

# Chengdu seeks to build itself into concentration of leading talent

City's new policy packages include 2 billion yuan fund

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European investors looking offshore for viable startups may look more closely at Chengdu in Southwest China after the city passed policies designed to foster and support such projects.

The capital of Sichuan province announced on Feb 14 that it would establish a fund of up to 2 billion yuan (\$307 million) to lure top personnel, both international and domestic, to the city.

Jing Bin, head of the city's human resources office, said the innovation-driven city is thirsty for quality personnel and the situation "is much more urgent than at any other period in the past".

He said the city has formulated 10 new policies to upgrade its personnel development strategies.

The move indicates that Chengdu has taken the lead in central and western China in terms of its support for innovation and startups and its search for the best personnel, he said. "The efforts are expected to help the city implement its strategies to build itself into a 'heaven for startups', a core area of human resources in west China and an internationally influential regional innovation and startup center," Jing said.

After assessment and evaluation, Jing said, each of the foreign personnel recognized as leaders in their fields would be entitled to grants of 3 million yuan.

Leading personnel at national level would be eligible for 2 million yuan and leading talent at the regional level to 1.2 million yuan.

Chengdu also announced it would reduce the red tape in government administration and approval procedures, and expects the moves to benefit local universities, organizations, research academies and agencies.

Such institutions are encouraged to explore more channels to attract talented personnel and will receive up to 200,000 yuan each if they succeed in attracting much-needed personnel.

"For some who find it hard to find the right companies or research organs to initiate their business or research projects, Chengdu is planning to set up a China (Chengdu) overseas personnel offshore innovation and startup center," he said.

The center is planned to be market driven, facilitate trade and reduce business costs.

"We expect the city can help more intellectual achievements become commercialized," he said.

In addition, the city is beefing up efforts to boost partnerships among



THE GLOBAL INNOVATION and Entrepreneurship Fair 2015 was held in Chengdu in November, with participation by about 150 investment agencies from 30 countries and regions. PROVIDED TO CHINA DAILY

enterprises, universities and governments.

It wants companies to define what they need to develop further, and universities to cater to the company's needs in their research. The city has vowed to support both sides.

Qualified individuals can contact the city's human resources office and apply to be registered as one of Chengdu's leading foreign personnel.

Those selected who require housing are eligible to free accommodation of at least 80 square meters and up to 200 sq m or a government subsidy to be used for rent or to purchase a home, the policies state.

If selected researchers require offices, their employers should provide such space or subsidies to cover the cost.

Healthcare services will also be provided to all those chosen.

The city promises to provide special support for foreigners under the 10 new policies, according to the local police station, which handles visas for the city.

More companies will be permitted to employ foreign experts, whose spouses and children would be eligible for five-year stay visas allowing multiple entries.

Favorable policies for permanent residency are also part of the package.

The city plans to set up service teams in areas with dense populations of foreign residents.

These teams will offer registration and visa consultation services and even provide reminders when visas near their expiry dates.

A China (Chengdu) Human Resources Service Park is planned, offering services including consultation and HR development services.

Agencies will also be established to nurture intellectual achievements to industrial fruition.

Universities, leading enterprises and industrial parks are encouraged

to inaugurate their own innovation and startup organizations.

Enterprises that become clients of such new organizations would be eligible for annual subsidies of up to 100,000 yuan (\$15,350) each.

Such organizations set up by local enterprises will be subsidized at up to 2 million yuan each.

Services in household registration, housing and healthcare are to be strengthened and service centers and green channels set up.

A new award to honor excellent startup personnel who have at been in the city at least five years and made "great contributions".

They will be designated "Chengdu Excellent Personnel" and granted 1 million yuan each.

## Projects

According to the 10 new policies, Chengdu plans to set up key personnel teams to oversee its funding.

It said the highest level of support, which could reach 50 million yuan, would be provided to Nobel laureates to launch innovation and startup projects.

For projects considered key at the national level, funding could reach 100 million yuan.

As many individuals and new business startups find raising funds difficult, one of the new policies indicates the city would allocate combined capital of no less than 10 billion yuan, including loans and listing financing, in addition to startup financing.

The maximum loans can reach 1 million yuan, while listing financing can be up to 5 million yuan for each company that qualifies.

In answer to individuals and companies that are feeling the pinch as they wait for their new products to enter the market and generate returns, the new policies state that products from projects that qualify could be listed on the Chengdu excellent product directory, a brand prod-

uct promotion directory run by the government.

Local companies and government authorities that purchase those new products would be subsidized for 25 percent of their costs on their first order, with the maximum subsidy set at 5 million yuan.

In addition to support for qualified personnel from outside Chengdu, the government released three plans for local residents, including one for local excellent personnel, one for local youth and university startup 'stars' and a five-year action plan for industrial leaders.

Under the new plan, the city plans to select around 100 leaders every year in 10 fields, including technological innovation and finance and provide financial support of up to 300,000 yuan for each.

Every year, the city will also select youth and university students with promising innovation and startup projects and provide support of up to 200,000 yuan each.

Under a five-year action plan for industrial leaders, Chengdu plans to train 50,000 outstanding employees of local industrial companies, and encourage local businesses to give special awards, stocks and options to such staff.

## Influence

Zero2IPO, one of the country's most influential startup and private capital raising groups, released a report last May that rated Chengdu as having competence in its startup environment equal to that of economic powerhouses such as Beijing, Shanghai and Shenzhen.

The research arm of Alibaba, the country's e-commerce giant, said in a report released in July that China's "Silicon Valleys" are in six major cities with ample opportunities, one of which is Chengdu.

Lian Ping, chief economist at the Bank of Communications, expressed

his confidence in the city. "Chengdu is not only an excellent place to live, it is also gradually becoming an excellent place to start businesses and innovation projects. As the country carries out the Belt and Road Initiative, the city has rich potential to grow."

Niu Wenwen, president of Heima Group, a company offering startup services, said: "Chengdu has transformed itself into a hot spot for startups. If one describes Beijing as the 1.0 version for startups, we could say Chengdu is an 'upgraded version' of 2.0 or even above."

Entrepreneurs can find opportunities thanks to the city's openness, he added.

Ni Zhengdong, chairman of Zero2IPO Group, said: "Chengdu has evolved into the fourth city after Beijing, Shanghai and Shenzhen in terms of its competitive edge to initiate new businesses. Its close proximity to western China, its strong spirit of inclusiveness, as well as its low living costs, are set to attract international personnel."

## Competence

According to the city's HR office, Chengdu has employed 34 academicians and 169 national-level experts under the country's "1,000 Talents Project", a key project to lure top personnel.

The figures all rank top among its counterparts in China.

Statistics from the city's science and technology bureau show that Chengdu's technological transaction value in 2015 was 33.5 billion yuan and around 1,000 academic achievements were commercialized. More than 10,000 high-tech firms were newly registered in the city in the same year.

The city boasted 193 technological and startup incubators last year, covering a combined area of 15.06 million square meters.

Among those, 121 are for companies involved in technological research and 10 startup incubators were designated as national level.

More than 10 banks have promised to provide combined loans of up to 2.6 billion yuan to boost the city's startup wave.

A special loan fund for university students of 250 million yuan was established last year.

Also last year, 200 businesses provided nearly 500 million yuan in loans and an angel fund of 230 million was set up.

The Global Innovation and Entrepreneurship Fair 2015 was held in Chengdu in November, with participation by about 150 investment agencies from 30 countries and regions.

A Chengdu consensus on global innovation and startup was reached during the event.

A total of 109 investment projects were agreed to out of almost 2,700 participating projects, with expected trade value of more than 5.32 billion yuan.