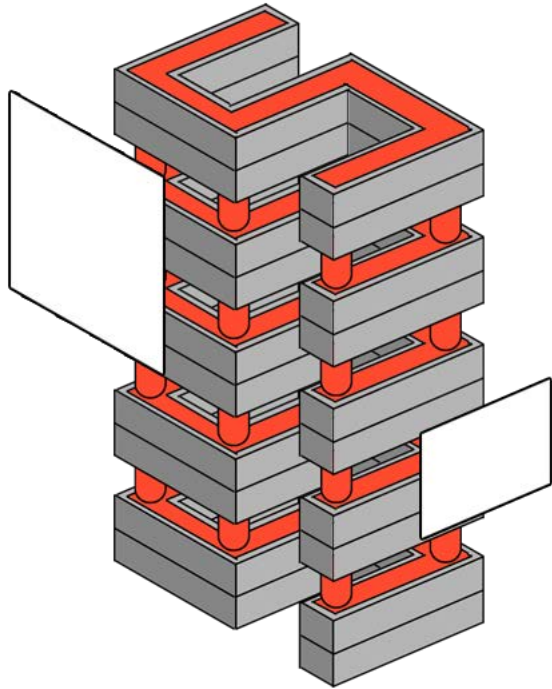
Honors in Culture and Creativity:

“City of Design” by UNESCO

“Outstanding Developing Knowledge City” by the Knowledge Cities World Summit

“The Most Innovative City” by China Radio International

“Global Model City for the Promotion of Nationwide Reading” by UNESCO



3.Table of Sister Cities and Friendship Cities of Shenzhen

( 1 ) Table of Sister Cities of Shenzhen (Updated on October 22nd, 2019)

Country Province/City/Area Signing Date			
(23) Sister Cities			
1	U.S.	Houston	March 11th, 1986
2	Italy	Brescia	November 12th, 1991
3	Australia	Brisbane	June 22nd, 1992
4	Poland	Poznan	July 30th, 1993
5	France	Vienne	October 28th, 1994
6	Jamaica	Kingston	March 5th, 1995
7	Togo	Lome	June 7th, 1996
8	Germany	Nuremberg	May 27th, 1997
9	Belgium	Walloon Brabant	October 12th, 2003
10	Japan	Tsukuba	June 9th, 2004
11	South Korea	Gwangyang	October 11th, 2004
12	Egypt	Luxor	September 6th, 2007
13	Russia	Samara Oblast	December 19th, 2008
14	Israel	Haifa	September 10th, 2012
15	Belarus	Minsk	January 22nd, 2014
16	Bulgaria	Plovdiv	March 24th, 2014
17	Switzerland	Canton of Bern	February 13th, 2015
18	Samoa	Apia	August 31st, 2015
19	The Netherlands	Almere	May 31st, 2016
20	Portugal	Porto	October 18th, 2016
21	Kyrgyzstan	Bishkek	October 24th, 2016
22	Cambodia	Phnom Penh	December 22nd, 2017
23	Britain	Edinburg	May 14th, 2019

(2) Table of Friendship Cities of Shenzhen (Updated on December 24th, 2018)

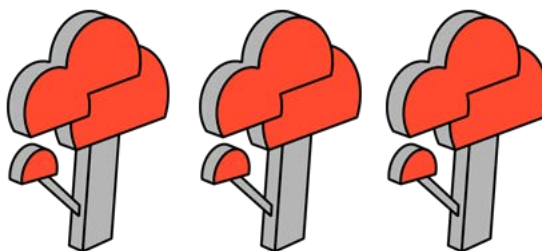
Country Province/Area/City Signing Date			
(65) Friendship Cities			
1	Britain	City of London	October, 2004
2	U.S.	Dallas	October 14th, 2004
3	Russia	Ulyanovsk	May 30th, 2005
4	Indonesia	Bogor	August 17th, 2005
5	Canada	Saint John	October 12th, 2005
6	Cuba	Havana	December 18th, 2005
7	Russia	Siberia	May 24th, 2006
8	Germany	Frankfurt	September 12th, 2006
9	Italy	Turin	September 18th, 2006
10	South Korea	Busan	September 24th, 2006
11	The Netherlands	Delft	September 25th,2006
12	Indonesia	Batam	December 18th, 2006
13	Hungary	Budapest	April 11th, 2007
14	Brazil	Sao Paulo	April 27th, 2007
15	South Korea	incheon	September 1st, 2007
16	Rwanda	Kigali	January, 2008
17	Cape Verde	Mindelo	January, 2008
18	Germany	Berlin	May 16th, 2008
19	Vietnam	Hai Phong	December 28th, 2008
20	Serbia	Belgrade	June 12th, 2009
21	Japan	Osaka	July 30th, 2010
22	Greece	Kavala	September 10th, 2010
23	U.S.	Los Angeles	November 8th, 2010
24	Sweden	Malmo	March 28th, 2012
25	U.S.	Atlanta	March 30th, 2012
26	Russia	Kazan	April 29th, 2012

Country Province/Area/City Signing Date			
(65) Friendship Cities			
27	Argentina	Buenos Aires	May 31st, 2012
28	Spain	Barcelona	July 16th, 2012
29	Britain	Scotland	July 26th, 2012
30	Indonesia	Bandung	September 5th, 2012
31	Russia	Irkutsk	November 17th, 2012
32	Finland	Helsinki	June 10th, 2013
33	Turkey	Ankara	November 17th, 2013
34	Greece	Athens	November 17th, 2013
35	Ireland	Cork	November 17th, 2013
36	Fiji	Suva	November 17th, 2013
37	Britain	British Virgin Islands	January 10th, 2014
38	Colombia	Bogota	January 13th, 2014
39	Russia	St. Petersburg	January 13th, 2014
40	Maldives	Mal é	May 16th, 2014
41	Romania	Bucharest	June 24th, 2014
42	Nepal	Katmandu	September 17th, 2014
43	Australia	Canberra	October 14th, 2014
44	Sri Lanka	Colombo	November 17th, 2014
45	The Netherlands	The Hague	November 17th, 2014
46	New Zealand	Christchurch	April 1st, 2015
47	U.S.	Seattle	June 25th, 2015
48	Mexico	Mexico City	June 29th, 2015
49	Thailand	Bangkok	July 10th, 2015
50	South Africa	Cape Town	September 15th, 2015
51	Mongolia	Ulaanbaatar	September 21st, 2015
52	Germany	Hanover	October 28th, 2015

Country	Province/Area/City	Signing Date
---------	--------------------	--------------

(65) Friendship Cities

53	Canada	Montreal	November 4th, 2015
54	Ghana	Accra	May 13th, 2016
55	Papua New Guinea	Port Moresby	May 27th, 2016
56	Mauritius	Port Louis	May 30th, 2016
57	Bahrain	Manama	September 4th, 2016
58	Italy	Tuscany	September 25th, 2016
59	Canada	Toronto	November 16th, 2016
60	U.S.	Detroit	November 16th, 2016
61	France	Yvelines	February 9th, 2017
62	U.S.	Charlotte	March 16th, 2017
63	Lithuania	Vilnius	June 16th, 2017
64	Italy	Milan	June 13th, 2018
65	UAE	Dubai	December 24th, 2018





Foreign Affairs Office of  
Shenzhen Municipal People's Government

Shenzhen Foundation for  
International Exchange and Cooperation