



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

NEWSLETTER | 1 JUNE 2015

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FCCC ACTIVITIES

Meeting with Jinan delegation and presentation on the experiences of an SME investing in Jinan – Friday 5 June 2015 – 10h30 – Gent

The Flanders-China Chamber of Commerce (FCCC) is organizing a meeting with a delegation from the Jinan Economic Development Zone and business leaders from Jinan city. This meeting will take place on Friday 5 June at 10h30 at the Provincial House, Gouvernementstraat 1, 9000 Gent.

Representatives from the Jinan Economic Development Zone (JEDZ) will offer an insight into the economic and investment environment of Jinan. In addition, Esco Couplings, member of the Flanders-China Chamber of Commerce, will also share its experiences of building a successful plant in this zone.

Jinan is the capital of Shandong province. The Jinan Lingang Economic Development Zone was founded in 1993 and is situated in the north-east of the city, close to Jinan International Airport. The main industries in the zone are chemical engineering, electronic communications, auto parts and machinery.

The composition of the delegation and a company description can be viewed and downloaded via [this link](#).

Programme

10h15	Registration
10h30	Introduction by Mrs Gwenn Sonck, Executive Director Flanders-China Chamber of Commerce
10h40	Presentation of Jinan Economic and Technological Development Zone by Mr Ding Xinli, Director
11h10	'Building a successful plant in Jinan': Experiences of Esco Couplings in Jinan by Mr Thierry Schmidt, Chairman of the Board, Esco Couplings
11h30	Exchange of views and business-matching with the participating Chinese companies
12h00	End of programme

If you are interested in attending this event, please register online by 3 June 2015. Participation is free of charge for FCCC Members. Non-members: €65.

[Register now!](#)

EXPO Milano 2015 – EU-CHINA Days: Joint cooperation to enhance investments and business opportunities 9 – 10 June 2015

The EU-China Business Association (EUCBA) and the Flanders-China Chamber of Commerce have the pleasure to invite you to the EU-China Days organized by the European Commission at the World Expo in Milan. The Flanders-China Chamber of Commerce is a member of the

EUCBA and is in charge of the Secretariat-General at the EUCBA, which has recently set up an office in Brussels. The EUCBA is an Association of Associations in the European Union countries promoting business relations between European enterprises, institutions and their Chinese counterparts. Today it counts 20 members from 20 different countries. The European Commission – the Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs – is organizing an event focusing on the EU and China, that will see the participation of European and Chinese companies, clusters and institutions.

The event will allow you to get information on the European Commission tools, which can assist and support the internationalization of businesses (in particular SMEs), as well as business relations between Europe and China. You will also have the chance to meet Chinese and European counterparts during the B2B sessions in order to discuss concrete cooperation projects in business, technology transfer and research. By attending this event, you will gain easy access to enterprises, clusters and stakeholders and will get new opportunities and competitive advantages!

You can find detailed information and registration forms for the conference and B2B meetings at the following links:

- EU – China Days (9-10 June, 2015): <http://www.euexpo2015-china.talkb2b.net>
- [Detailed draft programme of the EU-China conference](#)

Participants

- SMEs and big companies
- Clusters
- Research Centres
- BSOs and Institutions

Sectors of the B2B Meetings

- Agro-food manufacturing
- Creativity, cultural heritage and local traditional food
- Space application to agriculture and environmental management
- Health biotechnologies
- Food and wine, tourism
- Other topics relevant to the thematic focus of the brokerage event.

To register for the Conference and/or the B2B, [click here](#).

Programme

6 Apr-29 May	Registration for the Conference.
6 Apr-22 May	Registration for the B2B meetings. Support will be provided for the drafting of cooperation profiles. Once your profile is duly filled, it will be validated by the organizers and will be published online and promoted.
25-29 May	Selection and booking of the B2B meetings. Support will be provided for the matchmaking based on cooperation profiles. Confirmation of the participation at the B2B.
1-8 June	Delivery of the confirmed B2B meetings schedule.
9-10 June	EU-China Event.
10 Jun-14 Oct	Follow-up.

We remain at your disposal for any further information you require and look forward to meeting you at the EU-China Days at the World Expo in Milan!

For more information: www.flanders-china.be

ACTIVITIES SUPPORTED BY FCCC

Business matching Shanghai Jinshan Second Industrial Zone – 4 June 2015 – Antwerp Hilton Hotel, Antwerp

In the morning of June 4, prior to the Antwerp Shanghai Trade & Investment Forum (see next item below), a business matching event with the delegation of the Shanghai Jinshan Second Industrial Zone is planned.

Bart De Wever, Mayor of Antwerp, and Philip Heylen, Vice Mayor, will receive the delegation of the Shanghai Foreign Investment Development Board, including CEOs and managers of top

firms in the port, chemical, and machinery sectors and representatives of the Jinshan Industrial Zone.

Business matching event:

- 10.30 h. Registration
11.00 -12.15 h. Business matching
- Port & Industries – Role and Strategy of Port of Antwerp
 - Chemical Cluster – Role and Strategy of the Antwerp Petrochemical Cluster
 - Shanghai Jin Shan Second Industrial Zone Development – opportunity for future cooperation
- 12.15 -13.15 h. Lunch

The Shanghai Second Industrial Zone (SJSIZ) is located in the South-western area of Shanghai, the North shore of Hangzhou Bay, and the heartland of the Yangtze River Delta city group with an overall planning area of 14.03 sq km. The distance from Urban Center, Hongqiao international airport is about 50 km, and the distance from Pudong international airport and Yangshan port is about 70 km. On June 4, 2014, Chinese Premier Li Keqiang, chairing a State Council executive meeting, announced the plan to build seven national petrochemical industry bases including Shanghai Caojing, Dalian Changxing Island, etc. SJSIZ is adjacent to the Shanghai Chemical Industry Park (SCIP, National level) in the East and Shanghai Petrochemical Company (SPC) in the South.

