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The local government is determined to create a sound financial service environment in the Haidian district to provide a major venue for business, conferences, finance, and related activities.

Integrating financial services with innovative developments

By HAN XIAO

Beijing's Haidian district is of course known for its many good universities mixed in with high-tech companies, but now it has its eyes fixed on something seemingly different — finance. It aims to build itself into a tech-financial innovation hub.

Well, perhaps not so strange. In the first half of this year, 111 more companies involved in finance moved to Haidian, bringing the total number to 1,740.

These firms had tax revenues of 27.6 billion yuan in the first six months this year, according to a district government report.

More equity firms, accounting firms, securities companies, and credit and insurance companies have got their foot in the door of this drowsy area, which has long been known for its cluster of leafy universities.

What lies behind the rapid growth in finance is a set of district govern-

ment policies that favor integrating financial services with technological innovation.

One recent district government report said that the local government is determined to create a sound financial service environment in the district to make it a major venue for business, conferences, finance, and related activities.

One example of this is the district's Private Equity (PE) building, which houses 78 firms. And, in the Zhongguancun area, known as China's Silicon Valley, there are 172 financial institutions, which contributed 190 million yuan in taxes in the first half of 2011.

The district has held six finance forums so far this year, bringing together finance firms and more than 50 companies looking for capital for business expansion.

Ambitious plans

The district has said it wants to explore the possibility of setting

up a regional stock exchange for companies not traded on the open market.

Meanwhile, it intends to continue encouraging businesses in Haidian and giving them help in getting listed on major exchanges, both in China and abroad, so it can eventually get that "Zhongguancun board".

In February, the district government laid out its grand vision for the Haidian of 2015: a tech-financial innovation system with a multi-layered capital market, supported by a range of financial services including PE, securities, credit, and insurance.

An even greater long-term plan, suggested in the same government document, calls for 500 PE firm with more than 500 billion yuan in their portfolio, and 300 publicly traded companies in the district.

So far, the district has managed to channel 185 million yuan worth of venture capital into 13 proj-

ects in Haidian, and is currently reviewing other finance programs submitted by nine venture capital firms.

It is also encouraging talks with PE firms to see how they can contribute to China's ambitious innovation strategy, especially for developing the Zhongguancun National Innovation Demonstration Zone.

The district government has said that it has been on a lookout for ways to get its businesses to go public and is in close contact with major stock exchanges in China and abroad. It already has an agreement with the Shenzhen Stock Exchange to jointly promote IPOs for those district businesses.

In fact, the US NASDAQ opened a liaison office in the district this year to provide consultation. And PricewaterhouseCoopers even opened a second Beijing office in the district to provide accounting services for those interested.

Zone will bring together institutes engaged in global technology transfers and innovative services

By HAO NAN

China is getting a new technology transfer center this October — the first it cooperates with a foreign partner, in fact — at the high-tech Zhongguancun Haidian innovation zone, in Beijing, where it will connect science parks with high-tech companies.

The China-Italy Technology Transfer Center will be located in the Zhongguancun Dinghao Electronic Mall and will increase communications between China and Italy, as well as interactive development, according to Beijing's Technology Exchange and Promotion Center.

Italy and China expect the center to integrate education, research, and production to help them form a long-term cooperative mechanism. It will also support a creative alliance, joint R&D center, and laboratory, according to China's science and technology minister, Wan Gang, who spoke at the inaugural ceremony in April.

The center's major responsibility is to increase opportunities for tapping into each other's markets and Wan highlighted the help they had from small and medium-sized enterprises (SMEs) in both of the countries.

He also emphasized the cooperation in intellectual property rights protection, which they expect, as well as the sharing of technology.

The bulk of the work is being shouldered by the Beijing science and technology commission and Italy's Innovation Technology Promotion Department.

Over next three years, the two departments will establish three ways to carry out technology transfers and sharing of information. They will also provide consulting services in IPR, investment, and financing for Chinese and Italian enterprises.

Some 100 Italian science orga-



The International Technology Transfer Zone will bring together a group of institutes engaged in global technology transfers and innovative services."

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nizations, such as science and technology zones, universities and SME incubators, have already been invited to visit China.

Another visit for 150 Italian SMEs will be arranged for October, according to the Chinese sponsor.

Meanwhile, also in Zhuangguancun, work on an International Technology Transfer Zone has begun, a Technology Exchange and Promotion Center department chief, Xia Wenhuan, has said.

It is scheduled for completion in two to three years, on a 20,000-square-meter tract of land.

Xia explained that the international zone will bring together a group of institutes engaged in global technology transfers and innovative services.

"It is expected to attract 50 institutions by 2012, and many relevant foreign organizations have shown an interest, such as the Denmark Innovation Center and EU SME Center."

The international zone will include a club for members and will have a number of novel project promotions and technology exhibitions.

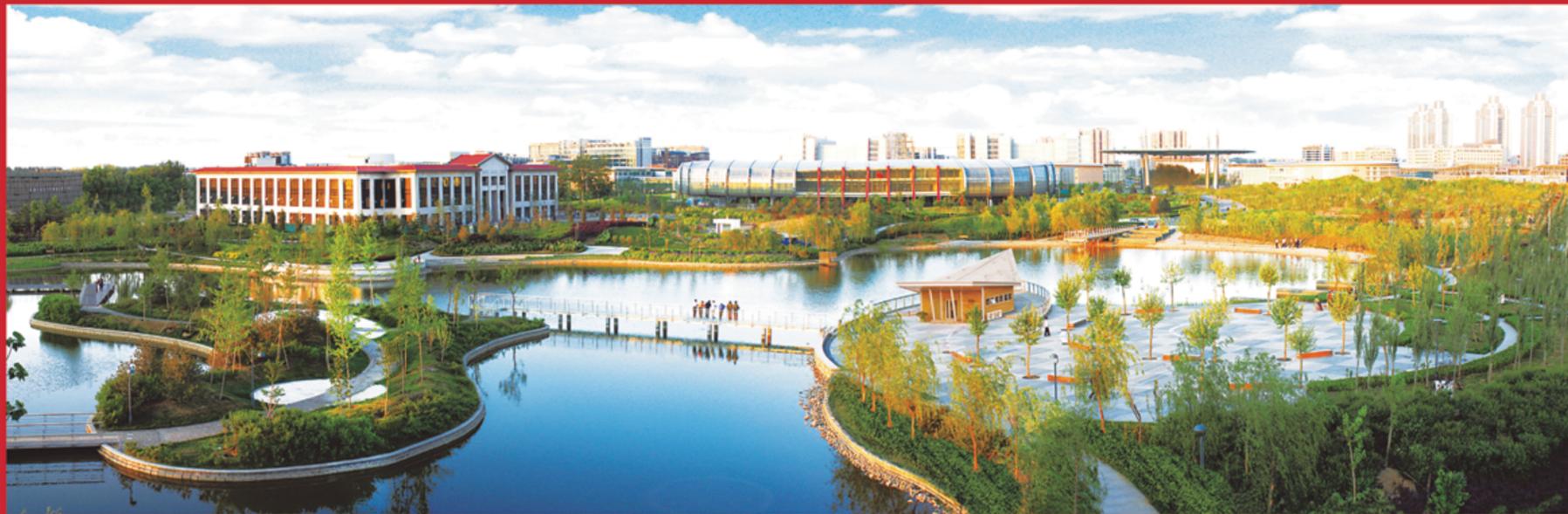
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