法兰德斯中国商会 FCCC VCKK

FLANDERS-CHINA CHAMBER OF COMMERCE
VLAAMS-CHINESE KAMER VAN KOOPHANDEL

NEWSLETTER | 18 FEBRUARY 2013

FCCC ACTIVITIES

BICCS Lecture: "China's Investment in the EU: A Win-Win Game?" – 28 February 2013, 15:00 h – Brussels

The Brussels Institute of Contemporary China Studies (BICCS) of the Vrije Universiteit Brussel (VUB), with the support of the Flanders-China Chamber of Commerce (FCCC), is organizing a lecture on “China’s Investment in the EU: A Win-Win Game?” at Vrije Universiteit Brussel, Rome Room, Level -1, Karel Van Miert Building, Pleinlaan 5, 1050 Brussels, at 15:00 pm on Thursday, February 28, 2013.

Speaker: Prof. Jiang Shixue, Deputy Director of the Institute of European Studies, Chinese Academy of Social Sciences. Professor Jiang is one of China’s leading experts on the EU. He has researched and published extensively on issues related to the European economy, and its relationship with China. Prof. Jiang will discuss China’s ODI policy and prospects for Chinese investment in the EU.

Programme

15:00 Welcome Prof Gustaaf Geeraerts, Director, BICCS
15:15 Presentation Prof Jiang Shixue, CASS
15:45 Comments Duncan Freeman, BICCS,
16:00 Discussion
17:00 Close

Cost: €30 for FCCC members, €60 for non-members. (Prices are exempted from VAT)

Please fill in the registration form and send it to biccsevt@vub.ac.be.

Conference: Managing China in Transition – Can China’s 5th generation leadership get China on a sustainable path? – Friday 15 March 2013, 09.00-11.30 h., The Conference Board, Brussels

The Flanders-China Chamber of Commerce (FCCC) and The Conference Board are organizing the conference “Managing China in Transition – Can China’s 5th generation leadership get China on a sustainable path?”. The briefing will take place on Friday 15 March at 09h00 at The Conference Board, Chaussée de la Hulpe 178, 1170 Brussels.

Regardless of how China lands – hard, soft or in-between – the next 24 months will be transitional, for better or for worse. Contingency planning will be the key to sustaining growth, and to finding new growth opportunities, new investments, and new alliances. It will also be the key to mitigating risks across a number of evolving scenarios. Whether by design or unavoidable circumstances, slowing growth coupled with confluence of political and social factors is creating acute pressure for policy adjustment and structural change. How will this dynamic shape the operating environment for multinational corporations?

The presenter, David Hoffman, Vice President and Managing Director of The Conference Board’s Beijing-based China Center for Economics and Business, has over 25 years of experience in China, including 20 leading the Technology-InfoComms-Entertainment Advisory practice of PricewaterhouseCoopers in China (“TICE Advisory”), where he served the senior-most executives of technology companies, telecommunications operators, information service providers, and traditional and new media companies. David also provided extensive advice to regulators and service providers on sector development strategy, regulatory policy, regulatory risk management, and compliance.

All executives with substantial China responsibilities are welcome to attend.

The programme is as follows:
09h00-09h30 Registration

09h30-09h40 Introduction by Mr Bert De Graeve,
Chairman, Flanders-China Chamber of Commerce
Chief Executive Officer, Bekaert

09h40-11h30 Presentation and discussion by Mr David Hoffman
Vice President and Managing Director of
The Conference Board’s Beijing-based China Center for Economics and Business

Moderated by Ethan Cramer-Flood, China Program Specialist, The Conference Board.

To attend, subscribe online before 8 March 2013. Participation fee for FCCC members: €75, non-members: €95.

The Conference Board has a robust and unique China program that began with project research in the early 90s. The China Center for Economics and Business in Beijing provides essential information and insights on China to help members continually deepen their understanding and improve their business planning and performance in China. The China Council Europe and China Council U.S. leverage China Center knowledge and resources to keep senior-most HQ executives who have corporate responsibility for China well informed on and in front of high priority China developments that are critical to their business.

