

Analysis on the Investment Environment and Investment Problems of Manufacturing Industry in Anhui Province

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Abstract: Anhui has gradually changed from a traditional agricultural province to a new manufacturing province in recent years, and has made proud achievements. This paper attempts to take the investment situation of Anhui manufacturing industry as the starting point to analyze the hard environment and soft environment of Anhui manufacturing investment. The results show that Anhui has the conditions to promote manufacturing investment in natural resources, human resources, infrastructure and scientific and technological innovation. However, after further understanding the development status of Anhui manufacturing investment, some problems have also been found, such as the reduction of investment scale, slow recovery speed, unreasonable source of funds, large investment gap between regions, and low efficiency of resource utilization. In order to solve the above problems, this paper puts forward countermeasures from the aspects of investment intensity, investment confidence, financing channels, regional gap, investment efficiency, etc., in order to speed up the construction of a strong manufacturing province in Anhui.

Keywords: Manufacturing, Investment environment, Investment issues.

1. Introduction

2021 is the first year of the 14th Five-Year Plan, and Anhui took the lead in showing the courage to develop the manufacturing industry with high quality. In 2021, the added value of Anhui's manufacturing GDP exceeded 1trillion, ranking 10th nationwide and advancing to the first square. The high-quality development index of manufacturing industry ranks 7th in China and 1st in Central China. With such a strong development momentum, people can't help but want to explore the "counter attack" password of Anhui's manufacturing industry. Anhui's manufacturing industry can have the current achievements, which must be the comprehensive application of a set of "combination boxing". This paper attempts to disassemble this set of "combination boxing" and analyze one of the moves "investment". If you want to "invest" well, the application environment is very important. Next, let's look at how the investment environment in Anhui enables the manufacturing industry to flourish.

2. Analysis of Anhui Manufacturing Investment Environment

Investment environment refers to the general term of various natural, economic, scientific and technological management, social, regulatory and political conditions and factors that the investment object faces when making investment and affect the investment behavior [1]. The conditions and factors affecting investment behavior are divided into hard environment and soft environment according to tangible and intangible. The hard environment directly supports the production and operation of manufacturing industry, such as natural resources, human resources, infrastructure, industrial supporting facilities, technological innovation, market environment and factor market. The soft environment plays an auxiliary role in production and business activities, mainly including policy

factors, administrative factors, legal factors and social and cultural factors [2]. This section will analyze the investment environment of Anhui manufacturing industry from these two aspects.

2.1. Analysis of Investment Hard Environment

2.1.1. Natural Resources

Anhui's natural resources mainly include its own geographical location, water resources and water quality, mineral resources and biological resources. Anhui belongs to East China, located in the lower reaches of the Yangtze River and the middle reaches of the Huaihe River, with a total area of 140100 square kilometers. Anhui borders six provinces. From the north of Anhui, Shandong, Henan, Hubei, Jiangxi, Zhejiang and Jiangsu are in turn in a counterclockwise direction. Although Anhui is not near the sea, there are many rivers and lakes in Anhui, including more than 2000 rivers and more than 500 lakes. Most of the rivers belong to the Yangtze River and Huaihe river basins, and the lakes are mainly distributed along the Yangtze River and Huaihe River [3], so Anhui people also call themselves "children of the Yangtze River and Huaihe River". The famous Xin'an River, Anhui section of the main stream of the Yangtze River and Anhui section of the main stream of the Huaihe River in the province have excellent overall water quality. Covering an area of 770 square kilometers, Chaohu Lake is the largest lake in Anhui Province and the fifth largest freshwater lake in China [4]. The standard rate of water volume of centralized drinking water sources in cities across the province is 98.7%. Anhui is rich in mineral resources. It is a province with relatively complete and high content of minerals in the country. A total of 128 kinds of minerals have been found in the province. Among the minerals with identified resource reserves, 110 kinds have been counted in the above table, including energy, metal, non-metal, water and gas, and five large and medium-sized mineral lands have been added in 2021. Anhui has a warm climate, abundant rainfall, fertile land, suitable for the

growth of a variety of animals and plants, various biological resources, and a good ecological environment [5].

