
Strengthening financial support for the integrated development of the Yangtze River Delta region

Prudential plc.

The Yangtze River Delta region¹ is becoming China's regional financial highland, with a large number of diverse financial institutions, a well-developed financial market, and a financial center with strong international influence. To support the integrated development of the Yangtze River Delta region, the financial industry is required to contribute with the goal of integrated and high-quality development. It focuses on four aspects: financial support for innovative development, financial support for green development, financial support for open development, and financial support for integrated and coordinated development.

1. A solid financial foundation for the integrated development of the Yangtze River Delta

Financial sector is an advantageous field in the Yangtze River Delta region, with a large-scale financial industry, a high concentrated financial institutions, a complete financial market

¹ The Yangtze River Delta region includes Shanghai, Jiangsu Province, Zhejiang Province, and Anhui Province.

system, and a financial center with international influence. The financial sector is not only an important part of the integrated development of the Yangtze River Delta, but also an important driving force for its high-quality development and coordinated development.

The Yangtze River Delta region has a large-scale financial industry. In 2022², The GDP of the Yangtze River Delta is 29.03 trillion RMB, accounting for about 24% of the national GDP. By the end of 2022, the balance of deposits and loans in domestic and foreign currencies in the Yangtze River Delta region has reached 68.3 trillion yuan and 56.7 trillion yuan respectively, accounting for about 26% of the country's total; the ratios to regional GDP reached 235% and 195% respectively. The total number of listed companies reached 1,925, accounting for 38% of the whole country; the market value of listed companies reached 23.1 trillion yuan, accounting for 26% of the whole country, and the ratio to GDP reached 78%. In 2022, there will be 209 new listed companies (including A-shares, Hong Kong stocks and US stocks) in the Yangtze River Delta region, accounting for about 40% of the total number of newly listed companies that year. In 2022, the original insurance premium income in the Yangtze River Delta region reached 1,045.7 billion yuan, accounting for 22 % of the whole country. In addition to insurance premium income, other important financial proportion indicators in the Yangtze River

² The data source of macroeconomic data and financial market data in this report is Wind.

Delta are higher than its GDP share, and the degree of financial depth is generally higher than the national level.

The Yangtze River Delta region has large number of financial institutions with a relatively high degree of internationalization. Among the top 20 commercial banks in the country, 6 are located in the Yangtze River Delta region, next only to Beijing; by the end of 2021, the number of commercial bank branches in the Yangtze River Delta region totaled 38,948, accounting for about 17.4% of the whole country; by the end of June 2022, the assets of foreign banks in Shanghai were about 1.6 trillion yuan, accounting for 32.5% of the total assets of foreign banks in the country. There are also 13 A-share listed brokerage headquarters and 47 headquarters of various insurance companies in the Yangtze River Delta region, accounting for 35% and 20% of the whole country respectively. By the end of 2022, the management scale of public funds in Shanghai was 9.46 trillion yuan, accounting for 36.4% of the whole country; the management scale of private funds was 5.05 trillion yuan, accounting for 25.2% of the whole country, of which the management scale of foreign private funds accounted for 95% of the whole country.

The Yangtze River Delta region has almost all kinds of financial markets with a strong growth. There are various national financial markets such as stocks, bonds, futures, currency, commercial paper, foreign exchange, gold, insurance, and carbon

emission trading. It is one of the regions with the most complete financial elements and the largest financial market in the world. With the continuous growth of China's economy and the gradual advancement of financial deepening, these financial markets are in a stage of rapid growth. The market value of listed companies on the Shanghai Stock Exchange has increased by 1.6 times in the past ten years, and the global ranking has risen from 7th to 3rd; the annual financing scale of the Shanghai Stock Exchange bond market has reached 4.5 trillion yuan, and the total custody volume has reached 15.9 trillion yuan, which is the largest exchange bond market in the world.