[Register](#) before June 3. More information is available at ondernemeninantwerpen.be

Antwerp Shanghai Trade & Investment Forum – 4 June 2015 – Antwerp Hilton Hotel, Antwerp

The Antwerp Shanghai Trade & Investment Forum is organized in close cooperation by the City of Antwerp, the Port of Antwerp, Antwerp Headquarters, the Flanders China Chamber of Commerce, Voka Kamer van Koophandel Antwerpen-Waasland, Flanders Investment & Trade, and POM Antwerpen. It will take place on 4 June 2015 from 14h till 17h30 at the Antwerp Hilton Hotel, Groenplaats 32, 2000 Antwerp.

Programme:

- Investment Environment Antwerp and Flanders by Mr. Marc Van Gastel, Investment Director of Flanders Investment and Trade
- Investment Environment Shanghai by Mr. Gu Jun, Vice Chairman of Shanghai Municipal Commission of Commerce
- Investment Opportunities Antwerp:
Blue Gate Antwerp and BlueChem by Mr. Guido Muelenaer, Manager Strategy & Innovation at Business & Innovation City of Antwerp
Churchill Industrial Zone by Mrs. Isabelle Van Looy, Sr Consultant Investment Policy at Port of Antwerp
- Investment Opportunities Shanghai, Shanghai Huayi Group by Mr. Liu Xunfeng, Chairman of the Board
- Speech by Mayor City of Antwerp Mr. Bart De Wever.
- Speech by Party Secretary of Shanghai Mr. Han Zheng.
- Signing of MoU Ceremony between City of Antwerp and Shanghai.
- Closing by Vice Mayor Mr. Philip Heylen.
- Networking Cocktail.

In the morning of June 4, prior to the Antwerp Shanghai Trade & Investment Forum, a business matching event with the delegation of Shanghai Jinshan Second Industrial Zone is planned.

- 10.30 h. Registration
11.00 -12.15 h. Business matching
- Port & Industries – Role and Strategy of Port of Antwerp
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 - Shanghai Jin Shan Second Industrial Zone Development –

opportunity for future cooperation

12.15 -13.15 h. Lunch

More information is available at ondernemeninantwerpen.be

China High Tech Fair – 10-11 June 2015 – Brussels

On June 10 and 11, Brussel Invest & Export is organizing for the third consecutive year the China High Tech Fair – Overseas session. It is an opportunity to meet Chinese high-tech companies who want to establish technological and commercial partnerships with Brussels companies. The seminar and B2B sessions will take place in the Sheraton Brussels Rogier on Thursday 11 June from 9h30 till 16 h.

To view the program and register, go to:

www.invest-export.irisnet.be/nl/bruxelles-china-high-tech-06-2015

10 years of the EU-China IP Dialogue Mechanism – 29 June 2015 – Brussels

29 June 2015 | Ground Floor, JENK room, Charlemagne Building, Rue de la Loi 170, B-1000 Brussels | 13:30- 18:30

The Ministry of Commerce of the People's Republic of China (MOFCOM) and the Directorate General for Trade of the European Commission invite you to celebrate the 10th anniversary of the EU-China IP Dialogue Mechanism. During the event, high level representatives are expected to set the course of the EU-China IP cooperation.

In 2005, the EU and China formally signed a declaration establishing the present IP cooperation mechanism in the form of regular dialogue and working group meetings that have taken place every year since.

High level speakers from EU Trade and China's MOFCOM will address the delegation as well as other senior representatives from OHIM, EPO and SAIC together with representatives from industry and academia closely involved in the development of this Euro-Chinese cooperation.

Kindly pre-register using our online [registration](#) tool by 24th June 2015. Further information and confirmation of your registration, will be sent to you shortly.

If you have any questions regarding this event, please contact us at info@ipkey.org.

Draft agenda:

13:30	Registration and networking
14:00	Key Note Speeches
14:30	Achievements of EU-China IP cooperation and prospects of new opening decade of cooperation
	Presentations from key EU and Chinese agencies
15:30	Coffee break
15:45	Future reinforced cooperation activities between the EU and China as regards to IP matters
	Panel discussion from industry and academia from both the EU and China
16:55	Closing remarks
17:00	Networking canapés and drinks
18:30	Close

[Download a map](#)

PAST EVENTS

Seminar: How China is improving its foreign investment climate – 28 May 2015 – Ghent

The Flanders-China Chamber of Commerce (FCCC) organized a seminar focused on 'How China is improving its foreign investment climate' on 28 May 2015 in Ghent.

The investment climate in China for foreign investors is undergoing profound and hopefully positive changes recently. Mr. REN Qing, partner of Zhonglun Law Firm, shared his insights about these changes and their implication for foreign investors and foreign invested enterprises, particularly covering:

- (1) The draft Foreign Investment Law published in January 2015;
- (2) The Catalogue of Industries for Guiding Foreign Investment revised in March 2015,
- (3) The uniform Negative List applying to Shanghai, Guangdong, Tianjin and Fujian FTZs published in April 2015, and
- (4) The latest development of anti-trust enforcement in China, including the landmark Qualcomm case.

