



Intelligent Transport System Association of Shenzhen (SZITS)

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Profile

Intelligent Transport System Association of Shenzhen (SZITS) was the earliest established intelligent transport association in mainland China, which was founded in 2007. SZITS has more than 130 members, most of which are renowned enterprises. As an industry leader, it takes good service as the foundation and "to serve enterprises, government and industry wholeheartedly" as the principle.

Under the slogan of "Leading and Promoting, Building Platforms, Mounting Together", SZITS have been building four service platforms as following:

A strategic partnership platform with foreign organizations in same industry;

A communication platform between governments and enterprises;

A communication platform among SZITS members;

And a platform of group purchasing.

SZITS not only organizes self-owned brand forum "China International Urban Intelligent Traffic Forum" annually, but also some other forums and member activities. Meanwhile, SZITS maintains good communication and exchange with oversea associations in ITS. It attaches great importance to technology exchange between international counterparts, introducing advanced ITS technologies, products, solutions and concepts of urban ITS development and design, and promoting ITS continuously.

Introduction of Shenzhen

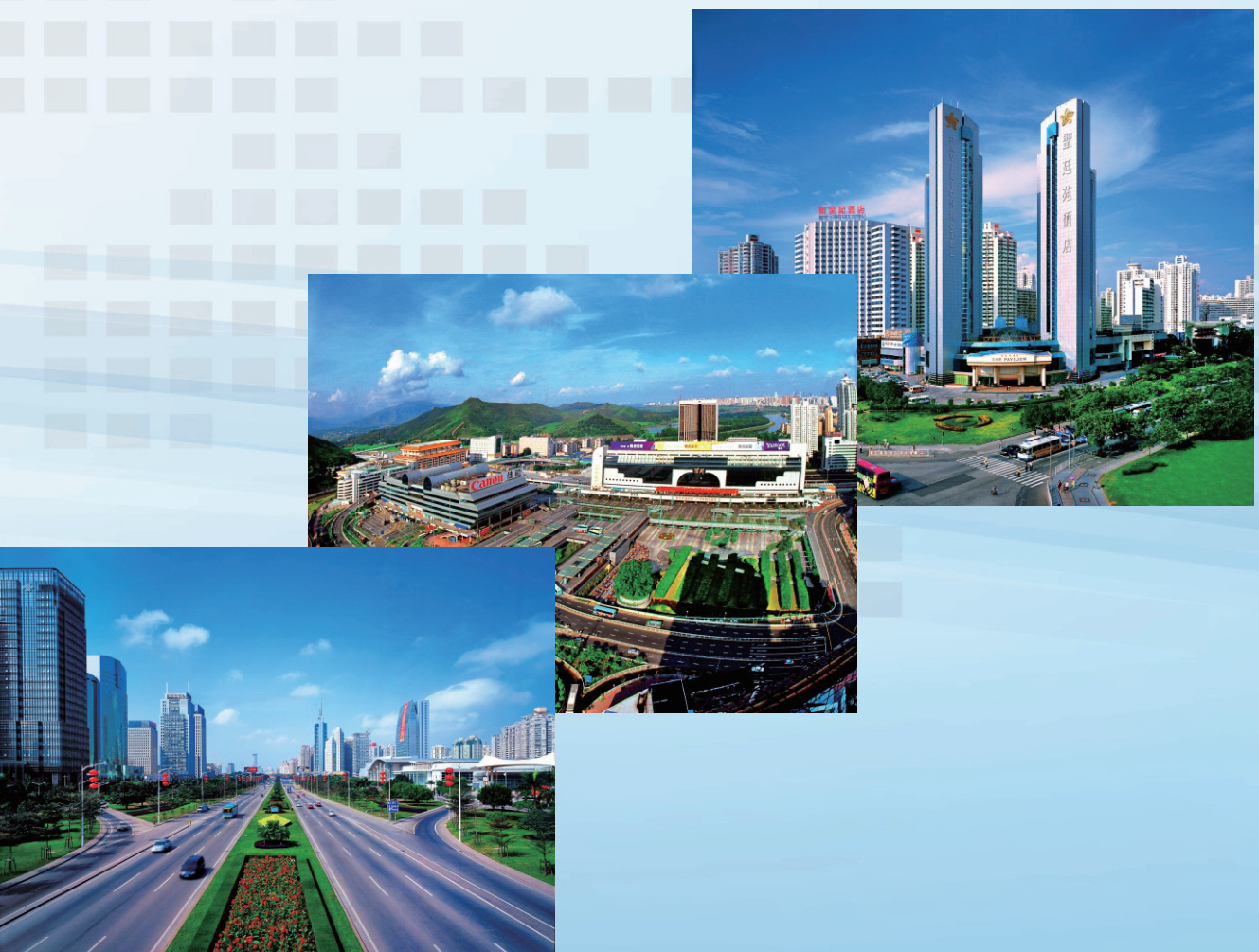
Shenzhen, a port city with a population of about 15 million adjacent to Hong Kong, is one of the economically developed cities in China. As the largest and sole owner of the land and sea ports in China, it is one of the main portals of the engagement with the world. And at the same time, Shenzhen, a city with a strong economic support for the modernization of urban infrastructure, has been ranking first for 13 consecutive years as China's largest foreign trade base. By virtue of powerful advantages, the city's comprehensive competitiveness ranks the forefront of the mainland cities. Up to now, Shenzhen has developed into a modern international metropolis, as well as an important base for Chinese high-tech industries, a national financial center, information center and the South China business center, transportation center and tourist destination.