ACTIVITIES BY FCCC STRUCTURAL PARTNERS

Lecture Café: "Airway diseases in two worlds – from Belgium to China" – 19 February 2013 – Ghent

The second Lecture Café entitled: "Airway diseases in two worlds – from Belgium to China" by Prof. Dr. Claus Bachert and Prof. Dr. Zhang Nan (Faculty of Medicine and Health Sciences, Upper Airways Research Laboratory) will take place on Tuesday 19 February from 12:00 to 14.00 in KANTL (Koningstraat 18, Gent).

A free sandwich meal will be provided. Subscribing is free of costs, but mandatory, via https://webapps.ugent.be/eventManager/events/LectureCafes

Upper airway diseases such as sinusitis have a prevalence of 11% nowadays, and can be differentiated in subgroups according to the individual type of inflammation. Although clinically similar, sinus disease in China does show a completely different inflammation compared to the European counterpart. From this difference, we can learn more about the role of inflammation in this disease. The presentation will cover the clinical and the immunological side of disease, and will give you an insight into management of airway disease today and tomorrow in two different worlds, Belgium and China.

Prof. Dr. Claus Bachert, professor at Ghent University Hospital, clinician and researcher in Rhinology (head of the Upper Airways Research Laboratory), is member of international initiatives on evidence-based medicine in upper airway disease and member of several European FP7 research programmes.

Zhang Nan, professor at Zhongshan People's Hospital in China, was senior ENT surgeon and is now researcher at the Upper Airways Research Laboratory at Ghent University.

The Lecture Cafés are a joint initiative of the UGent China Platform, the India Platform and the International Office of the Faculty of Bioscience Engineering.

PAST EVENTS

FCCC New Year Reception – 5 February 2013, – Brussels

The Flanders-China Chamber of Commerce (FCCC) organized a Chinese New Year reception on February 5, 2013 at at the Flemish Parliament in Brussels, with speeches by:

Mr Bert de Graeve, Chairman Flanders-China Chamber of Commerce

His Excellency Mr Liao Liqiang, Ambassador of the People's Republic of China in Belgium

Mr Kris Peeters, Minister President of the Flemish Government, Flemish Minister for Economy, Foreign Policy, Agriculture and Rural Policy

Pictures will be online next week.

Invitation China 2.0: New opportunities for Belgian industry and meeting with the Belgian consuls-general in Shanghai and Guangzhou – 30 January 2013 – Antwerp

Delaware Consulting, De Wolf & Partners and Moore Stephens Verschelden, in collaboration with the Flanders-China Chamber of Commerce (FCCC) and the Benelux Chamber of Commerce in Shanghai (BenCham), organized a presentation and debate on "China 2.0: New opportunities for Belgian industry", followed by a networking reception attended by the consuls-general of Belgium in China at Havenhuis in Antwerp.

The event marked the launch of the BenCham Starter Kit for China, which contains everything you need to know about setting up and growing your business in China. The valuable information in the starter kit was written by experts currently living and working there.

Mr Stefaan Vanhooren, Vice-Chairman of the Flanders-China Chamber of Commerce, welcomed the participants. Following an introduction by Mr Philippe Snel, Chairman BenCham in Shanghai, a panel discussion was held focussed on "Wherever there are challenges, there are opportunities. What is China 2.0 and what does it mean to all of us?" with Andries Verschelden, Partner and leader Global China Desk, Moore Stephens Verschelden China; Cathy Buggenhout, Consul-General of Belgium in Shanghai; Bert Van Genechten, Managing Director, Delaware Consulting China Shanghai-Suzhou; Stefaan Vanhooren, President, Agfa Graphics, Member of the Executive Committee, Agfa-Gevaert Group; and Geert Roelens, CEO Beaulieu. At the reception, there was an exchange of views and networking with the consuls-general.