The Yangtze River Delta region has a financial center with international influence. The construction of Shanghai as an international financial center has achieved positive results. The scale of the financial market has grown rapidly, the system of financial institutions has been continuously improved, the ability to allocate financial resources has been significantly enhanced, and the international influence has been significantly enhanced. In March 2022, in the Global Financial Center Index (GFCI) ranking released by the British think tank Z/Yen Group, Shanghai ranked fourth in the world after New York, London and Hong Kong, China.

2. The status quo and effectiveness of financial support for the integrated development of the Yangtze River Delta

In recent years, the regional finance of the Yangtze River Delta has maintained a good development trend. Many explorations and innovations have been made in serving the innovation-driven development, green and low-carbon development, open development and integrated coordinated development of the Yangtze River Delta, and positive results have been achieved.

(1) The intensity of financial support for innovation-driven development has been greatly enhanced

The capital market plays a significant role in supporting innovation. The capital market in the Yangtze River Delta region is developed, and enterprises have a strong awareness of using the capital market. After years of development, a large number of innovative enterprises have been listed on the Science and Technology Innovation Board and the ChiNext Board. As of the end of February 2023, the number of companies listed on the Science and Technology Innovation Board in the Yangtze River Delta region reached 240, accounting for 47% of all listed companies on the Science and Technology Innovation Board; there were 444 listed companies on the ChiNext Board (nearly three of which became "SRDI, that is Specialized, Refinement, Differential, Innovation " enterprises), accounting for 36% of all listed companies on the ChiNext Board. In addition, as of the end of 2022, The Yangtze River Delta region innovation and entrepreneurship companies have issued a total of 44 dual-

innovation bonds with an issue amount of 27.5 billion yuan, accounting for about half of the number of dual-innovation bonds (excluding those issued by financial institutions) and issue volume in China.

Banking industry's support for innovation has been greatly enhanced. Through the establishment of specialized institutions for technological finance, innovative technological financial products, and strengthening policy support, the banking industry in the Yangtze River Delta region has enhanced its ability to support technological innovation. In the first half of 2022, the number of existing loans and loan balances of technology-based enterprises in Shanghai were 18,000 and 654.2 billion yuan, a year-on-year increase of 59% and 65.2%. At the end of August 2021, the balance of science and technology loans in Zhejiang Province was 1,007.4 billion yuan, involving more than 30,000 technology companies, with a coverage of 50%. At the end of 2021, the loan balance of science and technology enterprises in Jiangsu Province was 665.7 billion yuan, an increase of 29.71%. By the end of 2022, the loan balance of technology enterprises in Anhui Province will be about 360 billion yuan, an increase of 38%, and the number of technology enterprises with loans will exceed 20,000, an increase of 156%³. The banking industry in the Yangtze River Delta is rapidly accumulating capabilities to

³ The data on banks' support for technology companies comes from each province's office of China Banking and Insurance Regulatory Commission.

support innovation.

The role of industrial funds in supporting innovation and entrepreneurship has fully demonstrated. All the four provinces in the Yangtze River Delta attach importance to the use of industrial funds, including government guidance funds, to support innovation and entrepreneurship. The Yangtze River Delta region not only has a large amount of industrial funds, but also established the Yangtze River Delta Synergistic Advantage Industry Fund earlier. Since its establishment in 2018, the fund has cultivated more than 120 national-level specialized and special new "little giant" enterprises in leading industries such as integrated circuits, biomedicine, and artificial intelligence.

(2) The construction of regional green financial system has achieved remarkable results

The green financial policy support system continued to improve. The Shanghai Branch of the People's Bank of China carried out green finance evaluation work for Shanghai banking financial institutions, established an evaluation index system, and incorporated the evaluation results into the ratings of financial institutions of the People's Bank of China, and coordinated with other branches of the People's Bank of China in the three provinces to gradually unify the evaluation standards for green finance in the Yangtze River Delta region. Zhejiang Province uses the assessment and evaluation mechanism to promote the implementation of incentive policies related to green finance.

