

# Shanghai Overall Score: 31.8/100 | Overall Rank: 44/50

## Basic Facts

- 24.5 million population
- \$878 billion Gross Metro Product (2016)
- Top industries by employment are: finance, trade and manufacturing

## Notable Strengths

- Shanghai is the largest, and most productive, city in China. Only New York City, Tokyo, Los Angeles, and Seoul have greater economic output (GMP)
- Ranking No. 2 for Market Size, the city houses the world's busiest port, its financial districts continue to expand, and the 2017 [Free Trade Zone \(FTZ\) financial reform plan](#), which further relaxes regulations on commercial transactions and foreign investment, will be a new driver of city growth
- The Shanghai government provides [subsidies to encourage multinational companies to locate their regional headquarters in the city](#) and business opportunities abound: Disneyland and DreamWorks are developing large entertainment centers locally
- Massive infrastructure investment is also in the works, expanding the metro network and following the completion of a high-speed rail line to Beijing
- Shanghai is a major center for higher education, including eight universities represented in the *U.S. News and World Report's* 2017 rankings of the [1000 Best Global Universities](#), 10 accredited MBA programs, and four [globally top-ranked MBA programs](#)
- VC investment is notably robust, and Shanghai scored very high, No. 9 in 2017, for the value of VC funds given to businesses with at least 25 percent female executives (\$2.78 billion) despite the fact that local startups have almost a third of their customer base outside China
- Crowdfunding sites such as [Angellist](#), [Renrentou](#), [Dajiatou](#), and many others also provide an alternative source of funding for Shanghai entrepreneurs

- Chinese entrepreneurs are eligible to apply for subsidies under [China's Mass Entrepreneurship and Innovation Policy](#), and China also ranked high on the World Bank's measure of women who saved to start, operate, or expand a farm or business

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## Areas for Improvement

- Given the strength of its Market Size, Shanghai has a great opportunity to improve the cost by streamlining the process for starting a business
- It can improve Market Access for women by encouraging more women on boards
- With fewer than 10 percent of seats on corporate boards of directors held by women (according to the MSCI 2015 study on Women on Boards), more women in business leadership positions should be encouraged
- Lastly it can improve Market Policy by having a portal that gives businesses a place to find information needed to start, operate and scale their business