Zhengzhou Zhengdong New District Investment Environment Study 2009
Contents

Preface

1. Zhengzhou in context 3
2. Zhengdong New District Development 7
3. Investment in Zhengzhou New District 14
4. Appendix 23

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Preface

This publication presents an overview for domestic and overseas investors interested in the investment environment of Zhengdong New District in Zhengzhou, Henan Province.

Zhengzhou has a very central location in China and is the capital of Henan province. It has an established transportation network, extensive labour force and abundant natural resources which make it an important location for commerce and trade in China.

Zhengdong New District is located in the east of Zhengzhou, covering a planned area of 150 km². Inaugurated in 2003, the district has become a focal point for investment in central China due to:

- Favourable location: two major railways (Beijing-Guangzhou and Xuzhou-Lanzhou railway) will intersect at the Zhengzhou New Railway Station in Zhengdong New District. The district is 7 km away from the centre of Zhengzhou and a 20-minute drive from the Xinzheng International Airport.
- The district is taking shape as a regional financial, commercial and transport hub, with a built-up area of over 50 km², incorporating 458 investment projects. Accumulated fixed asset investment has reached RMB 62 billion (USD 9 billion) with utilised foreign investment of RMB 2.6 billion (USD 375 million).
- Industry development strategies focus on financial services, headquarters activities, conferences and exhibitions, logistics and retail.

The district’s development has attained recognition:

- Zhengzhou was recognized by Forbes as one of the “Top Cities in China for Business” from 2004 to 2008.
- Zhengdong New District Centre Business District (CBD) was named one of “China’s New Top 10 Landmark CBDs”, “China Top One CBD with Investment Value”, “China New Financial Ecology City”, and “Most Competitive Financial Centre in Central China”, among other awards.

The business environment is evolving rapidly in China. Moreover, cost and operational issues vary from company to company and from industry to industry. Companies that are doing business in China, or planning to do so, are advised to obtain current information and company-specific advice from experienced professional advisors and to conduct proper due diligence. This publication is dedicated to providing prospective investors with accessible, independent research on the business environment in Zhengdong New District. However, this report should not be construed as a substitute for detailed due diligence prior to investment.

The sources of information in this booklet have been attributed throughout; the assistance of the Investment Promotion Bureau of Administrative Committee of Zhengdong New District is gratefully noted. This booklet contains information available as at March 2009.
Zhengzhou is the capital of Henan province, and is located on the Yellow River. As an important transportation hub, Zhengzhou is a key commercial and trade centre in China with large labour force and mature industrial base.

Zhengzhou in context

- City introduction
- Economy
- Competitiveness
City introduction

Zhengzhou, the capital of Henan province, is a city with a long history and rich culture

- Henan province lies in the middle and lower reaches of the Yellow River, and is one of the origins of Chinese civilization. With a population of approximately 99 million at the end of 2008, Henan province is the most populous province in China
- Zhengzhou covers 7,446 km² and comprises six urban districts, five county-level cities and one county. At the end of 2008, Zhengzhou had a population of around 7.4 million with an urbanisation rate of 62.3%
- As one of the eight ancient Chinese capitals, Zhengzhou has a history of over 5,000 years and was the capital of five dynasties

Zhengzhou is an important transportation hub

- Zhengzhou is the junction of two major railways, Beijing-Guangzhou and Lanzhou-Lianyungang, and has convenient rail links to major cities, such as Beijing, Shanghai and Guangzhou
- Zhengzhou is located on the Beijing-Hong Kong-Macau Expressway, which runs through China, and the Lianyungang-Horgos Expressway, the longest West-East highway in China
- Henan's expressway mileage is the most of any Chinese province, amounting to over 4,841 kilometres
- Zhengzhou Xinzheng International Airport has domestic routes to over 50 cities, and also operates international routes

Zhengzhou has a temperate climate

- In 2006, Zhengzhou was recognised as a “National Garden City” by the Ministry of Construction (now the Ministry of Housing and Urban Development)
- Zhengzhou is a temperate city with four distinct seasons. The mean temperature is 0.1°C in January and 27.0°C in July. Annual rainfall is 632.4 mm, with an average humidity of 67 percent
Economy

Zhengzhou’s economy is growing rapidly, mainly boosted by its manufacturing and service industries

- In 2008, the gross domestic product (GDP) of Zhengzhou was RMB 300.4 billion (USD 44.2 billion), and grew at an average of 12.2 percent per annum in the past five years. GDP per capita amounted to RMB 40,617 (USD 5,973) in 2008, double the figure in 2003
- Manufacturing and construction represent over half of Zhengzhou’s economy, followed by services which, at over 40 percent of the economy in 2008 was higher than the national average
- In 2008, Zhengzhou’s exports totalled approximately USD 3 billion, a y-o-y increase of 36.1 percent. The added value of large-scale industrial enterprises in Zhengzhou was RMB 122.37 billion (USD 17.8 billion), an increase of 18.1% over 2007 levels

Zhengzhou’s “pillar” industries include automobiles and machinery, energy, aluminium manufacturing and food processing

- Buses and commercial vehicles are the key products of Zhengzhou’s automobile industry. Automotive companies, such as Nissan and MAN, have already established a presence in Zhengzhou
- Owing to its extensive coal reserves, Zhengzhou is a base for thermal power generation, both in central China and nationwide
- Zhengzhou is known as the “Aluminium Capital” and its alumina output accounts for approximately 50 percent of China’s total. The city is an important aluminium manufacturing base in China
- Zhengzhou’s food processing industry is in a leading position in China. Its frozen food holds over 50 percent of the market share nationwide

<table>
<thead>
<tr>
<th>Industry</th>
<th>Industrial Added Value (RMB billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-metal minerals</td>
<td>30.15</td>
</tr>
<tr>
<td>Coal mining and processing</td>
<td>14.52</td>
</tr>
<tr>
<td>Machinery</td>
<td>11.70</td>
</tr>
<tr>
<td>Non-ferrous metal processing</td>
<td>9.69</td>
</tr>
<tr>
<td>Power and heating generation and distribution</td>
<td>7.66</td>
</tr>
<tr>
<td>Transportation equipment manufacturing</td>
<td>4.72</td>
</tr>
<tr>
<td>Food processing</td>
<td>4.23</td>
</tr>
</tbody>
</table>

Source: Zhengzhou Municipal Statistics Bureau

Sources:
(1) Zhengzhou Statistical Yearbook
(2) Zhengzhou Economy and Social Development Statistics Report