Mr. Ren Qing is a partner of Zhonglun Law Firm, specializing in M&A, anti-trust and trade law. Before joining Zhonglun, Mr. Ren was a deputy director at Department of Treaty & Law, Ministry of Commerce (MOFCOM) of China, and once worked at Embassy of China in Belgium from 2009 to 2011.

NOTICE

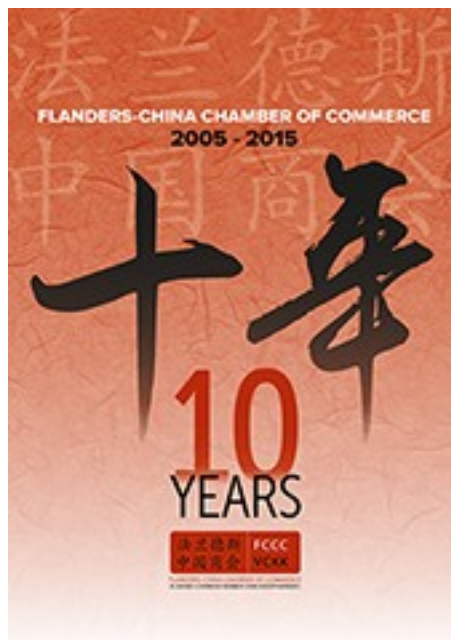
China Daily – 'Belgium Special' during State Visit to China Opportunities to advertise

On the occasion of the State Visit by Their Majesties the King and the Queen of the Belgians to China at the end of June, the China Daily newspaper will publish a “Belgium Special Edition”. This issue will describe the cooperation between both countries in the fields of economy, trade, culture, education, technology and tourism. The supplement will provide a platform for Chinese and Belgian companies to promote their products and services. A large economic and academic delegation will also participate in the State Visit.

If you are interested in advertising or publishing an advertorial in this special edition, please contact China Daily, Ms. Hou Yanli, houyanli@chinadaily.com.cn

PUBLICATIONS

FCCC publishes “10 Years: Flanders-China Chamber of Commerce 2005 – 2015”



On the occasion of its 10th anniversary, the Flanders-China Chamber of Commerce has issued the publication “10 Years: Flanders-China Chamber of Commerce 2005 – 2015”. The publication bundles interviews with H.E. Qu Xing, Ambassador of the People's Republic of China to Belgium; H.E. Michel Malherbe, Ambassador of Belgium to the People's Republic of China; Mrs. Claire Tillekaerts, CEO of Flanders Investment & Trade; Mr. Stefaan Vanhooren, President Agfa Graphics; Mr. Matthew Taylor, CEO, Bekaert; Mr. Stephan Csoma, Executive Vice President and two other Executives, Umicore; Christian Dumoulin, CEO, Vitalo; Filip

Goris, General Manager Asia, Recticel; Mr. Hudson Liu, CEO, Huawei; Mr. Li Shufu, Chairman, Zhejiang Geely Group; Mrs. Chai Hui, General Manager Brussels Branch, ICBC; Mr. Robert Zhao, Chief Representative of the Weihai EU Office in Ghent; Mr. David Liu, Deputy Managing Director, APM Terminals; and Mr. Ma Jian, Chairman, Tianjin Liho Group.

Mr. Geert Bourgeois, Minister-President of the Government of Flanders, wrote the foreword to the publication. Chairman of the FCCC, Mr. Bert De Graeve, provided the introduction and Mrs. Gwenn Sonck, Executive Director of the FCCC, provided some more details about the FCCC.

The publication is available to Members of the FCCC free of charge.

[Here is the link to the brochure online.](#)

ADVERTISEMENT OPPORTUNITIES

Advertisement opportunities FCCC 10th Anniversary publication, Newsletters and Website

This year, the Flanders-China Chamber of Commerce celebrated its 10th anniversary! We would like to give your company the opportunity to give more exposure about your companies' activities to Belgian companies active on the Chinese market and Chinese companies present in Belgium.

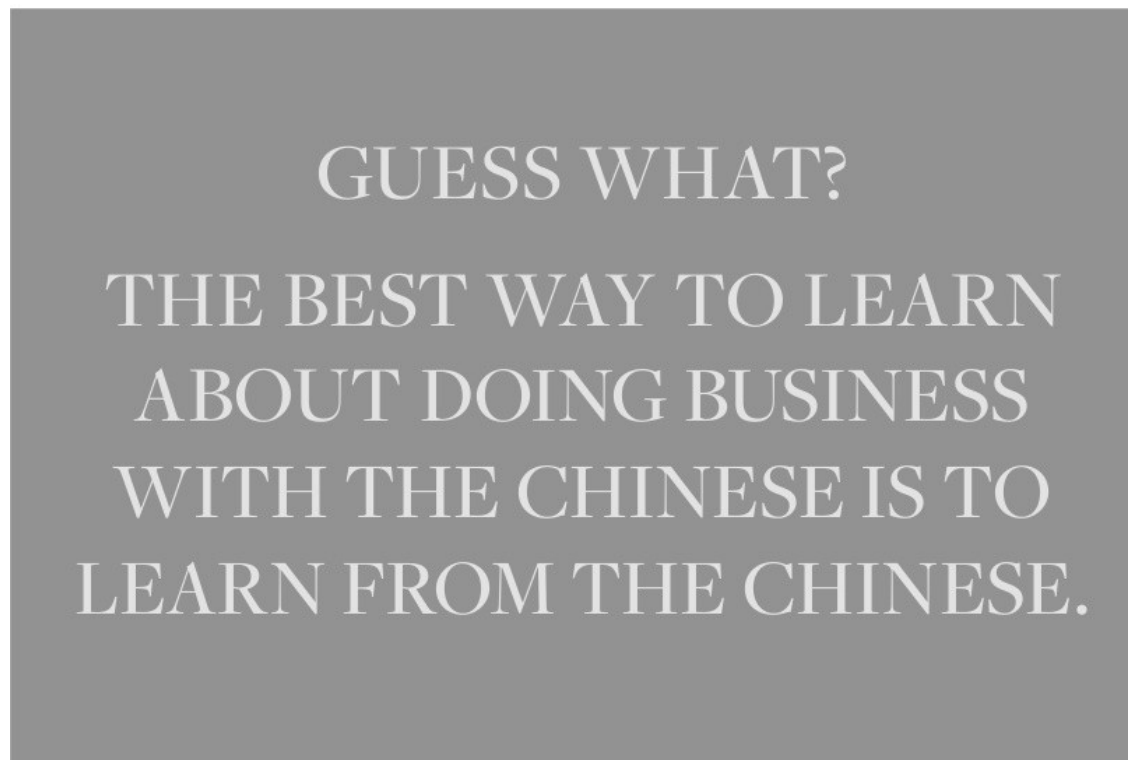
There are still opportunities to advertise in the second printing of the 10th anniversary publication.