Jiangsu has established a province-wide green finance supervision and reporting system to regularly report work progress and include green finance factors in high-quality development performance evaluation indicators; promote financial institutions to jointly build environmental information disclosure training and exchange platforms to improve environmental information disclosure. In addition, the construction of green financial service platforms continues to advance, and the Shanghai Insurance Exchange has built a digital trading platform for green finance in the Yangtze River Delta.

The total supply of green finance services has grown rapidly and the structure has been continuously optimized. Many banks in the Yangtze River Delta region have set up green specialized branches or green finance business departments, and the balance of green loans in the region exceeds 4 trillion yuan by the end of 2022. The green bond market is developing rapidly. By the end of October 2022, the Shanghai Stock Exchange has issued a total of nearly 500 billion yuan of green bonds or green asset-backed securities. The coverage of green insurance has gradually increased, and businesses such as green trust, green financial leasing, and green supply chain bills have been launched one after another.

The national and regional carbon emission markets are developing steadily. Among the 8 local carbon emissions trading market pilots in China, the Shanghai pilot is relatively active, and

the participation of institutional investors ranks first among the pilot emissions trading markets; actively carry out carbon financial product innovation, and launch carbon quota forward, carbon borrowing, carbon pledge, sell repurchase and other products, etc. The cumulative trading volume of carbon emission quotas at the national carbon emissions trading market in Shanghai is about 180 million tons. The role of the price discovery mechanism has initially appeared, and the awareness and ability of enterprises to reduce emissions have been effectively improved.

(3) The degree of financial openness is at the leading level in the country

Financial openness policy has obvious advantages. With the help of open platforms such as the construction of Shanghai International Financial Center and the Free Trade Zone, the Yangtze River Delta region has the advantage of being the first to experiment in many fields of financial opening. Shanghai Lingang New Area is concentrating on creating a new financial highland, a model room for financial technology development, and stepping up the construction of a new international financial city.

Cross-border financial reform and innovation continued to advance. Shanghai pioneered the free trade account system, took the lead in launching cross-border trade RMB settlement pilot projects across the country, launched foreign equity investment

enterprise (QFLP) pilot projects and qualified domestic limited partner (QDLP) pilot projects , and took the lead in carrying out innovative business pilot projects such as foreign exchange management of international trade settlement centers and centralized operation of foreign exchange funds at headquarters of multinational companies.. The level of liberalization and facilitation of cross-border investment and financing has been improved. By the end of 2022, Shanghai has established a total of 1,849 cross-border two-way RMB fund pools, accounting for 56% of the country's settlement volume; the Suzhou Free Trade Zone has launched the first batch of QFLP foreign exchange facilitation businesses in the country.

Continue to strengthen support for new foreign trade formats such as cross-border e-commerce and overseas warehouses. With the accelerated development of cross-border e-commerce, market procurement, offshore trade, overseas warehouses and other new business models in the Yangtze River Delta region, various financial institutions rely on cross-border financial advantages, and through business model innovations such as cooperation with third-party payment institutions, to help cross- border Import and export business of overseas e-commerce enterprises. In 2022, the RMB cross-border settlement volume of cross-border e-commerce in Shanghai increased by 8% year-on-year.

The two-way opening up of the capital market continued to advance. The Shanghai-Hong Kong Stock Connect was further

expanded in two directions, the Shanghai-London Stock Connect was expanded to Switzerland and Germany, and the China-Japan ETF interconnection was steadily advancing. As of the end of 2022, the cumulative net inflow of foreign capital through Shanghai-Hong Kong Stock Connect will reach 1,164.5 billion yuan.