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Competitiveness

Zhengzhou connects West to East, North to South

- Zhengzhou, located in the centre of mainland China, is a major highway, communication and air traffic hub
- It takes five hours to travel from Zhengzhou to Beijing by train. The flying time to Shanghai, Chongqing, Guangzhou and other major cities in China is under two hours. In the future, via high speed railway it will take only two to two and half hours to travel from Zhengzhou to Beijing, Xi’an and Wuhan, and four hours to Shanghai
- According to the Blue Book of Urban Competitiveness (5th edition) by the Chinese Academy of Social Sciences, Zhengzhou surpassed other regional economic centres, such as Wuhan, Changsha and Xi’an in terms of economic location advantage

Zhengzhou’s large consumer market offers potential

- Zhengzhou residents have seen increasing income and consumption levels. In 2008, the average per capita income and average per capita consumer expenditure for urban residents were RMB 15,732 and RMB 9,700, respectively, increasing at an average of 13.5 and 9.6 percent per year from 2003 to 2008. On both measures Zhengzhou was above the national average
- Retail sales reached RMB 120.6 billion in 2008, a y-o-y growth of over 23 percent

Zhengzhou’s fixed asset investment has seen rapid growth and Zhengdong New District has been a hot spot

- In 2008, Zhengzhou had RMB 177.3 billion of investment in fixed assets, a y-o-y increase of over 29 percent, with a CAGR of 28.7 percent from 2003 to 2008
- The Zhengdong New District has seen over RMB 60 billion in fixed asset investment by the end of 2008, in 458 separate projects

Zhengzhou has an impact on the neighbouring area

- As a large, growing urban area, advanced manufacturing base and modern logistics centre, Zhengzhou has strengthened its impact on the neighbouring area
- The government of Henan province plans to develop a “Central City Cluster”, with Zhengzhou in the centre, which encompasses eight nearby cities. The aim of this initiative is to improve coordination and the competitiveness of Zhengzhou as well as neighbouring cities
  - the “Central City Cluster” includes eight cities within a one-hour drive from Zhengzhou: Luoyang, Kaifeng, Xinxiang, Jiaozuo, Xuchang, Pingdingshan, Luohe and Jiyuan, with an area of 58,700 km² and total population of 39.5 million
- Zhengzhou-Kaifeng integration is an important aspect of enhancing the development of the “Central City Cluster”: A plan for the two cities’ infrastructure and industrial development has been agreed

Sources:
1. Zhengzhou Economy and Social Development Statistics Report
2. Administrative Committee of Zhengdong New District

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Zhengdong New District is a newly developed district in eastern Zhengzhou and has a planned area of 150 km². The district started construction in 2003. Zhengdong New District is a strategic element of building Zhengzhou as a centre for business and logistics in China.

2 Zhengdong New District Development

- Development plan
- Featured industries
Development plan

A city within a city in Zhengzhou – Zhengdong New District

- The district has been planned according to the “Comprehensive City Plan of Zhengzhou (1995-2010)” to enhance the overall function of the city and build it into a regional centre
- The district extends from Zhongzhou Avenue (previously National Highway No. 107) in the west, to Beijing-Zhuhai Expressway in the east, and from the Lianyungang-Horgos Expressway in the north to the Airport Highway in the south
- The district comprises six sectors: the Central Business District (CBD), Commercial and Logistics District, Long Lake District, Longzihu University Town, Science and Technology Logistics Park and Zhengzhou National Economic and Technological Development Area

Map of Zhengdong New District

The Long Lake District will cover around 40 km² of which the lake covers around 6 km². Together with rivers across the city and the Zhengzhou National Forest Park, it forms an urban ecological district.

The Longzihu University Town will cover about 22 km² and comprise several universities.

The Science and Technology Logistics Park covers about 18 km². Research institutions and industrial projects related to highways, logistics and ports are encouraged to locate in the park.

The Commercial and Logistics District supports the CBD. It is planned to cover about 23 square kilometres with a focus on government departments, public facilities, service institutions, wholesale and retail, logistics companies and residential areas.

Zhengzhou National Economic and Technological Development Area is planned to cover 50 km². It has already developed 15 km² for industrial development.

The CBD covers around 3.45 km², comprising 60 high-rise buildings in two rings. The inner ring’s buildings are 80 metres high, while the outer ring’s are 120 metres high. The pedestrian street sits between the two rings.

Zhengzhou International Convention and Exhibition Centre, the Art Centre of Henan and Zhengzhou Conference and Exhibition Hotel, and other landmark buildings are located in the area.
The plan for the district defines the important development areas

- The district’s infrastructure will continue to be developed with the goal of becoming one of China’s most advanced district by 2016. The CBD, southern part of the Long Lake District, the Commercial and Logistics Park and the Longzihu District will be fully constructed by 2012. The Longer term plan calls for Zhengzhou National Economic and Technological Development Area to be an influential advanced industrial and modern production base, driving the economic development of the city and the wider region

- The district’s transportation infrastructure is already taking shape, integrating railways, expressways, city railways, city public transportation, and inter-city public transportation

- The district’s facilities for leisure, education, sports, medical care, and business are improving. Key projects are already under construction, including the Zhengzhou Urban and Rural Planning Exhibition Centre, New Zhengzhou Library, Zhengzhou Olympic Sports Square, Yihe Hospital, Friendship Hospital, Zhengzhou Conference and Exhibition Hotel, and the pedestrian street

Construction of the “Greater Zhengdong New District” provides an opportunity for further development of the district

- In early 2009, the Henan Provincial Government proposed a “Greater Zhengdong New District,” which positions Zhengdong New District as the most important project for Henan’s economic development
  - the “Greater Zhengdong New District” comprises Zhengdong New District and several industrial zones including Zhengzhou National Economic and Development Area, Zhengzhou-Kaifeng Economic Zone, Zhengzhou Airport Zone and Zhengzhou International Logistics Park
  - the “Greater Zhengdong New District” will focus on high-tech and services as a pioneer of industries upgrade and environmental protection in Henan province

- In 2050, the government envisions a Zhengzhou-Kaifeng city cluster, comprising Zhengzhou, Kaifeng and the surrounding counties. The cluster will hold 20 million people and the centre of the cluster will be the “Greater Zhengdong New District”