In the link below you can find further information and a proposal for sponsorship as well as advertisement opportunities on our website and newsletters.

[Link advertisement opportunities](#)

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An Executive MBA by IMD & CKGSB



All over the world, people are beginning to do business with China. All over China, people have been doing it for centuries. So, who better to help prepare you for China's increasing

influence on the global marketplace? While the Chinese economy continues to grow, gaining expert knowledge from the other side of the business fence can give you an unquestionable advantage in leading the way between China and the world.

CKGSB: Cheung Kong Graduate School of Business and IMD business school can help you develop your understanding of China with a fully global perspective. CKGSB is recognized as China's world-class business school with an alumni base that accounts for 13.7% of China's GDP. Our world-class faculty represents many of the best minds from the U.S. and Europe's top business schools. IMD is a top-ranked business school. 100% focused on executive education, IMD offers Swiss excellence with a global perspective. Together these two leading business schools have devised the Executive MBA program.



The Executive MBA by IMD & CKGSB is designed in two stages – the foundation stage and the mastery stage. The program will allow you to master Eastern and Western business concepts and practices whilst gaining all-important international connections. The program will also strengthen leadership, strategy and general management skills.

Made up of equal numbers of participants from both Eastern and Western businesses, the program will include 11 weeks of face-to-face learning. The program is scheduled to take place from February 2015 until September 2016 with a unique split of 50/50 program delivery across Eastern and Western locations. Delivered by two world-class business schools, the IMD-CKGSB Executive MBA is the ideal answer for fast-rising executives who want to create value for their organizations by spanning both East and West. You'll go beyond the basics to a true understanding of the forces that will be shaping the world of business in the future.

For admission details or further information visit imd.ckgsb.info

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Hainan Airlines, your direct link from Belgium to China.

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Save time, fly in comfort and have the possibility to connect
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A seamless connection and a convenient transfer service will bring you
via Beijing to your destination in Hong Kong.

AUTOMOTIVE

New-energy vehicle sales target cut after poor performance

China's new 10-year new-energy vehicle (NEV) development plan has more objective, practical goals than the one released in 2012, after NEV sales in the first quarter accounted for only 5% of this year's original target. The Ministry of Industry and Information Technology's latest plan said Chinese-branded pure electric vehicles (EV) and plug-in hybrid vehicles (PHEV) should hit sales of more than 1 million units by 2020 and reach 3 million by 2025. The plan said exports should account for 10% of sales. The State Council's development plan issued in 2012 said the 2020 target for EVs and PHEVs was production of 2 million units and accumulated sales of 5 million units. China originally aimed to sell 500,000 NEVs in 2015, however, just 26,581 EVs and PHEVs were sold in the first quarter of this year. Last year, 74,763 EV and PHEVs were sold, three times the number of 2013. "China has the best regulation and strongest push to support NEV policies in the world. I think China has the vision and the potential to become the biggest NEV market in the world because we have more big cities in this country than anywhere else. NEVs are perfectly suited to inner city traffic, not so much for long distance", Hubertus Troska, Member of the Board of Daimler responsible for Greater China, said. According to the new plan, Chinese brands should take a more than 70% share of the domestic EV and PHEV market by 2020, and by 2025 the share should exceed 80%, the China Daily reports.

- A scheme to allow parallel imports of cars will be extended to Tianjin. It was first launched in Shanghai's free-trade zone (FTZ) in February to try to reduce high car prices. There is already a flourishing grey market in imported cars centered around

Tianjin. The pilot scheme will promote competition, give consumers more choice, and lead to lower car prices.

EXPAT CORNER

Shanghai takes measures to attract talent from abroad

Shanghai has released 22 measures aimed at attracting creative talent from abroad and transforming the city into a global technological innovation center. Beneficial policies, including providing permanent resident permits for high-level overseas talent and giving subsidies to high-tech professionals, are designed to open Shanghai's doors wider to the world. High-level employees who have permanent jobs in Shanghai will get privileges such as quicker processing of their foreign expert permit and a loosening of the upper age restriction from 60 to 70 years old. More permanent resident permits will be issued, valid for up to 10 years instead of the current five years.

