



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

NEWSLETTER | 10 AUGUST 2015

<u>FCCC activities</u>	<u>10th EU-China Business & Technology Cooperation Fair – 4-6 November 2015 – Qingdao and 9-11 November 2015 – Chengdu</u>
<u>Activities supported by FCCC</u>	<u>Business trip to China by Unizo and Howest – October 2015</u>
<u>Past events</u>	<u>10th EU-China Business Summit – 29 June 2015 – Brussels</u> <u>FCCC and BNP Paribas Fortis: Breakfast debate at Westin Beijing – 24 June 2015</u>
<u>Publications</u>	<u>FCCC publishes “10 Years: Flanders-China Chamber of Commerce 2005 – 2015”</u>
<u>Advertisement opportunities</u>	<u>Advertisement opportunities: FCCC Weekly newsletters and website</u>
<u>Advertisement</u>	<u>An Executive MBA by IMD & CKGSB</u> <u>Hainan Airlines, your direct link from Belgium to China</u>
<u>Automotive</u>	<u>EV charging facilities to be standardized</u>
<u>Expat corner</u>	<u>Waiting time for residence permits cut in Beijing</u>
<u>Finance</u>	<u>Inclusion of yuan in SDR basket still in doubt</u>
<u>Foreign investment</u>	<u>Investment along the Silk Road booming</u> <u>Foreign VC firms to be allowed to invest in startups in Zhangjiang Park</u>
<u>Foreign trade</u>	<u>China to import more pork</u> <u>Exports drop 8.3% in July</u>
<u>Health</u>	<u>Heart disease remains top health risk</u>
<u>Macro-economy</u>	<u>20 of the 100 top tech billionaires are Chinese</u>
<u>Mergers & acquisitions</u>	<u>Hebei Iron, Tewoo eye Fortescue stake</u>
<u>Real estate</u>	<u>Sales of high-end apartments surging in Beijing</u>
<u>Advertisement</u>	<u>ChinAccess: Professional interpreting & Translation Services (EN/NL/CN)</u>
<u>Retail</u>	<u>Shanghai residents most enthusiastic online shoppers</u>
<u>Stock markets</u>	<u>CSRC trying to stabilize the market</u>
<u>Travel</u>	<u>Shenzhen airport and two airlines censured for flight delays</u> <u>High-speed rail line to open after 6 years</u>
<u>One-line news</u>	

Vacancy [General Manager BenCham Shanghai](#)
Announcements [8th China \(Weihai\) Fishing Gear Manufacturing Center Expo \(CGC EXPO Weihai 2015\) – October 16-18, 2015 – Weihai, China](#)

FCCC ACTIVITIES

10th EU-China Business & Technology Cooperation Fair – 4-6 November 2015 – Qingdao and 9-11 November 2015 – Chengdu

The EU-China Business & Technology Cooperation Fair has been held for nine consecutive editions attracting 4,400 Chinese companies and 12,400 European companies in total. The Fair provides a dominant cooperation platform in China for investment, trade and technology between the EU and China. 22,291 bilateral meetings between companies took place at the matchmaking event. Around 1/3 of the participants already informed about their successful match. The Fair is organized by the EU Project Innovation Centre and supported by the European Commission, the EU-China Business Association and several other EU institutions.

The 10th EU-China Business & Technology Cooperation Fair will be held from 4-6 November 2015 in **Qingdao**.

Qingdao, the most important transport hub and trading port in the North coastal region of China, is located at the intersection of land and maritime Silk Roads. With its well-established industries and rich resources, Qingdao is playing a leading role in developing the blue economy. As one of the first Chinese cities to open to the world, Qingdao is willing to work with other ocean-driven EU countries to forge partnerships in developing ocean economies, exploiting the resources, and promoting maritime research and innovation. Topics at the Fair will be:

- Maritime machinery and equipment
- Maritime bio-pharmacy & bio-technology
- Ocean aviation
- Renewable energy, new materials, clean-tech
- Environmental protection
- ICT

A cooperation forum will be held, as well as seminars on:

- Maritime research and industry cooperation
- High-end machinery industry cooperation
- New energy and environmental protection

B2B and cluster-to-cluster matchmaking session will also be organized.

More information is available at www.eu-china.org.cn The website for Qingdao's matchmaking is: <https://www.b2match.eu/tenth-eu-china-cooperation-fair-qingdao>

The **Chengdu** event of the of 10th EU-China Business & Technology Cooperation Fair will be held from 9-11 November 2015 in Chengdu.

The Chengdu Event will focus on:

- Frontier technological achievements and trends
- Short, sharp 30-minute meetings to foster effective networking
- Share information with Event experts, scholars and business players
- Get your problems solved – Matching enterprises offering or seeking solutions
- See an exhibition of successful examples of B2B match-making meetings

More information on the Chengdu Event is available at: <https://www.b2match.eu/tenth-eu-china-cooperation-fair-chengdu>

The Fair is organized with the support of the EU-China Business Association (EUCBA) and the Flanders-China Chamber of Commerce (FCCC).

ACTIVITIES SUPPORTED BY FCCC

Business trip to China by Unizo and Howest – October 2015

Unizo and Howest are organizing a business trip to China in October 2015. More information is available on the website <http://groups.alkreizen.be/cnunuzowl>.

PAST EVENTS

10th EU-China Business Summit – 29 June 2015 – Brussels

The EU-China Business Association invited 500 business leaders and officials to join the 10th EU-China Business Summit on 29 June 2015 at Palais d'Egmont in Brussels. The EU-China Business Summit is a joint initiative by BusinessEurope, the China Council of the Promotion of International Trade (CCPIT), in cooperation with the European Union Chamber of Commerce in China (EUCCC) and the EU-China Business Association (EUCBA). The business summit is recognised as the highest-level platform for exchanges between EU and Chinese business and political leaders and brought together a number of high-level business leaders from large Chinese and European companies, including several CEOs. President Jean-Claude Juncker and Premier Li Keqiang made keynote addresses during the opening session.