Source: Administrative Committee of Zhengdong New District
District development

The emerging city within a city

- Since its establishment in 2003, Zhengzhou New District has seen significant investment:
  - by the end of 2008, the total constructed area was over 50 km², with accumulated fixed asset investment of RMB 62 billion in 458 projects
  - the accumulated floor space under construction and completed exceeded 20 million m², holding more than 300,000 people
  - the utilised FDI amounted to USD 160 million in 2008, 35.6 percent higher than that in 2007
- The district is committed to a green future: in 2008, green areas exceeded 10 million m², in 33 city parks; the green coverage rate in the CBD exceeded 51 percent

The services industry is a driver of the district’s development

- The New District focuses on financial services, headquarters, conferences and exhibitions, logistics and commercial services
- Twenty provincial financial institutions have been set up in the CBD and 37 headquarters have been set up in the district. Featured industries are emerging, including finance and insurance, consulting and advisory, as well as media and communications
- The Zhengzhou International Convention and Exhibition Centre in the district has held over 200 exhibitions, spurring the development of related industries. In addition, some large-scale modern logistics companies have entered the district
- Many multinational hypermarket chains, including Wal-Mart, Carrefour and Metro have set up in the district, speeding up the development of commercial and trade services

CBD is the centre of the district

- The CBD is not only the focal point of Zhengzhou, but also an important location for the finance sector and corporate headquarters in Henan province, with office floor space under construction and completed of some 3 million m²
- Three landmarks are located in the district, including the Zhengzhou International Convention and Exhibition Centre, the Art Centre of Henan and the Zhengzhou Conference and Exhibition Hotel
  - many national influential exhibitions including the 2007 Central China Expo and 2008 China Domestic Tourism Fair were held in the Zhengzhou International Convention and Exhibition Centre; the project was awarded the National Luban Award for Construction Project in 2006 by the former Ministry of Construction and China Construction Industry Association
  - the Art Centre of Henan, located in the CBD and covering 10 hectares with a construction area of 75,000 m², was established at the end of 2006. The centre has a 1,800-seat grand theatre, an 800-seat concert hall, a 300-seat theatre and art galleries
  - the Zhengzhou Conference and Exhibition Hotel will be completed in 2010. Its total investment is RMB 2.2 billion and, at 63 floors and 280 metres high, it will be the tallest building in central China
Featured industries — financial services, and headquarters

- The value added in Zhengzhou finance and insurance services reached RMB 16.8 billion in 2008 with an average growth of 22 percent in the past three years. According to governmental forecasts, the value added in the industry will account for 8 percent of total GDP by 2010.

- A total of 20 banks, insurance companies and securities institutions entered the CBD in 2008, including HSBC, the first foreign bank to open in Henan province. By the end of 2008, 38 financial institutions were in the CBD and 37 headquarters were moving into the district.

- The district government is promoting the introduction of headquarters by attracting large enterprises to set up headquarters buildings or lease office buildings in the CBD. In 2008, the district saw 10 headquarters of key provincial enterprises set up.

- According to the development goals of the latest “Ten Year Plan,” the district will focus on the following aspects of finance and insurance services, and company headquarters:
  - attract domestic and foreign banks, and insurance institutions to set up regional headquarters in the district
  - gradually change the CBD into an area of concentrated finance institutions, with regional impact and complete service capabilities
  - over 40 financial institutions headquarters and province level branches will be in the CBD by 2012
  - attract regional headquarters of multinationals, corporate headquarters or regional headquarters of domestic company groups, headquarters of provincial enterprises

Financial institutions locating to the CBD, 2007-2008

<table>
<thead>
<tr>
<th>Banks</th>
<th>Insurance companies</th>
<th>Other financial institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>People’s Bank of China</td>
<td>Ping An Insurance</td>
<td>Zhengzhou Commodity Exchange</td>
</tr>
<tr>
<td>Bank of China</td>
<td>New China Insurance</td>
<td>Bridge Trust</td>
</tr>
<tr>
<td>Agriculture Bank of China</td>
<td>Taiping Life Insurance</td>
<td>Central China Securities</td>
</tr>
<tr>
<td>Guangdong Development Bank</td>
<td>Sinosafe General Insurance</td>
<td>Sinopec Finance</td>
</tr>
<tr>
<td>Minsheng Bank</td>
<td>Du-Bang Insurance</td>
<td>China Merchants Securities</td>
</tr>
<tr>
<td>HSBC</td>
<td>Bank of China Insurance</td>
<td>Guosen Securities</td>
</tr>
<tr>
<td>China CITIC Bank</td>
<td>China United Property Insurance</td>
<td></td>
</tr>
<tr>
<td>Commercial Bank of Zhengzhou</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Investment Promotion Bureau of Administrative Committee of Zhengdong New District
Featured industries — conferences and exhibitions, logistics

The District is home to an iconic Convention and Exhibition Centre

- Zhengzhou International Convention and Exhibition Centre, one of the city’s landmarks located in the CBD, is managed by Hong Kong - Shanghai Venue Management (Zhengzhou) Ltd.
  - Hong Kong - Shanghai Venue Management (Zhengzhou) Ltd. is a joint venture between Hong Kong Exhibition and Convention Venue Management China Ltd. and INTEX Shanghai Co., Ltd.
  - the Centre covers a construction area of 227,600 m², which includes the 60,800 m² convention centre and a 166,800 m² exhibition centre
  - the exhibition centre comprises 2 major halls offering an exhibition area of 60,000 m². Each hall can be divided into 6 smaller sections, and can accommodate up to 3,438 nine square-metre standard booths

- The Centre has held over 200 large-scale exhibitions and conventions on the international and national level since it was launched in 2005, including 20 exhibitions over 30,000 m², and 165 conventions. The total number of foreign and domestic visitors reached over 3.2 million since opening
  - the Centre hosted the 2007 National Agricultural Machinery Fair, the 55th National Pharmaceuticals Fair, the 31st, 33rd, 35th and 37th National Pharmaceutical Machinery Expo, the 62nd National Automobile Parts Fair, the 2nd Central China Investment and Trade Fair, Miss Tourism Queen International 2007 and 2008, and the 2008 China (Zhengzhou) International Tourist City Mayoral Forum

- The Centre was awarded “China Exhibition Industry Best Venue Service Award”, “China Exhibition Industry Top 10 Venue Award” and “China Exhibition Industry Top 10 City Award” by the 5th China Events Fortune Forum Organiser in 2008. It also won “2008 China the Best Exhibition Centre” given by China Conference & Exhibition Top forum Organizer and China Convention & Exhibition Annual Election Office in January 2009

