



Participants from an Entrepreneurial Tianfu program in Chengdu, in which they presented their projects and vied for investors.

# Chengdu seeks to lure leading personnel, innovative businesses

## City's new policy packages include 2 billion yuan fund

By LI YU  
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The capital of Southwest China's Sichuan province is planning huge investments to entrench itself as an international influence in innovation and business startups.

Chengdu 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, vice-director of the organization department of the city committee and 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 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 as a 'heaven of 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 mil-

lion yuan. Leading personnel at national level would be eligible for 2 million yuan and regional-level leaders to 1.2 million yuan.

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

Such institutions are encouraged to explore more channels to lure talented personnel and would 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 could help more intellectual achievements become commercialized," he said.

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

### Projects

According to the 10 new poli-



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cies, 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 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 in loans could

reach 1 million yuan and listing financing 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 product promotion directory run by the government.

Local companies and government authorities that purchase those new products would be subsidized for 25 percent of their cost 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 for 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 equal competence in its startup environment as economic powerhouses including 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, including 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."

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 personnel project", a key project to lure top personnel, thus ranking first in the country.

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 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.

### What they say

Experts, investors and entrepreneurs shared their views on Chengdu's startup and innovation environment, **Yang Cheng** and **Peng Chao** report.

"Chengdu has taken the lead in regional development. Many universities with strong faculties are located in the city. Human resources in Chengdu offer a top startup environment."

**Zhu Baoliang**, director of economic forecast department and chief economist, National Information Center

"The thresholds for startups in Chengdu is lower than in East China. The city has strong academic resources and strong government support. The startup and innovation projects in Chengdu could outstrip those of western China. Companies investing in Chengdu are expected to see rapid growth and high returns."

**Sheng Xitai**, cofounder and partner, Angel Plus fund

"We used to invest in the Chengdu environmental protection sector. For new startups, Chengdu could be touted as a beacon, leading new ways in the market. It is also attractive due to its excellent business climate."

**Zhu Min**, president and founder, Cybernaut

"Chengdu enjoys abundant human resources and low startup costs, so the city has become a concentration of startups and innovative firms. The Peking University Alumni Association will set up an angel fund in the city to help new companies realize their dreams there."

**Yang Yan**, partner, Startup Fund, Peking Alumni Association

"Chengdu's low living costs and favorable policies attracted me to return from Canada after 10 years of work and study there. Now I have started my healthcare trade business and I believe e-commerce business is set to continue its booming trend in western China."

**Liao Hanming**, Chengdu native and founder of a startup firm

## Plan to attract skilled foreign professionals

By LI YU  
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Chengdu has introduced a package of startup and innovation personnel policies for foreigners with promising startup projects or outstanding research achievements to lure top international personnel to the Southwest China city.

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 would 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 would 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 would 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, which would be eligible for annual subsidies of up to 100,000 yuan (\$15,400) each.

Such organizations set up by local enterprises will be subsidi-

zied at up to 2 million yuan each.

Services in household registration, housing and healthcare would 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" would be designated "Chengdu excellent personnel" and granted 1 million yuan each.