(4) Positive progress has been made in financial integration and urbanization

The financial support policy system for integrated urbanization has basically been established. At the level of central ministries and commissions, the People's Bank of China led five ministries and commissions to jointly issue the "Opinions on Further Accelerating the Construction of Shanghai International Financial Center and Financial Support for the Integrated Development of the Yangtze River Delta" in February 2020, which offered systematic support policy for the promotion of cross-regional cooperation among financial institutions, the improvement of financial supporting services level, financial policy coordination and information sharing in the Yangtze River Delta. In November 2022, the People's Bank of China and other ministries and commissions jointly issued the "Overall Plan for the Construction of Science and Technology Innovation and Financial Reform Pilot Zones in Shanghai, Nanjing, Hangzhou, Hefei, and Jinxing", which clarified relevant policies for financial support for the construction of the Yangtze River Delta

collaborative innovation system. At the regional level, the Shanghai Headquarters of the People's Bank of China took the lead in establishing the "Financial Services Yangtze River Delta High-Quality Integrated Development Cooperation Mechanism" in 2019; in April 2020, it jointly issued the "Measures About Deepening the Implementation of Financial Support Policies in the Yangtze River Delta Ecological Green Integrated Development Demonstration Zone".

The level of cross-regional cooperation among financial institutions has been continuously improved. The level of integration of payment service in the public service sector of the Yangtze River Delta has been improved. Promote the integration of financial institutions' operation and management. In December 2020, the "Guidelines for the Integration of Banking and Financial Institutions in the Yangtze River Delta Ecological and Green Integrated Development Demonstration Zone" was released. In March 2022, the Guidelines for the Inter-provincial (Municipal) Joint Credit Extension in the Yangtze River Delta Region was jointly issued. In November 2021, 21 financial units jointly launched the demonstration zone's financial integration service innovation and development alliance, focusing on striving for innovation and breakthroughs in four aspects: integrated finance, green finance, technological finance, and inclusive finance. The social organizations of the insurance industry in the Yangtze River Delta region hold regular joint meetings, and have

successively signed a cooperation framework agreement on the integrated development of the Yangtze River Delta region, and a memorandum of cooperation on insurance publicity work and auto insurance work.

The supporting services of the regional financial market were continuously improved. The effectiveness of the Shanghai Stock Exchange's Yangtze River Delta capital market service base continued to show, the integrated construction of credit information services in the Yangtze River Delta continued to advance, and the establishment of a unified mortgage and pledge system in the region was actively explored.

The Yangtze River Delta financial policy coordination mechanism has been established and improved. The Yangtze River Delta region has initially established a framework for financial and judicial cooperation. Continuously strengthen cooperation in financial supervision, establish an anti-money laundering supervision information sharing and joint working mechanism, a non-litigation settlement mechanism for financial consumption disputes in the Yangtze River Delta region, a talent sharing mechanism for adjustment experts, an information exchange early warning mechanism, and an atypical case consultation mechanism, etc.

3. Deficiencies in financial support for the integrated development of the Yangtze River Delta

(1) Science and technology innovation finance still has

shortcomings in supporting innovation-driven development

The activity of venture capital and private equity investment declined. According to data from Wind, the number of venture capital and private equity investment cases in the Yangtze River Delta region reached 1,613 in 2018. However, due to economic downturn, epidemic disturbance and other factors, the activity of venture capital and private equity investment has dropped significantly. The number of investment cases in 2020 and 2022 has dropped significantly to 808 and 938, which are only equivalent to 50% and 58% of 2018.

The capital market's support for innovation in different provinces in the region is uneven. In recent years, Anhui Province's ability to utilize the capital market has been significantly enhanced, but there is still a significant gap among the provinces in Yangtze River Delta region. There are many technology enterprises in Anhui Province, and the number of national-level "SRDI" small giant enterprises ranks seventh in the country. However, by the end of 2022, there are only 20 companies on the Science and Technology Innovation Board and 33 companies on the Chi Next Board, respectively 8.3% and 7.5% of the number of listed companies in the sectors; only 3 companies have issued dual-innovation bonds, with a financing scale of 2.4 billion yuan, which is less than one-tenth of the total amount in the Yangtze River Delta region.