A modern logistics centre is emerging

- Benefiting from its strategic location, Zhengzhou has seen rapid growth in the logistics trade, especially highway transportation

- A number of completed and on-going large-scale logistics infrastructure projects will further strengthen the city’s position as a national transportation hub
  - the Zhengzhou Expressway Logistics Hub, located in the east of the district, covers an area of 315 hectares, within a 20-minute drive from Xinzheng International Airport; it is an inland logistics hub, linking road, rail, port and airport
  - Zhengzhou Railway Container Centre will go into service in June 2009 and will be one of the largest railway container centres in Asia. It is one of 18 container centres planned in China’s national “Medium and Long-term Railway Network Plan.” The centre will cover an area of 143 hectares with a total investment of RMB 500 million and planned annual throughput of 9.31 million tonnes

Sources:(1) Investment Promotion Bureau of Administrative Committee of Zhengdong New District
(2) Zhengzhou International Convention and Exhibition Centre

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Featured industry — retail

Retail activities are on the rise

- As at the end of 2008, over 1,180 retail enterprises had registered in the district. Over 150 stores such as Metro, Dennis and RedStar, and 120 restaurants such as KFC, Dio Café, SPR coffee and West Lake Spring have opened in the district.

  - Metro, the Fortune 500 retail giant, first set up in Zhengzhou in 2005. A new Metro store is located in the commercial and logistic park in the district with a total investment of RMB 100 million and an area of 7,500 m².

  - a RedStar Furniture store is located in the commercial and logistic park in the district with a total investment of RMB 600 million. Phase I opened in 2007 with a total area of 100,000 m².

  - KFC opened its 6th drive-through restaurant in China in 2007 in the district. It is also the first drive-through in central China.

- The district is promoting its retail sector in a focused area of “one ring, two lines, four streets” to build a commercial centre of shopping, entertainment, dining, household and fitness.

## Major retail projects in the district

<table>
<thead>
<tr>
<th>CBD pedestrian street</th>
<th>A circular street located between the inner and outer ring roads, divided into four segments with a total length of 3.2 km</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- Dennis pedestrian street: 1.5 km long, seven-theme blocks, 260,000 m² construction area, 200,000 m² commercial area</td>
</tr>
<tr>
<td></td>
<td>- CNPC pedestrian street: RMB 230 million investment, 80,000 m² construction area</td>
</tr>
<tr>
<td></td>
<td>- Homsen Donghuan pedestrian street: RMB 720 million investment, 120,000 m² construction area, 80,000 m² commercial area</td>
</tr>
<tr>
<td></td>
<td>- Yongwei Jiayuan pedestrian street: RMB 360 million investment, 53,000 m² planned area</td>
</tr>
<tr>
<td></td>
<td>Open in 2009, focusing on shopping, dining, entertainment and business, and the major commercial area in the CBD</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Baolong City Plaza</th>
<th>A shopping mall to be located in the South Long Lake District with a focus on shopping, entertainment, catering and service apartment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- 250,000 m² construction area, 190,000 m² commercial area</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Vancouver Time Plaza</th>
<th>North American-style shopping mall</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- 130,000 m² construction area</td>
</tr>
</tbody>
</table>

Source: Zhengdong New District Commercial Resources Handbook
3 Investment in Zhengdong New District

- Human resources
- Infrastructure
- Inbound investment trends and registration procedures
- Favourable policies and incentives
- Business and living environment
- Investor feedback

Zhengdong New District offers favourable investment policies, convenient investment services and an improved commercial and living environment.
Human resources

Zhengzhou has a large workforce, with over 240,000 people entering the job market every year

- As the capital city of the most populous province, Zhengzhou has a sizeable workforce, supplemented by new graduates from high schools, technical institutes and universities
- Zhengzhou has 40 universities and colleges with approximately 140,000 graduates in 2008; there are 126 vocational secondary schools in Zhengzhou and around 99,000 graduates in 2008

Monthly salaries of locally-hired staff are typically below RMB 3,000

- The total cost of employment consists of a basic salary and social welfare benefits, such as pension and medical insurance
- According to the Zhengzhou Municipal Bureau of Statistics, the average monthly wage of fully employed urban staff and workers was RMB 2,045 in the first three quarters of 2008

<table>
<thead>
<tr>
<th>Position</th>
<th>Average monthly salary (RMB)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General manager</td>
<td>3,050</td>
</tr>
<tr>
<td>Finance manager</td>
<td>2,321</td>
</tr>
<tr>
<td>Sales/Marketing manager</td>
<td>2,084</td>
</tr>
<tr>
<td>Technician</td>
<td>1,698</td>
</tr>
<tr>
<td>Process worker</td>
<td>1,298</td>
</tr>
<tr>
<td>Administrative staff</td>
<td>1,165</td>
</tr>
</tbody>
</table>

Note: The indicative salary scale is based on the result of a survey conducted by Zhengzhou Municipal Bureau of Labour and Social Security, with the sample size of over 20,000 employees in 600 enterprises in Zhengzhou.

Source: Zhengzhou Municipal Bureau of Labour and Social Security

Social welfare benefits must also be paid by the company and considered when estimating total staff costs

- All enterprises must contribute to a range of benefits required by the government on behalf of employees, including pension, unemployment insurance, medical insurance, and housing fund
- The level of contribution is based on a percentage, set by the local authorities, of an employee’s salary (see table)

<table>
<thead>
<tr>
<th>Zhengzhou welfare obligations</th>
<th>% of salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension</td>
<td>20%</td>
</tr>
<tr>
<td>Housing fund</td>
<td>8-12%</td>
</tr>
<tr>
<td>Basic medical insurance premium</td>
<td>8%</td>
</tr>
<tr>
<td>Unemployment insurance premium</td>
<td>1%</td>
</tr>
<tr>
<td>Staff and worker’s injury insurance premium</td>
<td>1%</td>
</tr>
<tr>
<td>Maternity insurance</td>
<td>1%</td>
</tr>
<tr>
<td>Total</td>
<td>39-43%</td>
</tr>
</tbody>
</table>

Source: (1) Zhengzhou Municipal Bureau of Labour and Social Security  
(2) Zhengzhou Housing Fund Administrative Centre
Infrastructure

Power, gas and water utilities are able to meet current demand in the district all year round