FINANCE

JV set up in Frankfurt to trade yuan products

The Shanghai Stock Exchange, China Financial Futures Exchange and Deutsche Boerse have agreed to form a joint-venture exchange in Frankfurt to trade financial products in yuan. The China Europe International Exchange will offer offshore yuan-denominated equities and financial derivatives. "In the context of China's capital market liberalization, the offshore trading platform set up by the three exchanges will further promote the two-way opening up of China's capital market, enrich products in the offshore yuan market and accelerate the pace of yuan internationalization," said Gui Minjie, Chairman of the Shanghai Stock Exchange. The agreement said the Shanghai Stock Exchange and Deutsche Boerse will each own 40% of the joint venture, with China Financial Futures Exchange, the country's only financial derivatives exchange, taking the remaining 20%. The proposed exchange will start operation in the fourth quarter of this year. Yuan-denominated deposits in offshore markets totaled CNY2.78 trillion by the end of 2014, up 34% from a year earlier, the South China Morning Post reports.

- China's yuan is "no longer undervalued," the International Monetary Fund (IMF) said. "Our assessment now is that the substantial real effective appreciation over the past year has brought the exchange rate to a level that is no longer undervalued," the IMF said in a statement after a consultation mission to China. China has set up yuan clearing arrangements with 10 countries and regions and signed currency swap agreements with 28 central banks.
- The National Development and Reform Commission (NDRC) has lowered the debt-to-asset ratio for local government financing vehicles (LGFVs) that need to provide guarantees to 65%. It cut the ratios for AA+ and AAA rated LGFVs to 70% and 75%, respectively. The move is expected to spur a new wave of bond issues by LGFVs to meet a huge financing shortfall in infrastructure investment. LGFVs must repay a record CNY698.73 billion of notes this year, compared with CNY304.1 billion in 2014.
- The Zhejiang Banking Regulatory Commission has approved the opening of Alibaba-backed internet bank MYbank with a registered capital of CNY4 billion. MYbank will focus on financial services for small and micro business, as well as online consumers. No physical branches will be opened. The bank will target financial products for deposits below CNY200,000 and loans of less than CNY5 million.
- The yuan has risen five spots in the past three years to be the most used currency in the Asia-Pacific for payments with China's mainland and Hong Kong, accounting for 31% of payments, up from 7% in April 2012, according to the Society for Worldwide Interbank Financial Telecommunications (SWIFT). Singapore and South Korea have adopted the yuan for the majority of payments to China. Globally, the yuan retained its spot as the fifth most used currency in April with a market share of 2.07%.
- The Hong Kong government has requested that Beijing allow the city to enjoy for a while the status as the only financial center with mutual recognition of cross-border funds with the mainland, before the central government seals similar deals with other markets. The mutual recognition agreement will allow from July 1 some CNY600

billion of cross-border fund sales, with 100 Hong Kong funds issued by international fund houses sold on the mainland and 850 mainland funds sold in Hong Kong.

- China's financial industry invested CNY50.5 billion in internet-related technologies in 2013, according to a report by consulting group iResearch. It forecast that investment will expand to CNY60 billion by 2017 under the Internet Plus strategy announced by Chinese Premier Li Keqiang.
- The People's Bank of China (PBOC) set the benchmark midpoint rate of the yuan at the weakest level in a month against the U.S. dollar at 6.1198 on May 27, after the International Monetary Fund (IMF) said in its report that the currency is no longer undervalued.
- Central Huijin Investment, a unit of China's sovereign wealth fund, has sold a combined CNY3.5 billion worth of shares in the Industrial and Commercial Bank of China (ICBC) and in China Construction Bank (CCB). The sale cuts Central Huijin's holding of ICBC from 46% to 45.89%, and that of CCB from 5.05% to 2.14%. Analysts said it was a sign that financial reform was proceeding.
- China Cinda Asset Management offered nearly USD7 billion in soured loans to investors in its largest-ever sale, underscoring government pressure on banks and asset managers to settle China's non-performing loans (NPLs). Cinda is the only listed asset manager among the four bad-loan companies. About a third of the nearly 1,700 bad-debt portfolios on offer were from Wenzhou.
- At the end of 2014, the Chinese banking sector's custodial assets stood at CNY54.12 trillion, an increase of 54.7% from a year earlier, according to the China Banking Association (CBA). Asset custody business has thrived in China over the past few years, with the growth of banks' custodial assets surging over 50% for three straight years.
- The Group of Seven (G7) agreed that the Chinese yuan should be part of the IMF's international basket of reference currencies, but there is no need to rush, German Finance Minister Wolfgang Schaeuble said. Experts believe the yuan may officially become a global reserve currency by the end of the year. Inclusion in the basket could increase its use internationally.
- Chinese researchers have developed the first automated teller machine (ATM) with facial recognition technology. The developers include Tsinghua University and Tzekwan Technology, a Hangzhou firm that provides security protection for financial transactions. The technology is expected to curb ATM-related crimes. The new machine, which combines high-speed banknote handling, improved counterfeit-bill recognition and facial recognition, uses wholly-Chinese technology.

FOREIGN INVESTMENT

Salt trade now open to foreign companies in Tianjin FTZ

Foreign companies will be able to increase their presence in the China (Tianjin) Free Trade Zone and move into new sectors, including the trade of salt. The Chinese government recently scrapped the country's 2,000-year-old state control on salt and opened up the business to private traders. "Salt is one of the more than 40 business sectors that will be open to foreign capital in the FTZ," said Zong Guoying, Director of the Tianjin Binhai New Area. Foreign companies will also be able to set up wholly-owned enterprises, and overseas venture capitalists will be able to launch and manage yuan-denominated funds. Other key areas for overseas investors will be the manufacturing of high-speed railways, subways, and inter-city and urban rail systems. In addition, overseas investors can set up employment and educational agencies to help Chinese students study abroad.