A radio program with the speakers has been broadcast in Voor de dag on VRT Radio and can be downloaded on the following link:
http://www.radio1.be/programmas/vandaag/belgium-goes-china

FOREIGN INVESTMENT

Wenzhou attracts investment at conference

A conference brought together Wenzhou people living all over the world to discuss how to restructure the region's economy. Offering investment opportunities in 470 projects worth more than CNY516 billion in areas such as finance, trade, services, advanced manufacturing and tourism, the conference attracted 1,500 participants from 100 countries and regions and 200 Chinese cities, said organizers. During the event, deals were signed for 135 projects with a combined value in excess of CNY237 billion. One of the deals was for the second phase of the Zhannan trade center in Ouhai district. The deal, signed by the Wenzhou Chamber of Commerce in Dubai, is one of the projects with investment by returned Wenzhou businessmen. The project's investment is about CNY1.5 billion and it covers an area of 4.33 hectares with a construction area of 151,774 square meters. More and more Wenzhou businessmen are eying their hometown for investment opportunities.

- More than 250 investors, most of them from China, have been cheated out of millions of dollars in a scheme by an American who led them to believe their investments could enhance their prospects of U.S. citizenship, according to the U.S. Securities and Exchange Commission (SEC). Anshoo R. Sethi, had created two companies and "fraudulently sold more than USD145 million in securities and collected USD11 million in administrative fees from investors." The SEC alleges that Sethi misled people that their investments would help them gain U.S. citizenship through the EB-5 Immigrant Investor Pilot Program.

FOREIGN TRADE

China overtakes U.S. to become biggest trading nation

China has become the world's biggest trading nation in goods, ending the post-war dominance of the United States, according to official figures. China's customs administration said the combined total for imports and exports in Chinese goods reached USD3.87 trillion in 2012, edging past the USD3.82 trillion trade in goods registered by the U.S. Commerce Department. The landmark total for Chinese trade indicates the extent of Beijing's dependence on the rest of the world to generate jobs and income compared with a U.S. economy that remains twice the size, and is more self-contained. The U.S. economy is worth USD15 trillion compared with the USD7.3 trillion Chinese economy. The U.S. still dominates the trade in services. U.S. total trade amounted to USD4.93 trillion in 2012, according to the U.S. Bureau of Economic Analysis (BEA), with a surplus of USD195.3billion. “For so many countries around the world, China is becoming rapidly the most important bilateral trade partner,” Jim O'Neill, head of asset management at Goldman Sachs said. “At this kind of pace by the end of the decade many European countries will be doing more individual trade with China than with bilateral partners in Europe.” “It is remarkable that an economy that is only a fraction of the size of the U.S. economy has a larger trading volume,” Nicholas Lardy, Senior Fellow at the Peterson Institute for International Economics in Washington, said. China became the world's biggest exporter in 2009, while the U.S. remains the biggest importer, taking in USD2.28 trillion in goods last year compared with China's USD1.82 trillion of imports. HSBC forecast last year that China would overtake the U.S. as the top trading nation by 2016. According to O'Neill, the trade figures underscore the need to draw China further into the global financial and trading architecture that the U.S. helped create, the South China Morning Post reports.

The Chinese Commerce Ministry denied reports the country passed the United States as the largest trading nation, saying that it still trails when the values of goods imported and exported by both countries are calculated using comparable free-on-board (FOB) prices. The value of China's goods traded last year lagged the U.S. figure by USD15.6 billion, Xinhua reported. The value of U.S. trade in FOB prices was USD3.88 trillion, exceeding China's USD3.87 trillion, it said. Balance of payments data from the U.S. wasn't directly comparable to China's FOB-priced data, Xinhua reported.

- Beijing has denounced U.S. sanctions imposed on four Chinese companies and one individual for allegedly breaching a U.S. law designed to hamper the development of weapons of mass destruction by Iran, North Korea or Syria. The companies included Poly Technologies, a subsidiary of China Poly Group. Foreign Ministry Spokeswoman Hua Chunying said the U.S. had imposed the sanctions according to U.S. law, which violated norms governing international relations and harmed China's interests.