- Zhengdong New District has 42 transformer substations with capacity over 110KV and 6 substations over 220KV; for commercial and industrial consumers, the cost of electricity is RMB 0.724/kWh (<1kV) and RMB 0.707/kWh (1-10kV and above)
- The current price of natural gas for industrial use is RMB 2.4/m³ in the district
- The cost of water for industrial use is RMB 3.05/metric tonne, and RMB 4.05/metric tonne for commercial use

Office buildings in the district are mainly located in the CBD

- There will be 60 high-rises in the CBD, with 30 each in the inner and outer rings. The total area of the buildings will reach approximately 2.8 million m², 800,000 m² of which is for commercial use
- Of the 60 buildings, 35 are already in use; by the end of 2009, all 60 will be in use

<table>
<thead>
<tr>
<th>Selective office buildings in the district</th>
<th>Construction area (m²)</th>
<th>Monthly rent (RMB/m²)</th>
<th>Property management fee (RMB/month/m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Landmark Mansion</td>
<td>55,890</td>
<td>150</td>
<td>6.5</td>
</tr>
<tr>
<td>Zhonghe International Mansion</td>
<td>30,680</td>
<td>54</td>
<td>1.35</td>
</tr>
<tr>
<td>Ao’yuan World Trade Mansion</td>
<td>50,000</td>
<td>45</td>
<td>2</td>
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<tr>
<td>Fenghui Tianxia Mansion</td>
<td>39,713</td>
<td>45</td>
<td>6.5</td>
</tr>
<tr>
<td>Shunchi 1st International Mansion</td>
<td>58,000</td>
<td>39-45</td>
<td>4.5</td>
</tr>
<tr>
<td>New Mango Mansion</td>
<td>46,000</td>
<td>36-45</td>
<td>4.9</td>
</tr>
<tr>
<td>Petro Xin’ao Tower</td>
<td>35,750</td>
<td>36</td>
<td>5.3</td>
</tr>
</tbody>
</table>

Source: Administrative Committee of Zhengdong New District

There are several telecommunication options in Zhengzhou

- Telephone options include fixed line, mobile phone and Internet Protocol (IP) services (telephone charges are shown as below)

In addition to dial-up, internet access such as a digital data network (DDN), local area network (LAN) and ADSL are also available in the district

- the annual rent for a digital data network (DDN) with 2 mbps provided by China Telecom is RMB 6,000 for a local connection (Zhengzhou city only) and RMB 12,000 for a national connection
- the monthly rent for an asymmetrical digital subscriber loop (ADSL) with 4 mbps provided by China Unicom is RMB 300 for enterprises

<table>
<thead>
<tr>
<th>Telephone charges (RMB)</th>
<th>Local call</th>
<th>Domestic call</th>
<th>International call</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed line</td>
<td>0.22 for the first 3 minutes and 0.11 thereafter</td>
<td>0.7/minute</td>
<td>Taiwan, HK, Macau 2/minute</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Other countries and regions 8/minute</td>
</tr>
<tr>
<td>Mobile</td>
<td>0.2/minute</td>
<td>0.4/minute</td>
<td>Taiwan, HK, Macau 2/minute</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Other countries and regions 8/minute</td>
</tr>
<tr>
<td>IP phone</td>
<td>N/A</td>
<td>0.3/minute</td>
<td>Taiwan, HK, Macau 1.5/minute</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Other countries and regions 4.8/minute</td>
</tr>
</tbody>
</table>

Sources: (1) Zhengzhou Netcom Co., Ltd.  
(2) Zhengzhou Mobile Co., Ltd.
Inbound investment trends and registration procedures

Inbound investment to Zhengdong New District is increasing rapidly

- Since 2004, 49 foreign invested enterprises (FIEs) have been approved in the district with an accumulated investment of USD 949 million, contracted FDI of USD 663 million and utilised FDI of USD 375 million.
- In 2004, the utilised FDI in the district increased from zero to USD 11 million. From 2005 to 2008, the utilised FDI was USD 25 million, USD 65 million, USD 118 million and USD 156 million, respectively, with a compound growth rate of 84% over the past years.

One stop services simplifies registration procedures

- Zhengdong New District Administrative Service Centre provides one stop services for companies. There are 22 service departments directly led by the Municipal Government, Public Utility Department and Zhengdong New District Administrative Committee. Thirty-four permanent service windows offer approval for 105 items.
- The Centre is the contact point for administrative approvals, and offers project agency services. The Centre’s mission is to take responsibility for enquiries, provide efficient services and save investors’ time.

Registration procedures for establishing a company — Zhengdong

<table>
<thead>
<tr>
<th>Domestic enterprises</th>
<th>Joint ventures</th>
<th>Wholly owned foreign invested enterprises</th>
</tr>
</thead>
<tbody>
<tr>
<td>Confirmation of enterprise name</td>
<td>Zhengzhou Municipal Bureau of Industry and Commerce</td>
<td>Zhengzhou Municipal Bureau of Industry and Commerce</td>
</tr>
<tr>
<td>Approval of contract and article of association</td>
<td>Investment Promotion Bureau</td>
<td>Investment Promotion Bureau</td>
</tr>
<tr>
<td>Application for national pre-assigned organisation code</td>
<td>Quality and Technical Supervision Bureau</td>
<td></td>
</tr>
<tr>
<td>Application for approval certificate of FIE</td>
<td>Investment Promotion Bureau</td>
<td></td>
</tr>
<tr>
<td>Obtain business license</td>
<td>Zhengzhou Municipal Bureau of Industry and Commerce</td>
<td></td>
</tr>
<tr>
<td>Obtain national organisation code</td>
<td>Quality and Technical Supervision Bureau</td>
<td></td>
</tr>
<tr>
<td>Tax registration</td>
<td>Planning and Finance Bureau</td>
<td>Administration of Foreign Exchange</td>
</tr>
<tr>
<td>Custom registration</td>
<td>Zhengzhou Customs</td>
<td></td>
</tr>
</tbody>
</table>

Source: Administrative Committee of Zhengdong New District
## Abstract of the investment incentives in the district