FOREIGN TRADE

Closer customs cooperation along Silk Road

Vice Premier Wang Yang called for closer cooperation between the customs authorities of countries along the new Silk Road to allow more efficient trading procedures and cross-border e-commerce activities. To facilitate more trade, Wang said China will improve its ability to

combat cross-border smuggling activities and continue to support international logistics, customs clearance, trans-shipment cargo and multi-model transportation, as well as establishing the most efficient supervision model possible for cross-border e-commerce activity.

- The BookExpo America was held in New York, featuring China as the Global Market Forum Guest of Honor for the first time. Zhang Qiyue, China's Consul General in New York, believes the event will deepen the business ties between the world's two largest publishing markets. With a delegation of 500 professionals and 25 celebrated writers, China is presenting the largest-ever publishing presence in the U.S.
- EU regulators have opened an investigation into China's solar power panel industry, the European Commission said. The action is in response to accusations that Chinese companies are dodging import duties by exporting via Taiwan and Malaysia. If found at fault, the Commission could impose heavy anti-dumping duties on the Chinese products concerned.

HEALTH

First MERS case reported in China

China reported its first case of Middle East Respiratory Syndrome (MERS) in a 44-year-old South Korean man who traveled to Guangdong province on business. The man was placed in isolation and the World Health Organization (WHO) was notified. Authorities in Guangdong had isolated 35 people who had come in close contact with the man, though none has yet shown symptoms. South Korea's Health Ministry said the man was under observation for possible infection when he broke quarantine and left the country. A doctor had advised him not to go on the trip to China, but he had decided to ignore the recommendation. A list of 28 passengers on the same flight bound for Hong Kong and seated near him was forwarded to the Chinese authorities. Meanwhile, South Korea's number of MERS patients rose to seven, causing alarm in the country, with health authorities being criticized for not moving quickly and effectively enough to quarantine suspected patients, the Shanghai Daily reports. First identified in humans in Saudi Arabia in 2012, MERS is considered a deadlier but less infectious cousin of the SARS virus that appeared in Asia in 2003. There is no cure or vaccine and it has a 40.7% fatality rate. By May 16, 1,142 MERS cases had been reported in more than 20 countries, causing 465 deaths, according to the South Korean Health Ministry.

- Health authorities in Guangdong have warned of a rising tide of dengue fever cases in the province in the coming months. The province has recorded 30 dengue cases so far this year, a 170% increase over last year. No deaths were reported. The first locally-contracted case was confirmed on April 11, two months earlier than in previous years. Guangdong's dengue fever season runs from June to November. The virus is spread from person to person by Aedes mosquitoes.
- China has launched an investigation into the top official who oversees the country's medical devices sector. Tong Min, the head of the medical devices supervision unit at China's food and drug regulator, is being investigated for serious disciplinary violations.

MACRO-ECONOMY

Fourteen Chinese brands in Top-100

Fourteen Chinese brands made their mark in the list of the global top-100 brands ranking by marketing and brand consultancy Millward Brown, with technology the fastest growing category. China has three technology brands in the top 100, with Tencent and Baidu lifting their brand value by 43% and 35% from a year ago respectively, faster than the global average of 14%. Tencent is now the most valuable Chinese brand at USD76.6 billion. Alibaba entered the ranking for the first time with a brand value of USD66.4 billion. Both Tencent and Alibaba have overtaken Amazon and Walmart. Huawei and China Telecom are both new entrants to the ranking in 70th and 99th positions. "We anticipate more Chinese brands will truly go global with a greater share of their brand value coming from their presence outside China," said

Deepender Rana, CEO of Millward Brown China.

- The number of high net worth individuals (HNWI) in China – defined as having more than CNY10 million – reached 1.04 million at the end of last year, following a surge in the “innovative industries” sector, according to the China Private Wealth Report compiled by consulting firm Bain & Co and China Merchants Bank (CMB). China’s investable assets rose by 16% annually between 2012 and 2014 to CNY112 trillion last year. A new billionaire was created in China almost every week in the first quarter of this year, according to a report by UBS and PricewaterhouseCoopers (PwC).
- China rose in this year’s world ranking of competitiveness to 22nd place, with improvements in education and public expenditure, an IMD report said. It was up marginally from the 23rd spot last year. The rankings assessed factors including economic performance, government and business efficiency, as well as infrastructure in 61 economies.
- The government will issue a five-year information security plan that aims to safeguard state secrets and data in strategically important industries, a senior official from the Ministry of Industry and Information Technology (MIIT) said. The government will focus on strengthening the safety of software in the financial sector and for applications used by government departments and SOEs this year. The guidelines may constitute a new hurdle for overseas vendors.
- Industrial sector profits posted their first annual rise in China in April since September, rising 2.6% from a year earlier, but down 1.3% for the year to date. “The super simplistic model of Chinese corporate profits is that margin contraction or expansion aligns most closely with commodity prices, while volumes are driven more by construction activity,” said Thomas Gatley, China Corporate Analyst at the economics consultancy Gavekal Dragonomics in Beijing. In April, industrial production rose 5.9%, 0.3 percentage points faster than in March.
- The income gap has widened between China’s poorer inland regions and richer east. In 2014, employees working in the non-private sector in eastern regions enjoyed the highest pay growth, at 9.7%, earning an average of CNY64,239 a year, according to the National Bureau of Statistics (NBS). Incomes in western regions grew by 9% last year, with the average reaching CNY51,204. That left a gap of CNY13,035 between them, an increase on the CNY11,595 in 2013.
- China’s apparent oil demand in April rose 5.4% from a year earlier to 42.89 million metric tons. The demand worked out to an average of 10.48 million barrels per day (BPD). The country’s apparent demand for gas oil, the most widely consumed oil product in China, in April grew by a robust 6.5% year-on-year to 14.62 million metric tons. China was a net oil product exporter, with volumes totaling 240,000 metric tons in April.

