

In the First 10 months, the Actual Use of Foreign Capital Increased by 11.4%

In October, there are 354 projects approved in Shanghai with contractual foreign investment of US \$1.324 billion, an increase of 38.8%; the actual utilization of foreign capital is 5520 million, an increase of 17.4%.

In the first ten months, there are 3396 projects with foreign investment approved in Shanghai, an increase of 3.4%; the contractual foreign investment is US \$11.888 billion, an increase of 0.9%. If the effect of decrease in real estate industry is excluded, the increase is 7.6%; the actual utilization of foreign capital is US \$6.904 billion, an increase of 11.4%.

By October 2007, the approved foreign-funded enterprises has mounted 47943, attracting contractual foreign investment up to US \$126.423 billion, and actual utilization of foreign capital up to US \$73.6 billion.

The main characteristics:

I. The second industry kept growing

This year, there are altogether 685 approved projects with foreign investment, and the contracted foreign capital was 4.233 US \$billion, an increase of 5.8%, accounting for 35.6% among the three kinds of industries. And the manufacturing industry had started its increase in this year after its decline in the previous three years. From Jan. to October, there are 671 approved manufacturing projects, and the contractual foreign investment was 4.155 billion dollars, accounting for 35% of the total contractual foreign investment in Shanghai, an increase of 6.3%. Advanced manufacturing industry is the major source of the growth. For example, the contractual foreign investment in the industry of telecommunication equipments, computers and other electronic equipments manufactories increased by 87.2%; medicine manufacturing industry increased by 24.8%; chemical raw materials and chemical production increased by 28%.

2. The structure of the third industry was continuously optimized, and advanced service industry had realized rapid growth.

This year, according to the requirement of macro-control and adjustment of utilization of foreign investment in real estate industry, there are altogether 65 approved real estate projects, and the contractual foreign investment was US\$2.115 billion, a decrease of 21.6%, accounting for 27.8% of the third industry, a decrease of 7%. In the same period, there were altogether 2706 approved projects, an increase of 12.2%, and the contractual foreign investment was US\$7.62 billion. If the factor of real estate is excluded, the third industry increased by 8.7%. Advanced service industry had rapid growth. For example, the contractual foreign investment in the transmission of information, computer service and software industry was US\$615 million, an increase of 42.6%; utilization of foreign investment in hotel and catering industry was US\$226 million, an increase of

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46.4%; utilization of foreign investment in transportation and warehousing industry was US\$665 million dollar, an increase of 52.8%.

3. Capital increase became the important way for utilization of foreign investment.

Under the circumstance of limited land resource, each district facilitated the growth rate and increase for utilization of foreign investment through potential exploitation and service. From January to October, foreign investment increased US\$6.997 billion, an increase of 26.6%, accounting for 58.9% of total investment, 12 points increase compared with that of last year. Among them, foreign investment increased US\$2.793 billion in the manufacturing industry, an increase of 42.4%, account for 67.2% of the total utilization of foreign investment, 17 points' increase compared with the same period of last year.



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