



# Invest TEDA

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Entrepreneur: Administrative Commission of Tianjin  
Economic-Technological Development Area (TEDA)

Assisted by: Deloitte Touche Tohmatsu CPA Ltd, Tianjin  
Branch (Business Adviser of TEDA Administrative  
Commission)

Edited by: Investment Promotion Bureau of TEDA

## TEDA TOPS ALL DOMESTIC PEERS WITH GDP WELL OVER

### 100 BILLION

In 2008, TEDA's GDP hit 106.5 billion yuan, exceeding 100 billion yuan for the first time. To overcome the negative impact of global financial crisis, local enterprises have made tremendous efforts to ensure growth, survive difficulties and uplift capacity. So far most of them saw positive growth in major economic indicators. According to the statistics released by the Ministry of Commerce, TEDA continues to lead all 53 state-level development zones in the overall economic indicators for the 11<sup>th</sup> successive year.

Faced with the historically unusual global financial crisis, TEDA has taken swift and positive response and managed to realize breakthroughs in the growth of all major economic indicators. Its GDP for the first time exceeded 100 billion to 106.5 billion yuan, a comparable increase of 23.1% and a y-o-y increase of 3.0%. Its industrial output value hit 373 billion yuan, an increase of 11.3% and up by 0.7% than the same period of last year. Fiscal revenue also grew by 14.4% to 25.6 billion yuan. (Tr. Zhang Shanshan)

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Administrative Commission of TEDA

Add.: No. 19, Hong Da Street, TEDA, Tianjin

Website: [www.investteda.org](http://www.investteda.org)

Postcode: 300457

Tel: 022-2520 2597

Fax: 022-2520 1836

Deloitte Touche Tohmatsu CPA Ltd. Tianjin Branch Jason Su: Tax Partner

Add: 30/F The Exchange North Tower 189 Nanjing Road, Heping District, Tianjin 300051, PRC

Tel: + 86 22 23206688 Fax: + 86 22 23206699 [www.deloitte.com/cn](http://www.deloitte.com/cn)

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## THE SEVENTH SAMSUNG JOINS TEDA

To respond to the growing development demand of Samsung Group and build a seamless supply chain for the expansion strategy of the Samsung cell phone manufacturing base in Tianjin, the Samsung Techwin Co., Ltd. and the Tianjin Zhonghuan Electronics Group made a joint investment of 12.5 million dollars to set up the Tianjin Samsung Techwin Opto-Electronics Co. Ltd. at the TEDA Micro-electronics Industrial Park (MIP). This is by far the seventh member of the big Samsung family in our city. The new arm will inject new energy to TEDA's cell phone industry and help uplift local industrial structure and capacity.

At the current stage, Techwin Opto-electronics will mainly supply cell phone camera and monitor to the Tianjin Samsung Telecom. Once fully operational, its sales revenue will exceed 200 million dollars. (Tr. Zhang Shanshan)

## 11 KEY PROJECTS TO BE FINISHED IN 2009

This year 11 key projects such as the Service Outsourcing Park and the Joint Academy of Bio-medicine are to be finished to further improve local public services and facilitate the development and opening-up of the TBNA as a whole.

These 11 projects are: the Joint Academy of Bio-medicine, the Service Outsourcing Park, Phase-I of the Science Development Center, the Fifth Avenue White-collar Apartment, public rental apartment project, TEDA West Blue-collar Apartment, TEDA West Sports Stadium, standard workshops, No.2 Primary School, No.5 Kindergarten, and No.4 Firehouse.

Also, maintenance and renovation of the old TEDA Hospital, the TEDA East Fire Brigade, and Dongting Road Police Station will also be finished this year. In addition, construction work will be initiated for the Phase-II of the Science Development Center, Garbage Compressing and Transport Station, the TEDA West Hospital (a first-level one), the TEDA West Armed Force Barracks, the TEDA West Central-South Stadium, the TEDA West No.2 Fire Brigade, and the TEDA West Police Station. The construction of Binhai University Station, Zhongxinhuang Station, and

Zhangguizhuang Station of the Jinbin Light Rail will also be accelerated to further improve local transportation.