2.1.2. Human Resources

Human resources include the number, distribution and quality of the population. In terms of population, the population of Anhui Province has maintained a relatively stable growth in the past decade. At the end of 2021, the permanent resident population of the province was 61.13 million, an increase of 80000 over the end of the previous year. In terms of population distribution, the urbanization rate of permanent residents in 2021 was 59.4%, an increase of 1.1 percentage points over the previous year. Compared with the sixth census, the proportion of urban population in the permanent population of the province increased by 15.34 percentage points. This shows that the new type of urbanization with human centered and quality oriented in Anhui Province has achieved remarkable results. From the perspective of the quality of the population, the education status of Anhui's population has been continuously improved, and the cultural quality of the population has been continuously improved. The education level of University (refers to junior college and above) accounts for 13.26%; High school (including technical secondary school) education accounted for 13.27%. Between the two censuses, the average number of years of education of the population aged 15 and over increased to 9.35 years, and the illiteracy rate decreased to 4.49%.

2.1.3. Transportation Infrastructure

Transportation mainly includes highway, railway, waterway, aviation and metro. The strength of transportation capacity also has an important impact on the development of manufacturing industry. By the end of 2021, the density of Anhui highway network reached 169.46 km / 100 square kilometers, and the density of expressway network was 3.67 km / 100 square kilometers; The operating mileage of the railway is 5263 kilometers and the operating mileage of the high-speed railway is 2445 kilometers, achieving a 100% patency rate in villages and towns and "high-speed rail in cities and cities". Anhui has unique water transportation conditions, with the Yangtze River, Huaihe River and Xin'an River passing through. Tongling port, Wuhu port and Ma'anshan port are three natural ports of 10000 tons. As of May 2021, Anhui has 6 civil airports that have been opened to traffic. In 2021, the quality of transportation development in Anhui Province has been continuously enhanced, and the level of interconnection has been continuously improved. Highway construction, port and waterway construction, civil aviation airport construction and rail transit construction are all vigorously promoted. In terms of metro construction, Hefei and Wuhu have been put into operation, Chuzhou and Ma'anshan are under construction, and Suzhou is also under planning. In terms of cargo transportation, Anhui's annual cargo transportation volume in 2021 was 4.01 billion tons. From table 1, we can see that Anhui's cargo transportation and turnover capacity is strong, and is still improving.

Table 1. Freight volume and growth rate of Anhui's main transportation modes in 2021

Index	Unit	Absolute amount	Year-on-year growth (%)
Freight volume	100 million tons	40.1	7.2
Including: Railway	100 million tons	0.8	0.9
highway	100 million tons	25.9	6.4
water transport	100 million tons	13.5	9.2
Freight transportation turnover	100 million ton kilometers	11023.9	8
Including: Railway	100 million ton kilometers	782.5	11.6
highway	100 million ton kilometers	3727.9	9.3
water transport	100 million ton kilometers	6513.3	6.8

2.1.4. Scientific and Technological Innovation

In 2021, Anhui's regional innovation capacity continued to rank eighth in the country, and remained the top ten in the country for 10 consecutive years. It continued to strive to build itself into an innovative province. Scientific and technological innovation indicators such as scientific and technological personnel and institutions, and scientific and technological input and output increased steadily. Breakthroughs in scientific and technological innovation were strong, and a good start to the 14th Five-Year Plan was achieved.

Scientific and technological personnel and institutions are active. At the end of 2021, the total number of professional and technical talents in Anhui Province was 4.514 million, including 475000 high-level talents. The province has 39 academicians of the Chinese Academy of Sciences and the Chinese Academy of Sciences, and has newly supported 47 high-level scientific and technological talent teams to lead the establishment of enterprises in Anhui. There are 6769 scientific research institutions in the province. 279000 people are engaged in R & D activities. There are 12 national key laboratories (including national research centers) and 171 provincial key laboratories. There are 95 national enterprise

technology centers, ranking sixth in the country; There are 521 engineering technology research centers at or above the provincial level, including 9 at the national level.