MACRO-ECONOMY

Liaoning nuclear power plant goes online

The first unit of the Hongyanhe nuclear power station, the first nuclear power plant in northeast China, started operation. The station, near Wafangdian in Liaoning province, was jointly developed by China Guangdong Nuclear Power, China Power Investment and Dalian Construction Investment. China is seeking to more than triple its nuclear power capacity to 40 million kilowatts in 2015 from 12.54 million kilowatts at the end of 2011, according to a government white paper released on October 24. The Hongyanhe project includes six generation units. The installation of the first four, at a cost of CNY50 billion, was expected to be completed by the end of 2015. The units will be able to generate 30 billion kilowatt-hours of electricity a year. Separately, construction started on a CNY3 billion nuclear power reactor in December at Shidao Bay in Shandong province, which would start generating power by the end of 2017 and have a capacity of 200 megawatt (MW).

MERGERS & ACQUISITIONS

U.S. approves CNOOC’s take-over of Nexen

CNOOC has won approval to acquire the U.S. assets of Nexen. Calgary, Alberta-based Nexen said the Committee on Foreign Investment in the United States (CFIUS) had given the final green light needed for the acquisition. The acquisition gives it new off-shore production in the North Sea, the Gulf of Mexico and off western Africa, and producing properties in the Middle East and Canada. CNOOC gains control of Nexen's Long Lake oil sands project in Canada's oil-rich Alberta province and billions of barrels of reserves. Canada approved the contentious take-over late last year despite members of the ruling Conservative Party being concerned about China's human rights record. But Canada also insisted this was the last deal of its kind that it would approve, drawing a line against state-controlled companies taking majority stakes in the strategic oil sands. U.S. approvals, needed because of Nexen's Gulf of Mexico holdings, were held up as legislators examined whether the deal would threaten national security. It is the largest acquisition by a Chinese company abroad. It is also the third Chinese deal to be approved by CFIUS in recent months, and follows clearances granted for BGI-Shenzhen’s bid for Complete Genomics, and Wanxiang Group’s bid for battery maker A123 Systems. Nexen expects the take-over to be completed in the week of February 25. “If you have a deal that is politically controversial but there are no security issues, it’s pretty likely they [CFIUS] will approve it,” said Paul Marquardt, Partner in the Washington office of Cleary Gottlieb. By winning approval, CNOOC has cleared the final hurdle in its long quest to establish a major foothold in North America. In 2005, it attempted to buy U.S. energy producer Unocal for USD18.5 billion but withdrew its bid after facing stiff political opposition in Washington. CFIUS never reviewed that deal, and Chevon soon after acquired Unocal.

PETROCHEMICALS

Rosneft may double oil supplies to China

Rosneft is seeking to borrow up to USD30 billion from China in exchange for possibly doubling oil supplies. Russia's leading oil company was in talks with state-owned China National Petroleum Corp (CNPC) about the loan. Rosneft wants to borrow money as it is close to completing a USD55 billion acquisition of rival TNK-BP to become the world's largest publicly-traded oil producer. Rosneft was considering ultimately doubling supplies to China, in which case the share of Russian exports to Asia would amount to over a fifth of the country's overall exports.

- The Penglai 19-3 oilfield, the site of a severe leak in 2011, has been given permission to resume operations, the State Oceanic Administration (SOA) said. It said the oilfield, jointly owned by the China National Offshore Oil Corporation (CNOOC) and the Chinese subsidiary of ConocoPhillips, had undergone a series of repairs. Severe spills in the oilfield have polluted over 6,200 square kilometers of water since June 2011.
- Honghua Group, China’s largest exporter of oil-drilling equipment, and Shenhua Group, the country’s biggest coal producer, have agreed to improve their core technologies in shale gas development. The long-term cooperation covers research, consultancy, equipment and exploitation of the unconventional natural-gas businesses. The size of the investment was not revealed.

REAL ESTATE

Hong Kong's lifts not the fastest

Hong Kong is home to the most skyscrapers in the world, more than double the number in New York, but surprisingly, it fails to feature on the list of the globe's top five fastest lifts. Top of the rankings, compiled by buildings database Emporis, is Taipei's 101 Tower’s lift, which travels at an impressive 16.8 meters per second, or 60 km/h. Hong Kong's tallest building, the International Commerce Center (ICC) in West Kowloon, has some of the quickest lifts in the city, reaching top speeds of 9 m per second, or 32.4 km/h. The title of fastest lift in Hong Kong goes to the little-known Landmark East building in Kwun Tong, with a top speed of 10 m per second, or 36 km/h.