<table>
<thead>
<tr>
<th>Applicable companies</th>
<th>Investment incentives</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Featured industries including logistics, exhibition, commercial and trade services, headquarters</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>- Quarterly subsidies calculated based on locally retained portion of fiscal revenue contributed through added value, revenue and profit</td>
<td></td>
</tr>
<tr>
<td>- Rebate for top executives calculated based on locally retained portion of fiscal revenue contributed through individual income tax</td>
<td></td>
</tr>
<tr>
<td>- Subsidy calculated based on area for those who purchase or rent offices</td>
<td></td>
</tr>
<tr>
<td><strong>Export oriented enterprises</strong></td>
<td></td>
</tr>
<tr>
<td>- Subsidy calculated based on area for those who purchase or rent offices</td>
<td></td>
</tr>
<tr>
<td>- Reward based on export value for the enterprises and owners</td>
<td></td>
</tr>
</tbody>
</table>

### Zhengdong New District provides subsidies and grants for key industries

- For companies and FIEs that are in key industries according to the district development and comply with related requirements, the district will provide subsidies to their top executives based on locally retained portion of fiscal revenue contributed through the enterprises’ value-added tax, revenue and profit:
  - an 80 percent quarterly rebate is offered to enterprises or top executives registered in the CBD in 2009, and 50 percent from 2010 to 2012
  - a 60 percent quarterly rebate is offered to enterprises or top executives registered outside the CBD in 2009, and 40 percent from 2010 to 2012

- New financial headquarters, provincial regional headquarters, branches and representative offices of foreign financial institutions will be granted a subsidy of RMB 500/m² (based on utilisation area) for purchasing offices for their own use, or a monthly subsidy of RMB 10/m² (based on utilised area) for three years for renting offices for their own use.

- Commercial and trade service enterprises in the commercial areas of high-rises in the CBD with an operation area larger than 500 m² are eligible to receive an annual subsidy of RMB 100/m² if they are opened before June 30, 2009 and RMB 50/m² if they are opened before December 31, 2009.

### The district offers incentives to export oriented enterprises

- Companies that are in line with district industry planning and whose export income is part of the regional GDP are eligible for a subsidy if their export value of ordinary products is USD 2 million and above, or their export value of high-tech products or electromechanical products is USD 1 million and above:
  - a subsidy of RMB 400/m² (based on utilised area) will be offered to those who purchase offices in the district
  - a monthly subsidy of RMB 6/m² (based on utilised area) will be offered to those who rent offices for three years. The annual subsidy for a single enterprise should not exceed RMB 50,000

- Companies that export products can receive an incentive payment of RMB 0.03 for each dollar of exports, plus an additional payment of each dollar of exports exceeding the previous year’s base; electromechanical and high-tech products can receive higher payments (up to RMB 0.08).

- The owner of an import or export oriented enterprise will receive a reward ranging from RMB 10,000 to 60,000 based on his company’s trading activities.

### The district offers support for senior executives

- Applications for travelling abroad from staff in FIEs and enterprises in key industries are given first priority by personnel, foreign affairs, public security and labour departments.

- The district offers convenience to management and relatives for residence approval: staff and their relatives who comply with the requirement are given priority in the registration process for residence.

- Children of senior executives are eligible for local resident status with regard to school enrolment and fees.

- People from other places in China are allowed to register three to five direct relatives, based on the size of the house they buy in certain parts of the New District before 30 June 2009. Their children are permitted to attend the nearest school.

### Sources:

1. Regulations on opening and speeding up industry development in Zhengdong New District
2. Opinions of Zhengdong New District Administrative Committee concerning promoting investment
3. Preferential Policy for Encouraging Foreign Investment and Promoting the Development of Foreign Trade in Zhengdong New District

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Business and living environment

A variety of housing options are available in the district, including a number of five-star hotels

- Zhengdong New District has 3 five-star hotels and 5 four-star hotels. The standard daily rate for a room ranges from RMB 536 to 1,588, with discounts available for longer stays
- Hotels offer a range of facilities including conference/ballrooms, western restaurants, gymnasium, swimming and other sports facilities
- Long-term residents in the district have several housing options, ranging from rented apartments to serviced rooms in the district’s hotels. The cost of a two-bedroom, 100 m² (1,076 ft²), and three-bedroom, 130 m² (1,400 ft²) apartment in the central area of the district is approximately RMB 1,800 and RMB 2,500 respectively per month
- the monthly rental of a two-bedroom apartment in Shanghai and Beijing CBD is around RMB 8,000 to 10,000

### Hotel rates, selected hotels in Zhengdong New District

<table>
<thead>
<tr>
<th>Hotels</th>
<th>Level</th>
<th>Number of rooms</th>
<th>Illustrative daily rate (RMB)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crowne Plaza Zhengzhou</td>
<td>★ ★ ★ ★ ★</td>
<td>222</td>
<td>798</td>
</tr>
<tr>
<td>Xingya Jianguo Hotel</td>
<td>★ ★ ★ ★ ★</td>
<td>342</td>
<td>698</td>
</tr>
<tr>
<td>Sofitel Zhengzhou</td>
<td>★ ★ ★ ★ ★</td>
<td>241</td>
<td>898</td>
</tr>
<tr>
<td>Guangdong Hotel (Zhengzhou)</td>
<td>★ ★ ★</td>
<td>261</td>
<td>478</td>
</tr>
<tr>
<td>Weilai Conifer Hotel</td>
<td>★ ★ ★ ★</td>
<td>264</td>
<td>398</td>
</tr>
<tr>
<td>Henan De Yi Hotel</td>
<td>★ ★ ★ ★</td>
<td>128</td>
<td>260</td>
</tr>
<tr>
<td>Yuying Hotel</td>
<td>★ ★ ★ ★</td>
<td>122</td>
<td>328</td>
</tr>
</tbody>
</table>

Notes: The prices refer to rates quoted on 5 January 2009 at Ctrip.com and elong.com
Source: Zhengzhou Tourism Bureau, Ctrip.com, elong.com

### Hotels under construction in the District

<table>
<thead>
<tr>
<th>Hotels</th>
<th>Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zhengzhou Conference and Exhibition Hotel</td>
<td>★ ★ ★ ★ ★</td>
</tr>
<tr>
<td>Jingfeng Hotel</td>
<td>★ ★ ★ ★ ★</td>
</tr>
<tr>
<td>PetroChina Hotel</td>
<td>★ ★ ★ ★ ★</td>
</tr>
<tr>
<td>Gelamu Hotel</td>
<td>★ ★ ★ ★ ★</td>
</tr>
<tr>
<td>Carlson Hotel</td>
<td>★ ★ ★ ★ ★</td>
</tr>
<tr>
<td>Meisheng Hotel</td>
<td>★ ★ ★ ★ ★</td>
</tr>
</tbody>
</table>