Investment in science and technology continued to increase. In 2020, the total social R&D expenditure in Anhui Province was 88.32 billion yuan, ranking 11th in the country, an increase of 17.1% over the previous year; R&D expenditure accounted for 2.28% of the regional GDP, ranking tenth in the country, an increase of 0.25 percentage points over the previous year. From the perspective of the composition of R&D funds in the province, enterprises account for 81%, colleges and universities account for 9.1%, scientific research institutions account for 7.4%, and other units account for 2.5%. In 2021, the province continued to increase financial investment in science and technology, with the investment in science and technology exceeding 40 billion yuan, reaching 41.55 billion yuan, an increase of 12.4% year-on-year; Science and technology expenditure accounted for 5.5% of the provincial fiscal expenditure, an increase of 0.6 percentage points year-on-year.

Scientific and technological innovation has yielded new achievements. In 2021, 17755 scientific and technological achievements were registered, including 896 scientific and

technological achievements supported by various financial funds. 12 scientific and technological achievements won the national science and technology award. In 2021, four, two and one scientific and technological achievements of Anhui Province were selected for the top ten breakthroughs in science and technology in China, the top ten domestic scientific and technological news and the top ten international scientific and technological news. 153000 patents were authorized, an increase of 28.2% over the previous year. At the end of the year, there were 122000 valid invention patents in the province. There are 19.9 invention patents per 10000 people. In 2021, the turnover of technology contracts in Anhui province increased rapidly. See Table 2 for the details of the turnover of technology contracts absorbed and exported.

Anhui has achieved "import" greater than "export" for five consecutive years. In 2021, Anhui's emerging kinetic energy continued to strengthen, and the contribution of scientific and technological innovation to the province's economic growth was further highlighted. Take raw materials with outstanding contributions as an example. In 2021, the profit of raw material manufacturing industry increased by 29.1%, and the contribution rate to the profit growth of industries above designated size was 64.7%. The scale of new material industries in Anhui Province, such as flexible glass, ceramic aluminum new materials, and the new generation of "Change steel", continues to grow, providing more high-quality "industrial food" for the implementation of China's "manufacturing power" strategy.

Table 2. Turnover and growth rate of technology contracts in Anhui Province in 2021

Index	Absolute amount (100 million yuan)	Year-on-year growth (%)
Turnover of technology absorption contract	2175.6	92.3
Including: absorbing outside the province	753.65	18.1
Turnover of export technology contract	1754.55	136.3
Including: export to other provinces	322.72	29.4

2.2. Analysis of Investment Soft Environment

2.2.1. Policy Environment

According to the report of the 2020 white paper on China's regional manufacturing business environment released by the China Institute of electronic information industry development, Anhui's manufacturing business environment ranks eighth nationwide, with the policy environment ranking eighth nationwide. Let's look at Anhui's favorable policies for the development of manufacturing industry in 2021. On April 23, the CPC Central Committee and the State Council proposed to build China (Hefei) sound valley along the Yangtze River and promote the construction of industrial transfer demonstration region of the city-cluster along the Yangtze River in Anhui. On August 27, the people's Government of Anhui Province issued a request to further stimulate the development vitality of market players. One of the main tasks is to dynamically adjust the list of business licensing matters related to enterprises, and continue to significantly simplify access approval in manufacturing and other fields. In September, Anhui Wuhu high tech Industrial Development Zone, sunshine Power Co., Ltd. and Chery Holding Group Co., Ltd. were selected into the second batch of pilot units for the integrated development of advanced manufacturing and modern service industries. Together with the first batch of pilot units, a total of two regions and five enterprises in Anhui Province have been included in the national pilot of "two industries" integration, and the number of pilot units and the amount of funds are among the forefront of all provinces and cities in the country. On October 13, the Ministry of industry and information technology organized an expert demonstration meeting on the construction plan of the national intelligent voice innovation center in Hefei. The construction plan of the national intelligent voice Innovation Center passed the demonstration, and Anhui national manufacturing innovation center will achieve "0 breakthrough". From November 19 to 22, 2021, the 2021 world manufacturing conference was successfully held in Hefei, becoming an important open cooperation platform and "double recruitment and double introduction" platform in Anhui.