- Sales of new homes in Shenzhen increased threefold in January to 6,305 units, compared with the same time last year, marking the highest year-on-year increase in 43 months. The average price of newly built homes increased by 8.37% last month, compared with December prices, to CNY19,694 per square meter.
- More than 350 homes were sold in Sanya during the week-long Lunar New Year holiday, and the total accounted for 90% of all such property sold in the province during that period.

RETAIL

Chinese liquor sales drop in crackdown on extravagance

Chinese liquor or baijiu, particularly the more expensive brands, was not in great demand this festive season as a result of the central government's crackdown on extravagance ahead of the Lunar New Year, said Liu Yuan, Secretary General of the China National Association for Liquor and Spirits Circulation. As a result, liquor retailers were heavily discounting their stock. At a wholesale alcohol store, a 500 milliliter bottle of the upmarket Feitian Moutai Baijiu, produced by Kweichow Moutai with an alcohol content of 53%, was priced at CNY1,560 this New Year, down from more than CNY2,300 over the same period last year. A 500 ml bottle with an alcohol content of 52% sold under the Wuliangye brand was priced at CNY1,050, compared with CNY1,330 a bottle last year. Boxes of unsold Moutai and Wuliangye were stacked up in stores. “We are now clearing the stocks, but sales of these high-end Baijiu brands were not as good as last year even though prices have halved,” said a sales representative. The Chinese government has stepped up efforts to crack down on extravagance among government officials and state-owned companies in an effort to address corruption since last year. Xue Yuhu, Analyst at HuaChuang Securities in Beijing, said the baijiu industry was going through a “de-bubbling” process after rapid price rises last year fueled by speculation. “Some stores or agents stockpiled high-end baijiu last year, but at CNY2,300, the price of a bottle of Feitian Moutai was unreasonable, resulting in overstocking and price reductions,” he said. Well-known listed baijiu makers such as Moutai and Wuliangye would be affected the most, he said. Baijiu makers generate 70% to 80% of their sales during the Mid-Autumn Festival and Lunar New Year, and sales would inevitably go down after this month's festival, he said. Liu of the China National Association for Liquor and Spirits Circulation also expects more changes in the baijiu industry this year. “Baijiu makers may need to adjust their strategies and prices depending on market conditions after the Lunar New Year,” he said. According to a report by China Galaxy Securities, the baijiu industry’s revenue rose 27.3% to CNY396.6 billion in the first 11 months of last year, down from growth of 39.4% in the same period of 2011, the South China Morning Post reports.

Sales rise, but restaurant business suffers

The combined sales of Shanghai’s 4,000-plus stores belonging to 466 large and medium-sized retailers reached CNY5.55 billion from February 9 to February 15, up 10.2% from a year earlier. Wedding ceremonies were a strong force driving up growth. 25 hotels and restaurants under Shanghai Jin Jiang International Hotels (Group) Co hosted 2,290 wedding banquets in the period. Sales of jewelry expanded 27% on an annual basis during the holiday, surpassing the growth of food and electrical appliances, which rose 24.2% and 24% respectively. Fewer people dined out to celebrate the arrival of the Chinese Lunar New Year. The 110 restaurants tracked in a survey said they sold 9,542 tables on the eve of the Lunar New Year, down 4.9% from a year earlier. E-commerce climbed 33.5% during the seven-day holiday, while hypermarkets had sales growth of 2.8%. More than 3.35 million tourists visited Shanghai during the holiday, up 6.7% from the same period of last year, the Shanghai Tourism Administration said. More than 52,420 Shanghai residents chose to go overseas to celebrate the festival, a big jump from previous years, the Administration said.