Source: Administrative Committee of Zhengdong New District

### Zhengzhou Conference and Exhibition Hotel is under construction and will be the tallest building in central China

- The hotel is located in the central park of CBD, near the Zhengzhou International Convention and Exhibition Centre, and Art Centre of Henan. The total investment in the hotel is RMB 2.2 billion and the building will be 280 metres tall
- The hotel covers an area of 28,600 m² with a construction area of 250,000 m². It has three basement levels and another 60 storeys including a five-star hotel managed by Marriott and sightseeing and restaurants with a bird’s eye view of the city

### Convenient transportation at Zhengdong New District

- The district is 30 km away from Xinzhou International Airport, about a 20-minute drive, and 7 km away from the Zhengzhou Railway Station
- Located to the west of Jingzhu Highway, between East Jinshui Road and Shangdu Road, Zhengzhou’s comprehensive transportation hub started construction in 2007, with a total investment of RMB 8.9 billion; it will be completed in 2012. The new station will link express railway, long distance bus service, subway, public transportation and inter-city light rail transportation
- A metro line network is being constructed in Zhengzhou; the phase one of Metro Line One which goes through Zhengzhou connecting the new and old city will start construction in 2009 and is estimated to operate in 2013
- There are 27 public transportation bus lines in the district and the number will reach 44 in 2009 and 56 in 2013, which will further facilitate the transportation needs of residents in the district
Education and medical care facilities are improving in the district

- The district is home to schools from K-12 to universities, and vocational schools. Around 20 schools in the district had enrolment of some 12,000 students at the end of 2008. The No. 47 Middle School in the district has international classes to accommodate expatriates’ children.
- According to the district development plan, there will be 13 universities, 8 newly-built primary schools, four junior middle schools, two senior middle schools and one vocational secondary school by 2012.
- A healthcare system has been set up in the district. The Henan Province Centre for Disease Control and Prevention, and Zhengzhou First Aid Centre have been built and put into use. Several hospitals including Yihe Hospital are under construction and more than 10 clinics are operating in the District.
- There are eight upper Class III hospitals in Zhengzhou (upper Class III is the highest grade for a hospital in China); the No. 5 People's Hospital in Zhengzhou offers English-speaking services to expatriates.

The district has a variety of shopping, entertainment and travel options

- The pedestrian street in the district will be the new landmark for sight-seeing and shopping. The circular street, 3.2 km long with 420,000 m² commercial area, will be the longest and largest pedestrian street of its kind in central China.
- Zhengzhou is a well-known commercial city in China. Large shopping malls across the city accommodate all shoppers’ needs. Many multinational hypermarket chains, including Wal-Mart, Carrefour, Metro and Lotus have established their presence in Zhengzhou.
- Zhengzhou has a long history and many scenic sites nearby such as the Shaolin Temple and the Longmen Grottoes. The district is the home village of ancient Taoist Master Lie Zi.

Zhengzhou is well-connected domestically to other major cities

- Zhengzhou Xinzheng International Airport currently operates about 60 domestic routes to major domestic destinations such as Beijing, Guangzhou and Shenzhen, and weekly non-stop international flights to regional hubs such as Hong Kong and Seoul.
- Zhengzhou’s railway station is one of the largest stations for passengers and cargo in China.

<table>
<thead>
<tr>
<th>Destination</th>
<th>Ticket price (RMB)</th>
<th>Flying time</th>
<th>Number of flights per week</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beijing</td>
<td>690</td>
<td>1 hour 15 minutes</td>
<td>42</td>
</tr>
<tr>
<td>Shanghai</td>
<td>800</td>
<td>1 hour 25 minutes</td>
<td>49</td>
</tr>
<tr>
<td>Guangzhou</td>
<td>1,350</td>
<td>2 hours</td>
<td>70</td>
</tr>
<tr>
<td>Chongqing</td>
<td>880</td>
<td>1 hour 30 minutes</td>
<td>21</td>
</tr>
</tbody>
</table>

Note: Economy Class; prices are for reference only.
Source: Xinzheng Airport

<table>
<thead>
<tr>
<th>Destination</th>
<th>Ticket price (RMB)</th>
<th>Travel time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beijing</td>
<td>256</td>
<td>5 hours</td>
</tr>
<tr>
<td>Shanghai</td>
<td>371</td>
<td>6 hours 37 minutes</td>
</tr>
<tr>
<td>Guangzhou</td>
<td>539</td>
<td>16 hours 12 minutes</td>
</tr>
<tr>
<td>Chongqing</td>
<td>272</td>
<td>17 hours 28 minutes</td>
</tr>
</tbody>
</table>

Note: Prices for Beijing and Shanghai are first-class seats on a CRH (China Railway High-speed) train, and prices for Guangzhou and Chongqing are “soft sleeper” compartments on an ordinary express train; prices are for reference only.
Source: Zhengzhou Railway Station

Source: Administrative Committee of Zhengdong New District
Investor feedback

In order to obtain first-hand information of investment in Zhengdong New District, we interviewed companies operating in the district; they shared their considerations of choosing to invest in the district and their experiences over the past few years.

Zhengzhou’s location seen as a plus

• “Zhengzhou is the most important transportation hub in China with a strong impact on the neighbouring area. As an old saying goes, ‘those who win central China will win the whole country.’”—RedStar Furniture Group Zhengzhou branch

• “We choose to invest in Zhengzhou mainly due to the city’s favourable location advantage and convenient transportation.”—Metro Jinjiang Cash & Carry Co., Ltd. Zhengzhou Zhengdong Mall

• “Zhengzhou has an outstanding location advantage – with a one-day drive of 500km, we can reach five provinces.”—Zhengzhou Changtong Industrial Co., Ltd.

Business environment in Zhengdong New District viewed highly

• “The district’s layout plan ensures a high-standard urban and living environment.”—Agricultural Bank of China Henan Branch

• “The district has a favourable environment, especially the green areas and the Ruyi Lake.”—Metro Jinjiang Cash & Carry Co., Ltd. Zhengzhou Zhengdong Mall

• “The quality of office buildings and environment in the district is better than the old area of Zhengzhou. Many textile import and export enterprises come to visit our office after our moving into the new district.”—Henan Guangda Textile Import & Export Co., Ltd.