2.2.2. Administrative Environment

Anhui's government services adhere to the people-centered principle, deepen the reform to streamline administration and delegate power, improve regulation, and upgrade services, comprehensively promote the construction of "digital Jianghuai", improve the functions of the national integrated online government service platform, and strive to optimize the business environment. It ranks fifth in the country in the third-party survey and evaluation of the online government service capacity of provincial governments (government services "good and bad evaluation"), and has been in the first phalanx for three consecutive years. The national integrated online government service platform, as an innovative model, has played a strong leading and exemplary role in the country. "Digital Jianghuai" realizes the collection of 100% government data, 95% economic data and 87% social data; the government service platform has basically reached 100% online office for personal matters and more than 90% online office for administrative licensing matters; We will improve the working mechanism of "good bad reviews" of government services, carry out review of handling cases and return visits to the rectification of bad reviews, and effectively promote the facilitation and standardization of government services.

2.2.3. Legal Environment

In the development environment of manufacturing industry, the protection of intellectual property rights is the protection of the driving force of the development of manufacturing industry. In the past, during the "13th Five-Year Plan" period, Anhui made great progress in building a strong province with intellectual property rights. Now, during the "14th Five-Year Plan" period, Anhui has made clear the road map for the development of intellectual property rights. Anhui Province will accelerate the improvement of laws and regulations, encourage the creation of intellectual property rights, give strict and fair protection to intellectual property rights, actively promote the use of intellectual property rights, and provide more standardized and convenient services, so as to finally achieve win-win cooperation.

3. Problems in Anhui Manufacturing Investment

Manufacturing is the foundation of a country, the foundation of a strong country and the key to rejuvenating the province. The "14th Five-Year Plan" is the first five years of China's new journey of building a socialist modern country in an all-round way, and it is also the key five years for the promising and high-quality development of the manufacturing industry in Anhui Province. Anhui's manufacturing industry should be solid, strong and excellent, and Anhui should unswervingly build a strong manufacturing province. From the perspective of manufacturing investment, the current problems faced by Anhui's manufacturing investment mainly include the following aspects:

3.1. The Investment Scale Has Been Reduced

In terms of the total investment in fixed assets in Anhui, the

investment in manufacturing has always been the first in the industry. Even if affected by the epidemic, the total investment in 2020 decreased compared with the previous year, it is still ahead of other industries. In order to eliminate the influence of price factors and facilitate the comparison of investment between industries, a relative data - the proportion of manufacturing investment in fixed asset investment is used to analyze the trend of manufacturing investment. Table 3 gives the data from 2016 to 2021. The proportion of manufacturing investment jumped from 39.18% in 2017 to 46.72% in 2018, and increased to 47.10% in 2019, reaching the highest point since 2013, the proportion of 2020 and 2021 is difficult to exceed that of 2019. For the goal of building Anhui into a strong manufacturing province during the 14th Five-Year Plan period, Anhui's manufacturing investment is still lacking.

Table 3. Proportion of Anhui manufacturing investment from 2016 to 2021

Year	2016	2017	2018	2019	2020	2021
Proportion of manufacturing investment in fixed assets investment (%)	38.7245	39.1773	46.7220	47.1070	42.3232	44.3349

Table 4. Comparison of investment growth rate of Anhui manufacturing industry by industry from 2018 to 2020 (%)

