
Press release

Urban Development 2.0 -- Technological innovation and balanced development are the keys

Chinese Cities of Opportunity 2017 jointly released by PwC China and the China Development Research Foundation (CDRF)

Beijing, 17 March 2017 — According to the *Chinese Cities of Opportunity 2017* study report jointly launched by the China Development Research Foundation (CDRF) and PwC today, Guangzhou, Shenzhen, Hangzhou, Wuhan and Nanjing are ranked as the overall top five cities. The report states that technological innovation and balanced development are the keys to building “cities of opportunity”.

The *Chinese Cities of Opportunity* report is a series of city survey reports jointly released by the CDRF and PwC China for discussion at the China Development Forum. Four editions of the *Chinese Cities of Opportunity* report have been published since 2014. “The report shines a spotlight on the current state of development of large representative cities all over China. Urban clusters forming around these large cities are evolving into the most economically advanced and innovatively active regions. Focusing on these large cities and urban clusters around them is the key to capturing the next phase of China’s development and transformation,” says Secretary General of the China Development Research Foundation Lu Mai.

All the variables and indicators adopted to observe cities in China are consistent with the research methodology developed by PwC for studies on key global cities. The *Chinese Cities of Opportunity 2017* provides in-depth observations on 28 Chinese cities using ten indicators and 57 variables. The indicators are intellectual capital and innovation, technology readiness, important regional cities, healthcare, safety and security, transportation and urban planning, sustainability and the natural environment, culture and lifestyle, economic clout, cost and ease of doing business.

Vice-Secretary General of the China Development Research Foundation Fang Jin points out, “This report combines the actual conditions in China to construct a set of indicators reflecting current urban development conditions and provide an assessment of the advantages, potential and areas for improvement in China’s urban development so as to facilitate mutual learning between the cities, stimulate their vitality and further promote the new people-centred urbanisation model.”

PwC Mainland China and Hong Kong Markets Leader Frank Lyn says, “The rapid urbanisation in China provides significant opportunities for both public and private sectors. We hope that, with PwC’s extensive city research experience and global perspectives, this report will offer valuable perspectives on China’s urbanisation.”

The latest report looks at 28 cities, up from 24 last year, which are (in order from north to south and from east to west): Harbin, Shenyang, Dalian, Urumqi, Lanzhou, Xi’an, Taiyuan, Tianjin, Shijiazhuang,



Jinan, Qingdao, Zhengzhou, Nanjing, Wuhan, Wuxi, Suzhou, Hangzhou, Ningbo, Fuzhou, Xiamen, Changsha, Guangzhou, Shenzhen, Zhuhai, Chengdu, Chongqing, Kunming and Guiyang¹.

Guangzhou and Shenzhen, benefiting from their balanced development, take the first and second place respectively in our overall rankings, while Hangzhou ranks third, owing to its technological advantage. Wuhan, who has achieved a good balance between development and costs, is in fourth place, followed by Nanjing with its quality culture and lifestyle. PwC China Strategy Consulting Partner Jin Jun says, “These five cities all rank in the top five places in more than four indicators, clearly highlighting the importance of balanced and comprehensive urban development.”

The top five cities for each of the ten indicators in the *Chinese Cities of Opportunity 2017* report are as follows²:

- Intellectual capital and innovation – Guangzhou, Hangzhou, Nanjing, Shenzhen and Suzhou
- Important regional cities - Guangzhou, Chongqing, Shenzhen, Chengdu and Xi’an
- Technology readiness - Shenzhen, Guangzhou, Hangzhou, Nanjing and Wuhan
- Healthcare, safety and public security - Guangzhou, Chengdu*Wuhan, Shenzhen and Hangzhou
- Transportation and urban planning – Zhuhai*Shenzhen, Nanjing, Guangzhou and Xiamen
- Sustainability and the natural environment - Shenzhen, Wuhan, Guangzhou and Hangzhou*Chengdu
- Culture and lifestyle - Zhuhai, Nanjing, Fuzhou, Changsha and Xiamen,
- Economic clout - Shenzhen, Guangzhou, Hangzhou, Wuhan and Nanjing*Tianjin
- Cost - Taiyuan, Kunming, Shijiazhuang, Shenyang and Harbin
- Ease of doing business - Shenzhen, Guangzhou*Suzhou, Nanjing and Zhengzhou

Further, the report finds the top cities in intellectual capital and innovation and technological readiness also achieve high scores in the overall ranking, a clear indication that technologically advanced cities are more likely to earn the title of “Cities of Opportunity”. In addition, the top ranking cities typically perform poorly in cost and culture and lifestyle. China’s “Cities of Opportunity” continue to face challenges when it comes to building liveable cities that satisfy the needs of its city dwellers and providing a high quality of life.

PwC China Public Policy and Regulatory Affairs Leader and Beijing Senior Partner David Wu adds, “Chinese large and medium cities, as represented by Guangzhou and Shenzhen, have entered the Urban Development 2.0 era, where technological innovation and balanced development are the keys. From investor’s perspectives, the introduction of new technologies, attracting and developing talents, improving innovation capabilities, achieving balanced development and providing cities with truly valuable solutions are ways to seize new opportunities arising from future urban development.”

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¹ Refers to newly added cities: Jinan, Taiyuan, Shijiazhuang, Wuxi, Zhuhai and Guiyang. Similar to last year, Beijing, Shanghai and Hong Kong are not included in our study. However, we have included our observation of Beijing and Shanghai in *Cities of Opportunity 7*, released by PwC in 2016, in the Appendix.

² * indicates a tied ranking.



Note to editor

China Development Forum

The China Development Forum is the first high-profile international conference held after the National People's Congress (NPC) and the Chinese People's Political Consultative Conference (CPPCC) every year. The CDF adheres to the principle of 'engaging with the world for mutual prosperity' and serves as an important platform for the Chinese government to carry out candid exchanges and discussions with the global business elite, heads of international organisations as well as experts from China and overseas. Initiated in 2000, the 17th CDF will be held from 18-20 March 2017. The CDF has made remarkable contributions to policy exchange and international collaboration between China and the rest of the world.

China Development Research Foundation

The China Development Research Foundation (CDRF) is the organiser of CDF. Founded in November 1997, the CDRF is a nationwide organisation initiated by the Development Research Centre of the State Council.

Cities of Opportunity Report

PwC's *Cities of Opportunity* is a series of cities' study that began in 2007. After 11 September 2001, PwC and the Partnership for New York City took initiatives to help New York reassess what needed to be done so that the city remained a vibrant urban centre in the global economy. After many years, this series of reports continues to offer a global perspective and valuable reference to advance the development of cities worldwide. *Cities of Opportunity 7* looks at a group of 30 cities worldwide. The report uses ten indicators that reflect significant aspects of urban living to evaluate their positions as central cities of global business and finance, among which three Chinese cities are included - Beijing, Shanghai and Hong Kong.

The full *Cities of Opportunity 7* report is available at:
http://www.pwccn.com/home/chi/cities_of_opportunity_7_chi.html.

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