MERGERS & ACQUISITIONS

Nuclear power companies merged

China Power Investment Corp and State Nuclear Power Technology Corp have officially announced their merger. China Power currently controls about a tenth of China’s nuclear power market, while State Nuclear was formed in 2007 to handle nuclear technology transferred from the U.S.-based Westinghouse Electric. The new company, State Power Investment Corporation, was expected to own assets of more than CNY700 billion and to post revenue of more than CNY200 billion annually. The other major player in the sector is China General Nuclear Power (CGN). China is contemplating a merger between CNNC and CGN which were set up as rivals to compete for projects at home and overseas but have cooperated on a single reactor brand, Hualong 1, with the intention of eventually marketing it abroad.

REAL ESTATE

China's Sunac abandons bid to take over Kaisa

Property developer Sunac China has abandoned its HKD4.55 billion bid for a 49% stake in troubled Shenzhen developer Kaisa, ending months of negotiation and stoking questions about its future. "After careful consideration of all the circumstances surrounding the share purchase, the board and the sellers decided not to proceed with the share purchase," Sun Hongbin, Chairman of Sunac China said in a statement to the Hong Kong Stock Exchange. The company gave no reason for the withdrawal of the bid. As part of the termination agreement, Sunac China said the sellers shall refund HKD1.1625 billion, half off the pre-payments, before May 29, and the remaining HKD1.1625 billion together with interest should be returned no later than December 28. Sunac China said Kaisa's Chairman Kwok Ying-shing has provided personal guarantees to ensure the refund obligation and the termination of the share sale. Kwok, who resigned as Chairman of Kaisa some three months ago, returned to the post on April 13. Trading in Sunac China shares resumed on May 28 after having been halted on May 15.

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SCIENCE & TECHNOLOGY

3% of Chinese students in U.S. dismissed

An estimated 3% of Chinese students studying in the U.S. – or about 8,000 – were dismissed last year, according to the White Paper on Dismissal Issues of Chinese Students in the United States 2015, recently released by WholeRen Education, a U.S.-based agency providing services to Chinese students. It found that more than 57% were dismissed because of poor academic performance. In the 2013-14 academic year, 274,439 Chinese students were studying in the U.S., a 16.5% increase from the previous year.

- A robotic kitchen was presented at the inaugural Consumer Electronics Show (CES) Asia in Shanghai. Designed by London-based Moley Robotics, the automated kitchen consists of two large robotic arms which can cook dishes based on an iTunes-like library of recipes. The arms were designed by the Shadow Robot company, which also provides technologies to NASA, and consist of 20 motors, 24 joints and 129 sensors allowing them to mimic the movements and dexterity of human hands. The device is

expected to go on sale in 2017, with a library of more than 2,000 dishes.

- The Beijing Foreign Studies University (BFSU), China's leading foreign language university, plans by 2020 to offer instruction in the languages of all countries that have diplomatic relations with China. About 95 languages are spoken in these 175 countries. The university has greatly expanded instruction in less-common language programs since 2011, when it offered instruction in only 48 languages.

STOCK MARKETS

Shanghai stocks plunge on record trading volume

Last week, Shanghai stocks plunged from a more than seven-year high in record-high turnover after rising for eight straight trading days, as brokerages tightened rules over margin lending and investors took profits. The Shanghai Stock Exchange saw A-share trading hit CNY1.2 trillion, an all-time record high. The CSI 300 index of the largest listed firms in Shanghai and Shenzhen fell CNY6.7, while the ChiNext startup board sank CNY5.4%. China's stock market has surged more than 140% over the past 12 months despite a cooling economy, as retail investors piled in, although economists warned that, based on economic fundamentals, the rally was unjustified. Official data showed the surge has been accelerated by cheap credit, with the outstanding value of margin financing hitting a record CNY2 trillion on May 26.

IMAX China files for Hong Kong IPO

IMAX China has filed for an initial public offering (IPO) in Hong Kong, looking to benefit from booming entertainment demand in China. The company was valued at USD400 million when IMAX Corp sold a stake of 20% to two private equity firms last year. It has strong ties to China's largest movie chain, Wanda Cinema, which makes up nearly half of all IMAX theaters in the country and nearly a quarter of IMAX China's revenue. IMAX China had 239 theaters in Hong Kong, Taiwan and on the mainland at the end of March, with commitments to build another 219, its preliminary IPO filing showed. About 174 of those are expected to be built between 2015 and 2018. China's film industry has grown nearly 31% a year on average from 2010 to 2014, with the pace forecast to accelerate to 35.2% a year for the 2014-2018 period, IMAX China said. The boom will be driven by a growing urban population and disposable income. With the expansion, China would surpass the U.S. in 2017 to become the world's largest market in terms of box office receipts with USD11.7 billion in revenue. IMAX Corp owns 80% of IMAX China after selling a 20% stake for USD80 million in April last year to private equity firms CMC Capital Partners and FountainVest Partners. It posted 2014 profit of USD22.6 million on revenue of USD78.2 million, versus USD17.4 million on revenue of USD55.9 million in 2013, the South China Morning Post reports.