To ensure more development space for the future, TEDA will work closely with neighboring regions in the new year. It plans to jointly launch the Nangang Industrial Zone with Dagang District to accommodate more competitive industries such as petro-chemistry, modern metallurgy, and heavy equipment manufacturing so as to create a more high-end, high-quality and hi-tech industrial structure. Currently, TEDA has already signed agreement with Dagang District and the Tianjin Port Group to set up the Nangang Industrial Zone Development Company to oversee the ongoing construction. It will also properly arrange the construction of the Binhai Tourism Zone and get actively involved in the development of the Sino-Singapore Eco-city. (Tr. Zhang Shanshan)

## **TEDA SEES VIBRANT DOMESTIC INVESTMENT AND BETTER DOMESTIC-OVERSEAS INVESTMENT STRUCTURE**

In 2008, the structure of industrial sectors, enterprises, and products in TEDA continues to see further improvement. Throughout the year, 133 foreign-funded enterprises got registration approval and 192 reinvested. Among them, 86 are projects with over 10 million US dollars of investment. The year-round new foreign investment volume was 7.096 billion US dollars. At the same time, domestic enterprises show a soaring investment interest. In 2008 registered domestic investment hit 50.5 billion yuan, a 1.6-fold increase. Tertiary industry saw 20.5 billion yuan of (or 21% more) value-added and its share in the region's industrial map was up by 1.9 % year on year to 19.3%.

In 2008, six enterprise in TEDA saw sales revenue of over 10 billion yuan, 51 saw over one billion yuan, and 222 saw over 100 million yuan respectively. A batch of high-quality and large-scale projects such as the next-generation carrier rocket, Great Wall Auto, Foxconn, Tencent Digital, Bohai Drilling and Bohai Equipment were attracted to the region. Existing multinationals like Toyota, Samsung, Vestas, Novozymes, Rohm Semiconductor, Bunge Chia Tai, Tokai Carbon, and Ecolean Package continued to expand their investment and turned out to be the driving force of TEDA's investment promotion efforts.

More high-end services poured in at a faster pace, marked by modern services, financial services in particular. In 2008, 82 foreign-funded service providers got approval, accounting for 61.7% of all newly approved enterprises. The percentage of tertiary industry expanded from 19.3% in 2007 to 20.4% in 2008. TEDA is now home to most of the foreign banks, private equity funds, and service outsourcing firms in Tianjin. Restructuring of modern manufacturing industry picked up. The output value of auto and machinery industry was closer to that of the electronics industry than ever with new industrial categories emerging at a surprising speed. The hi-tech innovation system became more complete and more innovation resources and elements are already in place. (Tr. Zhang Shanshan)

## **INDUSTRIAL OUTPUT OF TEDA MIP HIT 78.4 BILLION YUAN IN 2008**

In 2008, the accumulative industrial output value of the TEDA Micro-electronics Industrial Park hit 78.4 billion yuan, a y-o-y increase of 0.21% and accounting for 21% of TEDA's total. Its export was 6.58 billion US dollars, 38% of TEDA's total. Its GDP also grew by 8.5% to 7 billion yuan. Two enterprises there produced over 10 billion yuan of output, six produced over one billion yuan, and 17 produced over 100 million yuan respectively.

Throughout the year, we found three outstanding features in the MIP's industrial development well worth mentioning.

Firstly, the Samsung family continues to serve as a powerful engine of the entire Park. In 2008, six Samsung subsidiaries realized an accumulative output value of 69.8 billion yuan, accounting for 89% of the MIP's total. Also, the successful launch of two new factories of Samsung Communications lays solid foundation not only for Samsung to expand its investment and capacity for cell phone portfolio but also for the long-term success of the MIP as a whole.

Secondly, investment promotion in the past year was more than exciting. The year-round new investment totaled 224 million US dollars. Four enterprises increased investment and nine were newly registered, accomplishing the MIP Investment Holding's set objectives by 4.4 times and the MIP's objectives by 2.2 times. So far, MIP is home to 102 registered enterprises (among which 11 are Fortune 500 ones) with a total investment of 1.46 billion US dollars. It ranks high among its domestic peers with a per square meter investment density of 1,400 US dollars.

Thirdly, the Scientific Development Values also attributed to this year's handsome performance. In 2008, the MIP's per 10,000 yuan GDP water consumption fell to 0.4 ton and power consumption to 40 KWH, down by 5% and 10% respectively as compared with the figures of 2007. It continues to be a front-runner in energy saving and per unit energy output ratio among industrial parks nationwide. (Tr. Zhang Shanshan)

## **DETAILED SUBSIDIZING MEASURES COMING OUT FOR TEETERING ENTERPRISES**

According to the TEDA Administrative Commission, a detailed implementing regulation entitled 15 Measures to Ensure Growth, Survive Difficulties and Build Competitiveness has been released to help enterprises with their operational difficulties. In response to their practical needs, the TAC set up a special team to review the earmarked fiscal grants and offers subsidies in five aspects such as loan interest subsidy.

The Measures will be valid until December 31st, 2009 and applies to small productive enterprises and small and medium-sized technology enterprises that are registered in TEDA, virtually contributive to the disposable income of TEDA, and with recognized operational difficulties by the TAC. According to the Measures, TEDA will offer subsidies to qualified enterprises in the following five aspects:

### **I. Loan Interest Subsidy**

Qualified enterprises can be granted 50% subsidies for the interest of loans related to their operation occurring in 2008 or 2009. The subsidy term is one year. The maximum total subsidy for each recipient enterprise is 500,000 yuan.