- Sales of fireworks – and the number of people injured by them – in Beijing dropped significantly during this year's Spring Festival holiday. A total of 313,000 cartons of fireworks were sold in the capital between Lunar New Year's Eve on February 9 and February 14, down 45% from the 564,000 cartons sold during the same period last year. Mayor Wang Anshun thanked residents who cut back on fireworks or shunned them altogether during the holiday. Nearly 6,600 fires in China between Lunar New Year's Eve and February 14 left 36 people dead and 11 injured, the Ministry of Public Security said.
- Average sales at Hong Kong’s shopping centers rose 20% at the start of the Year of the Snake, thanks to an influx of mainland tourists. Sun Hung Kai Properties said sales at its 12 shopping centers saw a year-on-year 15% increase to HKD160 million in the first five days of the Year of the Snake. Maureen Fung, SHKP's Leasing Department General Manager, said average spending among mainland tourists was HKD4,000 to HKD30,000, higher than the HKD800 to HKD3,000 among local shoppers.

STOCK MARKETS

Former Vice President of Hanlong convicted of insider trading

A former Vice President of China’s Hanlong Mining Investment – Zhu Boshi, an Australian citizen also known as Calvin Zhu – was sentenced to 27 months in prison for insider trading by an Australian court. He will serve a minimum of 15 months, according to a statement released by the Australian Securities and Investments Commission. The 31-year-old pleaded guilty in July to three charges of insider trading between December 2006 and July 2011 while working for three different employers. Zhu admitted to trading in shares of Australian iron ore explorer Sundance Resources and uranium explorer Bannerman Resources, both take-over targets of Hanlong, while he was working for Hanlong. Those charges also included trading in shares of credit risk provider Veda Advantage while he was at financial advisory firm Caliburn Partnership, and trading in wholesaler Funtastic while he was an associate at Credit Suisse. Gross profits from his trades totaled AUD1.3 million, officials said. Zhu was among several Hanlong executives targeted in a Commission probe into insider trading in Sundance and Bannerman. The investigation of others associated with Hanlong Mining is ongoing. Hanlong Mining has faced delays in trying to secure Chinese government approval for a USD1.4 billion takeover of Sundance Resources, the Shanghai Daily reports.

TRAVEL

Strong demand for overseas trips

Niu Yue, Spokesman at China's largest online travel agency Ctrip.com, said there was strong demand for overseas trips during the Spring Festival period. Bookings for outbound trips surged as much as 50% compared to the Lunar New Year last year. The strengthened economy, newly added air routes, more chartered flights during the Lunar New Year, and a simplified visa application process to many countries have all helped boost the market this year, said Niu. On top of the list is Hong Kong, where the number of visitors is far higher than in other popular places such as Phuket, Bangkok, Seoul, Taipei, Singapore, Cambodia and Malaysia, said the company, without disclosing specific numbers. Thailand is the fastest-growing market, with visitor numbers more than double those of last year. The China Tourism Academy said it expected a record 211 million people to travel during the Lunar New Year holidays, up 20% year-on-year. “Growth in the outbound market has outpaced that of the domestic market,”said Niu. “More people prefer a foreign country to domestic tourist sites as they are attracted by the different experience, better services and exotic scenery.” China is set to become the world's largest tourism market. A study by global consulting company BCG said that outbound travel from China would get close to that from the United States by 2020, and Chinese travelers would contribute 14% of world tourism revenue.

Mainland tourists overwhelm Hong Kong

A rapid jump in mainland arrivals has stretched hotel and tourism facilities in Hong Kong to the limit, with Ocean Park suspending ticket sales two days in a row as the theme park neared its legal maximum of 36,000 people. Immigration Department figures show that inbound mainland tourists in the first three days of the Chinese New Year numbered more than 380,000, a 33% increase from 286,000 in the same period last year. Disneyland meanwhile recorded the second-highest number of visitors ever. But Travel Industry Council Chairman Michael Wu said the city was not at its limit. “This is not saturation,” he said, adding that both tourists and the businesses that catered to them needed to plan well. The cumulative number of mainland visitors under the individual travelers scheme – established in 2003 and allowing mainlanders to visit Hong Kong without joining a group – surpassed 100 million in December, according to Tourism Board data. Peak seasons such as Lunar New Year also bring mainlanders to the city in hundreds of organized group tours. Legislator Gary Fan said that a cap was needed on mainland visitors.