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Company profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>RedStar Furniture Group</td>
<td>• RedStar Furniture is a top brand in China’s household furniture industry&lt;br&gt; • Zhengzhou Mall is the RedStar Furniture’s 36th stores launched in China</td>
</tr>
<tr>
<td>Metro Jinjiang Cash &amp; Carry Co., Ltd. Zhengzhou Zhengdong Mall</td>
<td>• 26th store Metro launched in China&lt;br&gt; • Metro Group is one of the world’s leading retailers and a Fortune 500 company</td>
</tr>
<tr>
<td>Henan Guangda Textile Import &amp; Export Co., Ltd.</td>
<td>• Established in 1989, a state-owned trade company engaged in textile imports and exports&lt;br&gt; • Markets products to over 40 countries and areas</td>
</tr>
<tr>
<td>Zhengzhou Changtong Industrial Co., Ltd.</td>
<td>• Largest private-owned logistics company in Henan&lt;br&gt; • Offers many logistics services including transportation, storage, delivery and agency</td>
</tr>
<tr>
<td>Agricultural Bank of China Henan Branch</td>
<td>• First bank to move its provincial headquarters into Zhengdong New District</td>
</tr>
</tbody>
</table>

Source: KPMG interviews
Investor feedback

High marks for governmental support and services

- “The administrative committee of the district assigned a contact to follow every project. Whenever we had any questions, we could turn to the contact, who would further gather all the governmental departments to deal with the issue, sometimes even on-site.” — RedStar Furniture Group Zhengzhou branch

- “The establishment of our store took less than one year. This speed is unprecedented, which largely owed to the help of the government in the whole process, especially in the ‘project agency’ role of accelerating all kinds of approval procedures.” — Metro Jinjiang Cash & Carry Co., Ltd. Zhengzhou Zhengdong Mall

- “The Administrative Committee offers a full range of services to follow the project’s progress during the construction period. After our office opened, the committee made regular visits to find out our concerns about the company’s operation.” — Zhengzhou Changtong Industrial Co., Ltd.

- “The provincial and municipal government make every effort to support the development of tenants in the district, and ensure the quality of tenants.” — Agricultural Bank of China Henan Branch

Quality people

- “We recruited a few employees from local universities and colleges and found them to be well qualified.” — RedStar Furniture Group Zhengzhou branch

- “Local talent has a quick acceptance of new knowledge and respects the company values.” — Metro Jinjiang Cash & Carry Co., Ltd. Zhengzhou Zhengdong Mall

- “There is plenty of talent here. Henan province has the largest population in China, with abundant human resources from rural areas.” — Agricultural Bank of China Henan Branch

Confidence in the district

- “The district environment is improving, with strong investment potential in finance, insurance, education and medical care.” — RedStar Furniture Group Zhengzhou branch

- “Zhengzhou has well-developed wholesale and retailing industries. The new district offers large parking areas which are essential for wholesale companies.” — Metro Jinjiang Cash & Carry Co., Ltd. Zhengzhou Zhengdong Mall

- “We are confident in the local government, environment and infrastructure.” — Zhengzhou Changtong Industrial Co., Ltd.

Source: KPMG interviews
4 Appendix

- Useful contacts in Zhengdong New Area
- Useful contacts in Zhengzhou
List of useful contacts in Zhengdong New District

Zhengdong New District
Website: www.zhengdong.gov.cn

Investment Promotion Bureau
Tel: +86 (371) 6717 9820
   +86 (371) 6717 9821

Administrative Service Centre
Tel: +86 (371) 6717 9880
   +86 (371) 6717 9690

Finance Bureau
Tel: +86 (371) 6717 9691

Construction Bureau
Tel: +86 (371) 6717 9608

Urban Planning Bureau
Tel: +86 (371) 6717 9692
   +86 (371) 6717 9936

Social Development Bureau
Tel: +86 (371) 6717 9693

Industrial and Commercial Bureau
Tel: +86 (371) 6717 9673

Branch of State Tax Bureau
Tel: +86 (371) 6717 9679

Branch of Local Tax Bureau
Tel: +86 (371) 6717 9612

Branch of Social Security Bureau
Tel: +86 (371) 6717 9870

Branch of Housing Administration Bureau
Tel: +86 (371) 6717 9663

Zhengzhou

Zhengzhou Municipal Bureau of Commerce
Tel: +86 (371) 6718 5645
Website: www.zzcom.cn

Zhengzhou Development and Reform Commission
Tel: +86 (371) 6717 7796
Website: www.zzdrd.gov.cn

Zhengzhou State Tax Bureau
Tel: +86 (371) 6771 2027
Website: www.hazz-n-tax.gov.cn

Zhengzhou Local Tax Bureau
Tel: +86 (371) 6717 9612
Website: www.hazz-l-tax.gov.cn

Zhengzhou Municipal Administration of Industry and Commerce
Tel: +86 (371) 6717 9673
Website: www.zzgs.gov.cn

Zhengzhou Municipal Bureau of Construction
Tel: +86 (371) 6718 8900
Website: www.zzjw.gov.cn

Zhengzhou Urban Planning Bureau
Tel: +86 (371) 6718 5485
Website: www.zzupb.gov.cn

Zhengzhou Municipal Bureau of Land Resources
Tel: +86 (371) 6898 1574
Website: www.zzland.gov.cn
About KPMG

KPMG is a global network of professional firms providing Audit, Tax and Advisory services. We operate in 144 countries and have 137,000 people working in member firms around the world.

In 1992, KPMG was the first international accounting firm to be granted a joint-venture licence in China, and our Hong Kong operations have been established for 60 years. This early commitment to the China market, together with our unwavering focus on quality, has been the foundation for accumulated industry experience that is difficult to rival.

With twelve offices and more than 8,500 staff, our single management structure allows efficient and rapid allocation of resources wherever you are located in China.

As China businesses join the global economy and international companies seek to enter the China market, KPMG’s blend of international experience and local knowledge makes us well positioned to serve our clients in this increasingly complex, but exciting market.

Our single management structure for all our China offices allows efficient and rapid allocation of experienced professionals wherever the client is located in China. The flexibility of this single structure allows us to effectively serve companies across China, and we have many projects where professionals from different offices work together on an engagement under the supervision of a single nominated client partner, who has operational control of all resources.

Our business in China has established industry groups, helping enable targeted, industry-specific experience and methodologies to be delivered where needed. For our clients, this focus on industry and country-specific knowledge helps us deliver exceptional people with an intimate knowledge of your specific business issues, as well as an overriding commitment to strive for the highest quality services.

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