The synergistic effect of financial support for scientific and

technological innovation in various provinces and cities still needs to be improved. Generally speaking, technology companies in provinces and cities in the Yangtze River Delta region are still mainly supported by financial resources of their own provinces and cities, which is more obvious in the fields of banking and government guidance funds. This resulting a structural mismatch between technological financial resources and the needs of technology enterprises. While one province has excess scientific and technological financial resources, another province faces the problem of insufficient scientific and technological financial resources.

(2) The ability of green finance to support green and low-carbon development is still insufficient

There is a regional imbalance in the supply and demand of green finance. Green financial resources in the Yangtze River Delta region are mainly concentrated in Shanghai, where the pressure of green and low-carbon transformation is relatively small. Northern Jiangsu and some parts of Anhui are highly dependent on resources and heavy industries, and there is great pressure for green and low-carbon transformation, but green financial resources are relatively scarce. Taking green bonds as an example, Anhui Province has issued a total of about 30 billion yuan of green bonds, while Shanghai, Zhejiang and Jiangsu each exceeded 100 billion yuan. Resources such as green industry funds and green insurance are also mostly concentrated in

Shanghai and Zhejiang.

Green finance policy coordination still needs to be improved. Yangtze River Delta region has established green financial service platforms at the provincial or municipal level, but cross-regional sharing and docking of information on green projects, green enterprises, and environmental protection are relatively limited. In terms of green projects and green enterprise certification, there is not much interaction between provinces, which is not conducive to the improvement of the regional green credit system. A unified statistical caliber for green finance is the basis for developing green finance and giving full play to the role of policy incentives, but a unified green financial statistical system in the Yangtze River Delta region has not yet been established.

The environmental benefit assessment system of green finance still has shortcomings. In order to obtain financial support, some financiers may use green financing for projects that cannot meet environmental benefit expectations, causing the risk of "greenwashing". According to a study by The Economist, the 20 largest ESG funds in the world are investing in fossil fuel suppliers. Some financial institutions in the Yangtze River Delta region have taken measures to prevent the risk of "greenwashing", but have not yet established a calculable, reportable, and verifiable environmental benefit evaluation system.

(3) The efficiency of financial support for open development

still needs to be improved

The degree of internationalization of Shanghai International Financial Center needs to be further strengthened. The international financial center has a unique advantage in enhancing the linkage effect of national and international markets and supporting open development. At present, there is still much room for improvement in the degree of internationalization of Shanghai International Financial Center. On the one hand, there are almost no foreign listed companies on the Shanghai Stock Exchange, and the degree of openness to foreign companies is still very limited. On the other hand, the foreign shareholding ratio in the Shanghai stock market is low, only 4.4% at the end of September 2022, which is equivalent to the level of the United Kingdom and the United States in the 1980s, and far below the current level of about 55% in the United Kingdom and about 15% in the United States. In addition, some financial laws and regulations are not effectively connected with international prevailing rules, such as the legal application and jurisdiction of offshore finance and cross-border finance.

The efficiency of financial opening and cooperation in the free trade zones of various provinces is not high. The financial opening-up policy in the Shanghai Free Trade Zone, especially the Linsang New Area, is at the forefront, but how to play a leading role and form an effective docking and benign interactive relationship with the Zhejiang, Jiangsu, and Anhui Free Trade

Zones is still being explored. The policy advantages of contiguous districts have not yet been fully utilized. The ability of Shanghai International Financial Center to serve the open and integrated development of the Yangtze River Delta needs to be improved. For example, foreign-funded financial institutions in Shanghai have a realistic need to expand related businesses in the Yangtze River Delta region. How to make full use of the radiation effect of the concentration of foreign-funded financial institutions in Shanghai still needs to be explored and resolved.

