



# A decade of Shanghai FTZ, a trailblazer with many firsts

Lingang, often described as “the furthestmost away from Shanghai and closest to the world,” is the latest addition to the FTZ. — Jiang Xiaowei

Yao Minji

**X**box consoles were yet to be officially introduced in China when Microsoft’s joint venture E-Home Entertainment became the first company to register in the China (Shanghai) Pilot Free Trade Zone in September 2013.

Prior to FTZ policy changes, console games were banned since 2000, and foreign-funded companies were prohibited from being involved in the production and sales of game and entertainment equipment.

Over the next 10 years since that first-step opening, more policy reforms were launched after first being piloted inside the FTZ, and many regulative procedures were made faster and easier. That subsequently led to imports of many foreign games, headliner collaborations and acquisitions, thoroughly remoulding the Chinese gaming industry into a major player in the world.

In 2022, Shanghai’s game revenue reached 128 billion yuan (US\$18.8 billion), accounting for about half of China’s overall game earnings, with star companies like Genshin Impact developer miHoYo reporting astounding net profit



Visitors take photos of the China (Shanghai) Pilot Free Trade Zone in early days. — Chen Zheng

comparable to international giants like Activision Blizzard, EA or Embracer.

The gaming industry is just one of many that benefited from the hundreds of “first” that were tested in Shanghai’s FTZ and then copied around China. The FTZ, celebrating its 10th anniversary in September, is in itself a first in many aspects. The country now has 21 such zones.

“The Shanghai model — in

which the local government coordinated with central ministries to design its FTZ plan, focused on proactive reform and brave experimenting — was later copied by subsequent FTZs around the country,” Yin Chen, a professor of Fudan University and general secretary of the university’s Shanghai Institute for Free Trade Zone Research, told Shanghai Daily.

“The whole process of

preparing and getting approval took only about half a year for the Shanghai FTZ, a record-breaking speed of implementing a major reform in China. That speed was largely due to support from higher authorities for the Shanghai FTZ to explore new routines and accumulate new experience for the whole country to further expand and deepen reform and opening-up.”



中国（上海）自由贸易试验区十周年  
THE 10TH ANNIVERSARY OF  
THE CHINA (SHANGHAI) PILOT FREE TRADE ZONE



Scan the  
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to watch  
the video.

## China’s pilot ‘negative list’

Yin considers the “negative list” management mode the zone’s most successful experiment.

The “negative list,” namely “special administrative measures for the access of foreign investment in specific fields as stipulated by the state,” was first set up in the Shanghai FTZ in 2013. It was written into Article 4 of China’s Foreign