### **II. Subsidy for the Special Audit Fee of Hi-tech Enterprises**

Small and medium-sized enterprises who are at start-up phase and apply to be recognized as Tianjin municipal-level hi-tech enterprises yet are financially incapable of paying special audit fee may be granted a maximum of 5,000 yuan as subsidy each.

### **III. Subsidy for the Patent Purchase of Hi-tech Enterprise Applicants**

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Add.: No. 19, Hong Da Street, TEDA, Tianjin

Website: [www.investteda.org](http://www.investteda.org)  
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Tel: 022-2520 2597  
Fax: 022-2520 1836

Deloitte Touche Tohmatsu CPA Ltd. Tianjin Branch    Jason Su: Tax Partner  
Add: 30/F The Exchange North Tower 189 Nanjing Road, Heping District, Tianjin 300051, PRC  
Tel: + 86 22 23206688    Fax: + 86 22 23206699    [www.deloitte.com/cn](http://www.deloitte.com/cn)

Small and medium-sized enterprises who are at start-up phase yet without self-developed patents, if need to purchase patent rights or exclusive global licenses for patented technologies to apply for the recognition as Tianjin municipal-level enterprises, can be granted a maximum 20% subsidy for related fees if they do have financial difficulties. The maximum subsidy to each enterprise recipient shall not exceed 100,000 yuan.

#### IV. Corporate Income Subsidy

Qualified enterprises can be granted 80% of the TEDA-retained part of their paid corporate income tax of 2008. The maximum subsidy to each enterprise recipient is one million yuan.

V. The TAC can also adopt other supportive measures which it considers as rational and feasible according to the specific demand of individual enterprises.

Responsible government staff express that enterprise recipients should have detailed spending plan for the subsidies from the TAC and promise their employee headcount in 2009 shall not be lower than the previous year. To apply for related subsidies, they can go the reception desk of TEDA Policy Delivery Office, namely, Window No.36 of Administrative License Service Center at the B Area of TEDA Investment Service Center. (Tr. Zhang Shanshan)

## **TEDA CANCELS A SERIES OF ADMINISTRATIVE CHARGES**

From Jan 1st this year, TEDA has called off 16 administrative charges relating to the production and operation of enterprises and people's daily life. It also correspondingly reduced and exempted the registration fee of enterprises. These efforts are aimed at further optimizing investment environment and reducing residents' living cost.

Among the annulled charges, the following categories are directly relevant to investment promotion and the production and operation of enterprises: organization code certificate fee, construction contract review fee, enterprise personnel file custodian fee, work capacity assessment fee, title review fee, vocational skill accreditation fee, material fee for professional qualification certificate, material fee for vocational qualification certificate, construction project quality supervision fee, road passenger and cargo transportation charge, road transportation administration fee, and water transportation administration fee. Also, several categories linked to people's daily life were also removed such as material fee of household register and

card, material fee of medical insurance handbook, material fee of library IC card, and material fee of property ownership certificate.

According to related regulations, although the material fee of property ownership certificate is now removed from the property ownership registration fee package, property ownership registration fee remains at 80 yuan per unit while non-property ownership registration fee at 500 yuan per case. Although the enterprise personnel file custodian fee is removed from the general personnel file custodian fee, individual personnel file custodian fee remains at five yuan per person per month. Having exempted and reduced enterprise registration fee, TEDA will still keep lawsuit expenses, environment-related fees, sanitation and epidemic prevention fees, resource compensations, as well as other fees and charges which are in line with related national policies unchanged.

In the future, fees and charges by administrative and institutional agencies within TEDA will be subject to public release. Various agencies are required to timely explain to responsible pricing administrators (i.e. the TEDA Development Planning Bureau and the TEDA Financial Bureau) about any fees beyond the newly revised charging list. With their charging exemption registration cards, enterprises can apply to be exempted from those administrative charges annulled by TEDA and go through exemption registration and settlement procedures at related agencies. (Tr. Zhang Shanshan)

**Sponsor:** Investment Promotion Bureau, Administrative Commission of Tianjin Economic-Technological Development Area (TEDA)

**Translators:** Department of Translation and Interpretation, Administrative Commission of Tianjin Economic-Technological Development Area (TEDA)

**Translation Reviser:** Liu Xiaojing, Department of Translation and Interpretation, Administrative Commission of Tianjin Economic-Technological Development Area (TEDA)

**For more information, please contact:**

Investment Promotion Bureau, Administrative Commission of Tianjin Economic-Technological Development Area (TEDA)