- FTSE Russell, one of the world's largest providers of financial indexes, said it will launch two emerging market indexes that include China's A shares at an initial weighting of 5%. The weighting will be raised to 32% when local Chinese shares are fully available to international investors. The new inclusion indexes will be merged with the standard FTSE Emerging Markets indexes when A shares meet FTSE's criteria, the company said.
- Shares of Juneyao Airlines surged by the 44% first-day trading limit as they debuted on the Shanghai Stock Exchange, closing at CNY16.10, up from the initial public offering (IPO) price of CNY11.18 per share. The Shanghai-based airline raised CNY760 million. Juneyao Airlines describes itself as a "budget carrier with full services" and targets "mid- to high-end business and leisure travelers." It began flying in 2006 and has a fleet of 42 Airbus A320 aircraft, which it plans to expand to 50 planes by the end of 2015. The airline has also set up low-cost subsidiary, Guangzhou-based 9Air, which started operations in December with three Boeing 737s.
- Hong Kong's Securities and Futures Commission (SFC) confirmed it is investigating Hanergy Thin Film Power Group, hours after Chairman Li Hejun dismissed rumors of a probe. Hanergy shares have been suspended from trading since May 20 after the stock plunged 47% in the morning that day to HKD3.91. Media reports have long cast doubt on the sustainability of Hanergy's business model, with some suggesting its

shares were manipulated. The stock had surged 664% in the 12 months before its crash and suspension.

TRAVEL

Uber Founder visits China to legalize services

Travis Kalanick, Founder of U.S. car hailing service Uber, has visited China, promising to work with authorities to make sure its services operate legally in the wake of raids by authorities on some of its offices. "Uber will try to learn the local laws and bylaws to make sure its service is legal in China," he told the South China Morning Post. Uber now covers nine Chinese cities, including Beijing, Shanghai, Shenzhen and Chongqing.

- The InterContinental Hotels Group has rolled out a scheme featuring Chinese-speaking staff and Chinese TV channels. The "China Ready" service was well received by Chinese tourists when a pilot program was launched in April, the group's CEO Richard Solomons said. The pilot program covered about 100 hotels in cities around the world that are major holiday destinations for Chinese travelers.
- Deutsche Bahn is setting up a procurement office in China later this year. The German railway operator has already signed a cooperation deal with Huawei Technologies Co, and included Taiyuan Heavy Industry Co into its qualified supplier group to provide carriage wheels and axles. It is also setting up a cooperation with CRRC, which emerged after the merger of the train manufacturing firms CSR Corp and CNR Corp.
- China's domestic travel market expanded 16.3% to CNY3.1 trillion last year, according to the China Tourism Academy. Chinese spending on foreign travel rose 1.2% to USD155 billion.
- Taxi companies in Jinan, Shandong province, have ordered the city's cab drivers to uninstall car-hailing apps, saying the services have disrupted the market. The city's 37 taxi companies sent the order in mobile text messages to more than 8,000 drivers.

ONE-LINE NEWS

- The HKD43 billion second phase extension of the Galaxy Macao on the city's Cotai Strip was opened, including three hotels, two casinos and other entertainment facilities. It doubles the resort's presence and represents just under half of the company's planned HKD100 billion investment in Macao. It is the first major grand opening of a casino since gaming revenues began to nosedive last year amid President Xi Jinping's crackdown on corruption.
- A court in Zhejiang province has fined Jinfanda Biochemical, a manufacturer of weed killer glyphosate, CNY75 million and jailed the company's managers and contractors for discharging polluting waste water. One unqualified contractor was fined CNY4 million.
- China is planning to construct test sites off the coast of Shandong, Zhejiang and Guangdong provinces for ocean power generators and to support the development of the marine energy industry, Xia Dengwen, Vice Director of the National Center for Marine Technology under the State Oceanic Administration, said during a forum in Weihai, Shandong province.
- China's most-wanted fugitive, Yang Xiuzhu, who is accused of embezzling more than USD40 million and fled China in 2003, is in U.S. custody, after entering the U.S. using a fake Dutch passport last year. She had escaped from detention in the Netherlands in May 2014 after being rejected for political asylum and before she could be sent back to China. A former Vice Mayor of the coastal city of Wenzhou, Yang, 68, was ranked number one on a list of 100 people China says are hiding abroad to avoid prosecution for graft.
- Starting on June 1, all indoor public places and many outdoor public places in Beijing are required to be 100% smoke-free. Violators will face fines of up to CNY200, and owners of establishments who allow customers to smoke will face penalties up to CNY10,000.

- Britain's Queen Elizabeth II will host Chinese President Xi Jinping and his wife for a state visit in October. The last state visit from China was by President Hu Jintao in 2005. The queen and her husband paid a state visit to China in 1986.

ANNOUNCEMENTS

Looking for traineeship

Miss TIAN Yuchen would like to find a 6-month internship from this July in UI/UX Designer or Web Developer or Graphique Designer related enterprises in Belgium or France.

She is an engineering student majored in electronics and automation at Lorraine University. She studied alone in France for the previous four years, and is very intelligent and independent. She is 1.73 meters tall and good-looking. C.V. (in both English and French) and a self-recommendation letter showing her qualifications is available by sending an e-mail to info@flanders-china.be

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