Year Industry	2018	2019	2020
Agricultural and sideline food processing industry	22.7	-13.3	-0.8
Food manufacturing	35.66	-9.9	0.4
Manufacturing of wine, beverages and refined tea	59.26	-15.9	-16
Tobacco products industry	-45.13	49	-73.5
textile industry	84.89	34.8	9
Textile and clothing industry	52.21	5.7	-32.5
Leather, wool, feather and their products and shoemaking industry	30.98	18.9	-6.9
Wood processing and wood, bamboo, rattan, palm and grass products industry	70.03	5.8	-19.6
Furniture manufacturing industry	76.02	-7.1	-18.1
Papermaking and paper products industry	42.93	16.2	0.3
Printing and recording media reproduction industry	10.51	25.3	-8.1
Cultural, industrial and sports entertainment manufacturing industry	14.11	8.4	-21.2
Petroleum processing, coking and nuclear fuel processing industry	65.84	34.6	59.5
Chemical raw materials and chemical manufacturing industry	16.08	-5	1.3
Pharmaceutical manufacturing	53.2	-4.7	5.5
Chemical fiber manufacturing	11.52	84.1	-10.5
Rubber and plastic products industry	31.33	10.8	-6.7
Non metallic mineral products industry	50.14	23.9	-15.1
Ferrous metal smelting and rolling processing industry	-32.48	87.9	43.9
Nonferrous metal smelting and rolling processing industry	19.35	-6.4	15.2
Metal products industry	36.99	2.6	-10.4
General equipment manufacturing	56.53	38.1	-22.1
Special equipment manufacturing	26.44	27.1	8.2
Automobile manufacturing industry	24.23	9.1	-6
Manufacturing of railway, shipbuilding, aerospace and other transportation equipment	28.94	-15.7	0.3
Electrical machinery and equipment manufacturing	25.71	-0.3	-11.4
Computer, communication and other electronic equipment manufacturing industry	23.27	18.5	-3.8
Instrument manufacturing industry	51.5	-18.8	-12.4
Other manufacturing industries	71.87	-10.8	-12.5
Comprehensive utilization of waste resources	85.14	6.3	57.7
Metal products, mechanical equipment repair industry	7.15	-46.6	-50
Total	33.33	10.1	-5.6

3.2. Investment Recovery Is Slow

After the impact of the epidemic, in 2020, only 11 of the 31 manufacturing industries in Anhui achieved an increase in investment, while most of the 11 industries only achieved a growth rate greater than zero. Compared with the growth rate

data of previous years, the gap is still large, indicating that the recovery of manufacturing investment is slow. See Table 4 for the specific growth rate. Among the other 20 industries that have not achieved investment growth, alcohol, beverage and refined tea manufacturing, tobacco products industry, textile and clothing industry, wood processing and wood, bamboo,

rattan, palm, grass products industry, furniture manufacturing, cultural, industrial, sports and entertainment manufacturing, chemical fiber manufacturing, non-metallic mineral products industry, metal products industry, general equipment manufacturing, electrical machinery and equipment manufacturing, instrument manufacturing, other manufacturing industries, and metal products, mechanical equipment repair industry, investment in these 14 industries even decreased by more than 10% over the previous year. From the perspective of industrial chain, the upstream raw material industry recovered slightly faster, the investment in the midstream equipment manufacturing industry as a whole remained sluggish, while the growth rate of investment in the downstream consumer manufacturing industry continued to grow negatively, and the slow improvement of investment in the midstream and downstream industries was the main drag on manufacturing investment.

3.3. The Source of Funds Is Unreasonable

From 2012 to 2020, self raised funds accounted for an equal proportion of Anhui's manufacturing investment funds. In 2012, 2018 and 2019, the proportion is about 87%, and in other years, it is more than 90%. The total proportion of national budget funds, domestic loans, bonds, foreign capital and other sources of funds shall not exceed 10%. Among them, the national budget funds, bonds and utilized foreign capital account for less than 1% each year. For high-tech enterprises, a large amount of capital investment is needed in the early stage of development [6], and obtaining external financing is very important for their development.