As an important bridge and platform for China to import advanced technology, Shenzhen has strong radiation impact on surrounding areas. Known as the World Product Centre, Shenzhen's electronics industry and intelligent transportation technology lead the whole country. For those overseas companies that want wish to enter the most advanced electronics market in China, it can be helpful to display their products, technologies and solutions on ITS EXPO 2013, and to build communication and exchange bridges between government and enterprises to reach good cooperation. .

During "*the Twelfth Five-year Plan(2011-2015)*", Shenzhen will invest 1.2 billion yuan in ITS industry, while Shenzhen Government and governments from other parts of mainland China would like to listen to ideas from foreign companies, who represent more advanced technologies and better solutions. During ITS Expo 2013, nationwide leaders of ITS, experts from research institutes, delegations from ITS companies will gather in Shenzhen, therefore, it is an unprecedented chance for your members to meet their clients.

Government Support

- 1) Certain amount of subsidies will be given to every participating company.
- 2) Activity Supervisor: Transport Commission of Shenzhen Municipality
Activity Supporters: Science and Technology and Innovation Committee of Shenzhen Municipality;
Public Security Bureau Traffic Police Station of Shenzhen Municipality;
National Center of ITS Engineering & Technology.
- 3) According to *"the Twelfth Five-year Plan (2011-2015)"*, China will put great efforts to build smart cities and Transportation Internet of Things, and the intelligent transportation is an important part of smart city construction. The plan proposed that integrated application research of new technologies as Internet of Things, cloud computing, mass storage, high-speed transmission, the second generation of satellite navigation, remote sensing and telemetry should be strengthened during the implementation of major information technology projects and demonstration projects. At the same time, special funds from the fuel tax return should be established, and financial capital and special funds of technology from government should also be applied to support informationization and daily maintenances of traffic; the Ministry of Transport will provide financial subsidies for major information projects, demonstration pilots and promotional projects; in the meantime market mechanisms will be introduced to absorb social forces into participating in the development of informationization of transport, and promoting the industrialization process of the field of information services.
- 4) The government has paid much attention to the construction of intelligent transportation and supplied policy and financial support, which has brought great opportunities to intelligent transportation.



Preferential Measures for Overseas Exhibitors

Group exhibition (three or more enterprises) organized by overseas association will be given preferential measures as below:

- 1) Exhibition fee (standard booth):1300USD/8000RMB per booth;
Exhibition fee (raw booth):1175USD/7500RMB per booth;
- 2) Offer five-star hotel accommodation and airport transfers of Shenzhen for two leaders of overseas association.
- 3) Give detailed introduction one leader as VIP on the platform.
- 4) The engineering contractors, principals of Shenzhen government, Transport Committee of Shenzhen, Public Security Bureau Traffic Police Station of Shenzhen, Science and Technology and Innovation Committee of Shenzhen and etc. will be introduced to build a bridge on cooperation between government and enterprises.



Preferential Measures for Overseas Visitors

Group visitors (five or more visitors) organized by overseas association will be given preferential measures as below:

- 1) Offer five-star hotel accommodation and airport transfers of Shenzhen for one leader of overseas association.
- 2) Give detailed introduction one leader as VIP on the platform.
- 3) Introduce overseas associations to principals of Shenzhen government, Transport Committee of Shenzhen, Public Security Bureau, Traffic Police Station of Shenzhen, Science and Technology and Innovation Committee of Shenzhen and engineering contractors etc, to build a cooperation bridge

Services

What are the services the Organizing Committee offer for overseas exhibitors?

- 1) Assist in customs entry of exhibits
- 2) Hotel reservations in Shenzhen
- 3) English translation
- 4) Cooperators searching
- 5) Holding new technology and product launches; inviting representatives of government and relevant enterprises
- 6) Organizing small-sized communication and exchange activity between enterprises.
- 7) Organizing visit, traveling activity in Shenzhen
- 8) Other Services

Status of Urban Traffic in China

With the rapid development of economy and society, urbanization process is speeding up as well as the growth rate of vehicles, China gets into the trouble of increasing transport issues and traffic safety, among of which there are three difficult problems as traffic safety, traffic jam and environmental pollution. Statistics show China's urban road area is only 10.6m² per capita, which is much lower than 15m² to 20m² per capita in other countries; at the same time, the quantity of urban vehicles is growing at 15%, however the urban road area is increasing only barely about 3%. Therefore, ITS become an important means of improving road use efficiency and relieving contradiction between transportation supply and demand.