(4) The level of financial urbanization and integration still needs to be improved

The level of cooperation in the financial industry is low. For example, there is little inter-regional cooperation in most insurance fields. Even if there is cooperation, it generally presents the characteristics of fragmentation, looseness, and insufficient depth and breadth. The Yangtze River Delta region faces high risks of typhoons and rainstorms, and various regions either deal with it through purely commercial insurance, or only establish their own isolated catastrophe insurance at the county and city level. In the field of people's livelihood insurance such as customized medical insurance (Inclusive Insurance), personal accident insurance, and retirement community construction promoted in various places, the practices at the regional, provincial, and even municipal levels are often very different and lack coordination.

The coordination level of financial regulation is insufficient. The Yangtze River Delta region includes four provinces, with four provincial branches of the People's Bank of China and eight central financial regulatory agencies. There are differences in the ability level of regulatory personnel in various regions and their understanding of the central regulatory rules, resulting in differences in the implementation of relevant supporting measures, financial business access thresholds, and specific regulatory standards. Although the local financial supervision and management departments in various provinces have needs for cross-regional financial cooperation, they lack the ability to take the lead, making it difficult to form a normalized financial cooperation and communication mechanism.

The degree of financial infrastructure integration needs to be improved. The integrated use of financial information has not been fully realized, and the sharing of important information including social credit investigation, anti-money laundering, and taxation among different provinces is not high, resulting in low efficiency of credit approval and post-grant management difficulties for financial institutions to implement cross-regional credit granting. At the same time, the mechanism for coordinated prevention and disposal of financial risks is not perfect, and there are regional differences in relevant judicial or administrative regulations, making it difficult to realize coordinated prevention and integrated disposal of financial risks.

4. Suggestions on Improving the Efficiency of Financial Support for the Integrated Development of the Yangtze River Delta

(1) Improve the supporting function of capital market and industrial funds for innovation. Fully implement the reform of the registration system, adhere to the positioning of the Science and Technology Innovation Board as supporting hard technology, and strive to improve the merger and acquisition function of the capital market. Strengthen the cooperation and connection between the regional equity market and the Shanghai Stock Exchange. Strengthen support for corporate venture capital (CVC), encourage high-tech companies to set up CVC, invest in start-ups with good market prospects in the industry, serve to supplement and strengthen the innovation chain, and enhance the resilience and competitiveness of the supply chain. Establish a normalized investment mechanism for government guidance funds, improve the due diligence waiver mechanism, and promote government guidance funds to invest in early, small, and hard technology; promote the scope of government guidance funds to expand from local to the Yangtze River Delta region.

(2) Improve the specialized technology finance institutions and technology innovation credit product system. Guide banking institutions (especially local legal institutions) to set up specialized technology finance institutions and technology sub-branches, accelerate the development of the technology credit

market, and moderately reduce interest rates on loans for technology enterprises. Explore more forms of equity and intellectual property pledge financing models, develop equity pledge financing for technology enterprises, and expand different types of intellectual property packaged portfolio pledge loans. Encourage commercial banks to cooperate with large-scale core enterprises to build supply chain financial service platforms, and provide lower-cost, faster and more convenient financing solutions for small and medium-sized technology enterprises on the chains. Promote innovation on technological financial services based on the "Yangtze River Delta Credit Chain Platform".

(3) Strengthen green financial policy coordination and green financial product innovation. Give full play to the leading and coordinating role of the Yangtze River Delta Regional Cooperation Office, and establish a green finance working mechanism involving government departments, financial management departments, financial institutions and enterprises. Unify the statistical caliber of green finance in the region, and gradually establish a unified green financial statistical system. Jointly fund the establishment of a green development fund to provide financial support for the construction of major green projects in the region. Study the establishment of the Yangtze River Delta Green Financing Guarantee Fund to provide guarantees and re-guarantee support for green financing, and set

more favorable conditions for enterprises in areas with greater transformation pressure. The Yangtze River Delta region has a well-developed manufacturing industry and many small, medium and micro enterprises. It can carry out financial innovation around the green supply chain, and provide services such as green loans, green commercial papers, and green supply chain asset securitization with the help of chain master enterprises. Use policy tools such as tax incentives, special guarantee facilities develop new financial products, to accelerate energy transition and crowd in long-term investors.