- Travel agencies in Jiangsu say their business has suffered after the central government waived highway tolls during the Lunar New Year holiday. The tourism industry said the policy had reduced the cost of driving by 30% to 40%, encouraging many travelers to drive instead of booking flights and tours.
- According to the Taiwan Affairs Office, close to eight million people from Taiwan and the mainland visited the two sides of the Taiwan Strait in 2012, with 5.35 million coming from the island. The disparity is largely because of some restrictions still placed on mainlanders visiting the island.
- Taiwan will soon increase its quota for mainland tourists traveling in groups to 5,000 from 4,000 a day, while the quota for individual tourists will double to 2,000 a day. Mainland tourists made some 2.6 million trips to Taiwan last year, up 45% from 2011, according to the Taipei-based Taiwan Strait Tourism Association.
- Lunar New Year holiday travelers have started returning to work. Authorities stepped up the frequency of services, but many people were complaining about how difficult it

was to buy train tickets and about the heavy traffic congestion. The peak travel season – which kicked off on January 26 and ends on March 6 – marks the world's largest annual human migration. The travel season peaked on February 5, when people rushed back home for family reunions, and on February 14, when they returned to their workplaces.

- Data from the China National Tourism Administration (CNTA) show that 76 million tourists visited 39 key tourism cities during the Spring Festival holiday, up 15% from a year earlier. Beijing alone pocketed CNY3.88 billion in tourism revenue, up 15% year-on-year, as 8.68 million tourists visited the capital, an increase of 7.5% . CNTA said 4 million Chinese traveled overseas on holiday during the break, 90% of them headed to Asian destinations, the most popular being Thailand, South Korea and Hong Kong.
- Hainan's tourism industry brought in an estimated CNY5.7 billion during the holiday week, or a 32% increase from the holiday last year. More than 1.9 million people visited the island for the holiday, a 40% rise on last year.

ONE-LINE NEWS

- One of two patients confirmed to have contracted the H5N1 bird flu virus died in a hospital in Guiyang, capital of Guizhou province. It was the first fatal case of bird flu in China since January last year. Another Guiyang resident, a 31-year-old man, remained in critical condition. Neither had been in contact with birds and their cases were unrelated. No one who had been in close contact with the two had fallen ill.
- Consumers wary of contaminated food may be interested in paper testing strips being created at the Tianjin University of Science and Technology. Researchers say the strips change color when they come into contact with more than 60 types of chemicals in food samples. Some substances can be detected in minutes. The paper strips will be made available to the public soon.

ANNOUNCEMENTS

Baker & McKenzie launches 2013 edition of its Asia Pacific M&A Guide

The Asia Pacific region encompasses a diverse range of legal systems – some with common law heritage, some with civil law heritage, some with robust judicial institutions and sophisticated legal markets, others less so. Many jurisdictions also have dynamic legal environments where laws are still evolving and some jurisdictions are racing to introduce reforms to regulate foreign investment. As such, strategic investors and funds contemplating investment in the region have a lot to contend with in order to understand the legal environment and the key issues shaping investment decisions and deal execution in the region.

Baker & McKenzie has advised clients dealing with these issues for decades. For more than a decade, we have published and periodically updated the Guide in order to help investors understand the basic legal rules and considerations. The Guide provides a comprehensive overview of the legal and regulatory framework for both private and public M&A transactions and covers due diligence and documentation in 11 key Asia Pacific markets: each chapter of the Guide has been written by Baker & McKenzie lawyers with significant cross-border experience in that jurisdiction and is designed to serve as a practical guide to structuring and executing M&A transactions.

Much more than mere teasers, each chapter stands out in the level of detail provided. The Guide will serve as a useful resource for anyone contemplating M&A transactions in the Asia Pacific region including multinational and Asian-based companies, as well as financial advisors on M&A transactions in the region.

Click here to access the guide. For more information, contact Baker & McKenzie or any of the lawyers listed in the guide.

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Membership rates for 2013:

- Large enterprises: €975
- SMEs: €385

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The FCCC Newsletters are edited by Michel Lens, who is based in Beijing and can be contacted by e-mail michel.jc.lens@gmail.com. Disclaimer: the views expressed in this newsletter are not necessarily those of the FCCC or its Board of Directors.