3.4. The Investment Gap Between Regions Is Obvious

By comparing the manufacturing investment in the three regions of Southern Anhui, Central Anhui and Northern Anhui from 2019 to 2021, it is found that the Central Anhui has been in a leading position in the three years, and the proportion of manufacturing investment in Southern Anhui in the province is very stable, both at about 6.5%, at the middle level. The gap in the growth rate of investment in the three regions in 2021 has been smaller than that in the previous two years. The growth rate in Southern Anhui is about 2 percentage points higher than that in the whole province, and that in Northern and Central Anhui is slightly lower than the average level of the whole province. However, since the base of manufacturing investment in Northern Anhui is smaller than that in Central and Southern Anhui, the total amount of investment is still difficult to equalize under the same growth rate, and the average level of Central and Southern Anhui has reached 100 billion.

From the regional perspective, the investment volume of Suzhou, Huaibei and Bengbu has also reached the level of 100 billion, but the investment volume of Fuyang, Huainan and Bozhou is too low. The gap between Suzhou with the highest amount and Huainan with the lowest amount has been greater than 100 billion. Such a situation also exists in Central and Southern Anhui. The investment gap between Hefei and Lu'an in central Anhui and Wuhu and Chizhou in southern Anhui is more than 200 billion yuan. It shows that the manufacturing investment gap in Anhui is not only between the north and the south, but also between cities within the region.

3.5. The Efficiency of Resource Utilization Is Low

Using the method of data envelopment analysis (DEA), taking the completion of fixed asset investment in Anhui manufacturing industry from 2011 to 2020 as the input index and the added value of industries above scale as the output index, the investment efficiency of Anhui manufacturing industry is analyzed. The evaluation results are shown in Table 5. From 2013 to 2021, the scale efficiency of Anhui manufacturing investment decreased from 0.947 to 0.659 almost year after year, and the investment efficiency has been decreasing, indicating that there is invalid investment in the current manufacturing industry, and the capital input and output of the manufacturing industry have been in a state of mismatch, that is, the allocation of resources is unreasonable. From the perspective of the industry, the overall high-end degree of the manufacturing industry is not enough. From the perspective of manufacturing investment efficiency of cities in 2021, the technical efficiency and pure technical efficiency of Huangshan, Huainan, Fuyang, Bozhou and Hefei are higher than the average, and three of the five cities belong to northern Anhui. The technical efficiency of half of the cities in Northern Anhui is higher than the provincial average, but the overall investment has been lagging behind, and the efficiency is high but lacking scope for its abilities.

Table 5. Evaluation results of Anhui manufacturing investment efficiency from 2012 to 2021

Year	Comprehensive technical efficiency	Pure technical efficiency	Scale efficiency	Return to scale
2012	1	1	1	Unchanged
2013	0.947	0.996	0.95	Decreasing
2014	0.915	1	0.915	Decreasing
2015	0.835	0.941	0.888	Decreasing
2016	0.78	0.902	0.865	Decreasing
2017	0.773	0.963	0.802	Decreasing
2018	0.634	0.844	0.751	Decreasing
2019	0.617	0.861	0.717	Decreasing
2020	0.693	1	0.693	Decreasing
2021	0.659	1	0.659	Decreasing
Average value	0.785	0.951	0.824	

4. Countermeasures to Solve the Investment Problem of Anhui Manufacturing Industry

Anhui manufacturing investment faces the problems of shrinking investment scale, slow recovery, unreasonable sources of funds, obvious regional gap and low efficiency of resource utilization, which can be solved from five aspects: increasing investment, boosting investment confidence, broadening financing channels, narrowing regional gap and expanding effective investment. The details are as follows:

4.1. Increase Investment in Manufacturing

According to the work report of Anhui government in 2022, one of the main expected goals in 2022 is to strive to increase fixed asset investment by more than 10%. One of the key tasks is to give full play to the advantages of Anhui Province in history and humanities, scientific and technological innovation, manufacturing foundation, geographical location,

comprehensive transportation, ecological environment and so on. The growth of fixed asset investment should drive the growth of manufacturing investment and achieve the goal of gradually increasing the proportion of manufacturing investment. Only in this way can we stabilize the position of manufacturing foundation and give full play to the advantages of manufacturing foundation.