As an important means of alleviating the urban traffic pressure and eliminating traffic accidents, ITS have received huge investments from government departments. Government becomes main buyers and government procurement mode guarantees the rapid growth of ITS industry. All is critical for the development of ITS.

Benefit from the positive effects of huge investment of road infrastructure from government in recent years, urban transportation conflict of supply and demand, the booming of information technology and the demand of travel efficiency, the urban road intelligent transportation system, urban rail intelligent transportation system and highway intelligent transportation system have been developed greatly. Investment has risen from 18.2 billion yuan in 2006 to 48.1 billion yuan in 2010, and is expected to reach 380 billion yuan in the next five years, with 17.3% annual compound growth from 2010 to 2015.



Chinese Market

1) Compared with the United States, Japan, Europe and other developed countries and areas, China ITS industry is still at the initial stage. In recent years, with the rapid growth of economy and the improvement of the people's living standards, the amount of automobiles increases rapidly. The rapid growth of transportation intensifies the contradiction between huge traffic demand and limited transport infrastructure supply, which will certainly lead to a huge product market of intelligent transportation. Take the car navigation system as an example, at present, the system installation is only 2%, much lower than the 60 percent in Japan, 40% in South Korea and 25% in Europe and the United States. Counted for current market price of 10,000 yuan of one navigator, a conservative estimate, the potential market size of car navigation systems in China can reach up to 140 billion yuan if the installation rate could achieve 25%.

2) If foreign companies wish to tap market of mainland China, it is suggested that they should attend Expo, especial in ITS Expo 2013, to show their products, technologies and solutions. We hope to strengthen more two-way investment for win-win outcomes, and continue to develop in a rapid and sound manner.

Policy Support

The *"Twelfth Five-year Plan(2011-2015)"* of Internet Of Things issued earlier pointed out that ITS is the major field to be supported which includes traffic status perception and exchange, traffic guidance and intelligent control, vehicle positioning and manage, vehicle remote monitoring and service, vehicle cooperative control.

The *"Development Strategy of ITS 2012-2020"* by the Science and Technology Division of Ministry of Transportation, which is the first ITS development strategy in paper as government documents issued, is to be published soon. The issue of this document marks the upgrade of intelligent transportation from conceptual level to strategic level, project to industrialization. It's known that the ITS development strategy will be divided into four aims such as technology systems, integrated application, industrialization and standardization. The proposal of "Industrialization" becomes the focus. Transportation information resources will be opened orderly which has a giant effect on ITS industry. We could see that strategic positioning have laid high starting point for ITS, and industrialization will inject great vitality to the industry.



Investment Analysis

According to the application area, intelligent transportation could be divide into three major fields, namely urban traffic, rail transport, and highway. All fields have huge market, but for investment opportunity, there is the best chance in urban traffic, while the growth of rain transport is the fastest.

At present, the development of ITS depend principally on promotion of major demonstration projects. In 2011, the amount of China urban ITS projects reached195, up by 129% year on year, and the market scale was 5.79 billion yuan in total, up by 180% year on year.

With the "Industrialization" put forward, the Ministry of Transportation is planning to open the transportation information resource orderly. For example, cooperate with the transportation information service providers on the road condition, weather, and other rich dynamic information. Lots of enterprises will be highly attracted to ITS industry. One important aspect of Industrialization is to promote the government to release transportation and meteorological information orderly. The Ministry of Transportation will push to build relevant safeguarding system, open government resources platform, and make cooperation with firms, supplying mutual interaction and good operation experience service. What's more, it will also promote the construction of industrial development base and industry association. At present, there are about 2000 enterprises involved in ITS industry at home, most of which concentrated on road monitoring, road tolls, GPS, geographic information and System Integration. Some analysts pointed out that the policies will stimulate the need of equipment such as video, security, monitoring and charge and so on. It is estimated that ITS investment of Chinese government will reach 182 billion yuan in 2020.

Future market demand of Urban ITS will continue to grow, and the level of intelligence of China urban ITS will be improved significantly in the next three years. At present, the intelligent transportation industry is still at an early stage, while it is growing rapidly and there is large space for growth. And the trend of market concentration increased. With more investment put into domestic economy, the intelligent transportation will be faced with unprecedented development opportunities. China urgently needs to introduce advanced intelligent traffic concepts, technology and products from developed countries, and apply them to China's urban transportation.