(4) Strengthen environmental information disclosure of key enterprises and financial institutions, and promote third-party assessment and certification. With reference to international ESG information disclosure standards, promote key enterprises in the Yangtze River Delta to regularly report environment related information publicly. Strengthen the financial connectivity between the two major financial hubs of Shanghai and Hong Kong, for example by establishing a common ESG securities market, to create a deeper and more vibrant market for ESG instruments, and ensure greater alignment with global ESG standards. Strengthen the supervision and evaluation of environmental benefits of green financing projects, and require regular publication or reporting of environmental benefits. "Greenwashing" behaviors are punished by means of floating financing interest rates and shortening financing periods. Projects

whose financing scale reaches a certain level should hire professional institutions to carry out third-party evaluation and certification to verify the real environmental benefits. Strengthen the management of access to third-party assessment and certification agencies and assessment quality.

(5) Accelerate the promotion of financial reform and opening up, and enhance the influence of Shanghai as an international financial center. The Yangtze River Delta region can rely on the positioning of the Shanghai Lingsang New Area as a "special economic function zone" to promote the accelerated implementation of existing financial opening policies. For example, the implementation of policies such as an international financial asset trading platform can be promoted as soon as possible. As a "transfer interface " for domestic and foreign financial markets, the platform can have both offshore and onshore features, facilitate foreign investors to allocate domestic assets, and gradually introduce international issuers and products, and explore the provision of services for domestic investors to allocate overseas assets. Further relax the scope of business and promote the gathering of foreign financial institutions in Shanghai. Improving the rule of law environment, actively exercise foreign-related jurisdiction, including strengthening the awareness of jurisdiction selection, clarifying the use of Chinese laws by exchange members, etc.; building an international arbitration and mediation mechanism, and exploring the

establishment of more internationally accepted financial arbitration rules. Relying on the Shanghai Financial Court, we will strive to enhance the international credibility and influence of China's financial justice, and strive to build an international financial judicial center.

(6) Vigorously expand and deepen insurance cooperation. Strengthen the coordination among localities in the fields of enterprise supplementary medical insurance, urban customized medical insurance, and retirement community construction, especially to achieve the unification of systems and policies at the provincial level. Explore the establishment of a typhoon insurance system in the Yangtze River Delta, gather government and industry forces on a larger geographical scale, and deal with natural catastrophe risks better. Explore the establishment of a special risk reinsurance mechanism in the Yangtze River Delta region. Strengthen insurance infrastructure cooperation, including the establishment of insurance information collection, sharing and analysis mechanisms in the Yangtze River Delta, and provide data support for the development of key products such as catastrophe insurance, technology insurance, and green insurance in the region. Promote the optimization reform of the personal pension system in the Yangtze River Delta region, and try first in expanding the amount of tax incentives and improving the scientificity and flexibility of tax incentive determination methods.

(7) Promote the financial development of the supply chain in the Yangtze River Delta relying on Shanghai Commercial Paper Exchange Corporation, establish an incentive mechanism for corporate accounts receivable to be converted into commercial paper, and guide companies to convert accounts receivable into commercial paper with clear rights and responsibilities and fixed account periods through financial subsidies, tax reductions and so on. Further give play to the role of Shanghai Commercial Paper Exchange Corporation as a market infrastructure, improve the information disclosure system for commercial papers, explore the establishment of a regional commercial papers business cooperation platform, deepen cross-provincial and municipal branch cooperation, tap cross-regional industrial clusters and industrial chain resources, and assist core enterprises to build Closed-loop product life cycle of commercial papers.