4.2. Boost Confidence in Manufacturing Investment

The deterioration of the profit distribution pattern of the upstream, middle and downstream industries caused by the rise in raw material prices is the main reason why it is difficult for manufacturing investment to recover quickly. The profit space of the midstream and downstream industries has been squeezed, and the proportion of midstream and downstream investment is more than half. Investment confidence needs to be restored. In order to meet the requirements of "consolidating basis and stabilizing the expectation" put forward at the meeting of the Political Bureau of the CPC Central Committee, it is necessary to accelerate the recovery of demand. We should not only take measures to ensure supply and stabilize prices, but also protect the recovering consumer market, pay attention to the current trend of consumption, and try our best to achieve the symmetry of supply and demand.

4.3. Expand Financing Channels of Manufacturing Industry

At the end of 2021, the Anhui Provincial CPPCC held a counterpart consultation Symposium on "promoting financial support for the high-quality development of the manufacturing industry". The meeting stressed that the financial system should firmly establish the concept that serving the real economy is the bounden duty and purpose, further enhance the sense of responsibility and urgency to do a good job in the high-quality development of the financial support for manufacturing, and continue to increase financial support for the transformation and upgrading of the province's manufacturing industry and the development of strategic emerging industries. We should implement the requirements of the symposium, increase the proportion of medium and long-term loans and credit loans in the manufacturing industry, and improve the support for credit in high-tech manufacturing industry. Promote the healthy development of investment capital sources of Anhui manufacturing industry.

4.4. Narrowing the Regional Gap in Manufacturing Investment

There has always been a gap in manufacturing investment among Northern Anhui, Southern and Central Anhui, and there is also an imbalance in manufacturing investment between the six prefecture level cities in Northern Anhui. In order to narrow the gap and promote the coordinated development of the six cities in Northern Anhui, we must grasp the opportunity of the construction of industrial transfer agglomeration areas in Northern Anhui. Anhui's banking and insurance industry has been watering the construction of agglomeration areas. Northern Anhui should enhance the sense of urgency, further optimize the business environment, actively strengthen communication and connection, and create good conditions for industrial transfer. In order to better serve market players, we will strengthen the simplification of administration and decentralization, and implement various

tax and fee reduction measures; In order to improve the financing environment, we should actively promote the cooperation between government, banks and enterprises, establish a credit mechanism for enterprise credit status and rating related financing, explore mortgage free and guarantee free credit loans, as well as project equity and debt financing, and strengthen enterprise financing services.

4.5. Expand Effective Investment in Manufacturing

Expanding effective investment in manufacturing can not only help Anhui's manufacturing investment recovery, but also improve the efficiency of Anhui's manufacturing investment. In 2021, the added value of high-tech manufacturing and equipment manufacturing increased by 27.4% and 15.5% respectively over the previous year, accounting for 13.6% and 33.8% of the added value of industries above designated size. The contribution of scientific and technological innovation to the economic growth of the province is more prominent. In order to enable the manufacturing industry in the province to recover as soon as possible and better cope with economic fluctuations, we should increase support for the optimization and upgrading of traditional industrial transformation, accelerate the transformation of energy conservation and carbon reduction in the industry, make the traditional manufacturing industry transform and upgrade to digitalization, networking and intelligence, and improve the core competitiveness of the manufacturing industry.

In order to change the situation that Anhui manufacturing industry has been in the decline of scale efficiency, it is necessary to increase investment in manufacturing innovation and R & D. Manufacturing investment cannot be used solely to expand production scale. It is necessary to prevent ineffective and inefficient investment, accurately analyze market demand, reduce low-end supply, develop high value-added products, and continuously improve the innovation ability of industrial Internet. Such efficient investment can not only benefit the current stable growth, but also benefit the long-term. Only in this way can Anhui's manufacturing industry have the ability to meet domestic demand and the advantage of participating in the international cycle.

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