Under the overall theme of “Building a Stronger Partnership” interesting discussions were held on topical issues like investment cooperation, the digital economy and green and sustainable growth. Commission Vice President Jyrki Katainen introduced the panel on investment cooperation.

The thematic session 1: “New opportunities for EU-China investment cooperation” was moderated by Mr Stephen Phillips, Chairman of the EU-China Business Association (EUCBA). The second thematic session focused on “Green economy and sustainable growth” and the third one on “Industrial transformation in a digital world”.

FCCC Chairman Bert De Graeve, Chairman of Bekaert, participated in the CEO dialogue with European and Chinese CEO's and Mrs Malmstrom, European Commissioner for Trade. The EU-China Business Association is the EU-wide federation of business organisations in the EU promoting business relations with China. The Flanders-China Chamber of Commerce holds the secretariat-general of the association.

For more information on the 10th EU-China Business Summit you are invited to explore the dedicated website: www.eu-china-business-summit.eu

The EU-China Business Summit was organized with the support of the Flanders-China Chamber of Commerce (FCCC).

FCCC and BNP Paribas Fortis: Breakfast debate at Westin Beijing – 24 June 2015

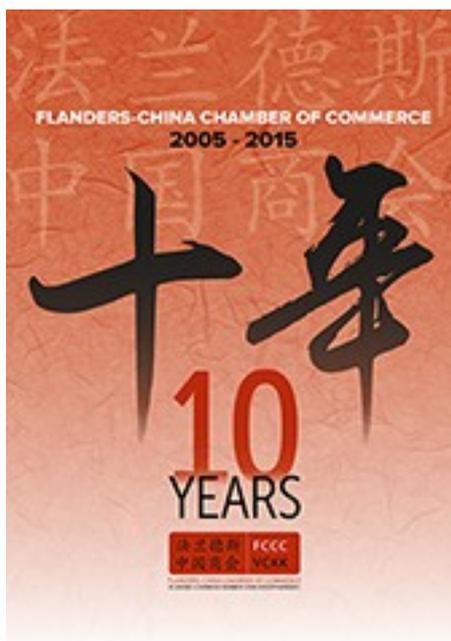
The Flanders-China Chamber of Commerce (FCCC) and BNP Paribas Fortis organized a breakfast debate on June 24, 2015 in the Westin Beijing Hotel during the Royal State Visit. The theme of the breakfast debate was “How strong is China's economic and financial engine? Business environment outlook for foreign strategic investors”. Minister-President Geert Bourgeois of the Government of Flanders attended the debate and delivered the conclusions.

Following a word of welcome by Mr Max Jadot, CEO of BNP Paribas Fortis, Mr Eric Raynaud, CEO of BNP Paribas Asia Pacific, introduced BNP Paribas in China. Next, Ms Gwenn Sonck, Executive Director of the Flanders-China Chamber of Commerce (FCCC) introduced the Chamber. Mr Jurgen F. Conrad, Chief Economist ADB China talked about “Growth and structural reforms in the PRC”. “Renminbi internationalisation: the next step” was introduced by Mr Chi Lo, Senior Economist of BNP Paribas Investment Partners Greater China.

A Q&A session preceded the conclusions of the breakfast debate presented by Mr Geert Bourgeois, Minister-President of the Government of Flanders, and Minister for Foreign Policy and Immovable Heritage. More than 100 participants attended the breakfast debate.

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 Weekly newsletters and website

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](#)

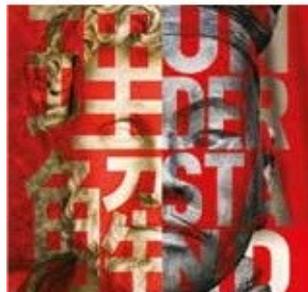
ADVERTISEMENT

An Executive MBA by IMD & CKGSB

GUESS WHAT?
THE BEST WAY TO LEARN
ABOUT DOING BUSINESS
WITH THE CHINESE IS TO
LEARN FROM THE CHINESE.

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

Hainan Airlines, your direct link from Belgium to China



Hainan Airlines, your direct link from Belgium to China.

Hainan Airlines is your 5 Star Airline awarded by Skytrax, operating direct flights from Brussels to Beijing.

Save time, fly in comfort and have the possibility to connect to 50 domestic destinations including Hong Kong and Taipei.

A seamless connection and a convenient transfer service will bring you via Beijing to your destination in Hong Kong.

AUTOMOTIVE

EV charging facilities to be standardized

Electric vehicles (EVs) from different manufacturers in China should soon be able to share charging facilities as the country is expected to release new charging standards soon. "The revisions are finished and will be released in August," Xu Xinchao, an official at Beijing's Science Commission, said. New-energy vehicles are gaining momentum in China, as 21,055 such vehicles were sold in June, more than double the figure of a year earlier. Sales of new-energy vehicles in the first half hit 72,711 units, a 240% rise from the same period last year. Of those, 64% were pure electric vehicles.

- Mazda Motor warned of a price war in China amid excessive discounting, with industrywide sales probably declining in the second half. The carmaker, which counts China as its third-largest market by volume, said it would try to meet its annual sales target of 220,000 units in China without engaging in a price war. Mazda's deliveries rose 17% to 115,979 vehicles in the six months through June.

- The Landwind X7, a sport utility vehicle (SUV) that resembles the Land Rover Evoque went on sale in China. More than 5,500 people have put down deposits for the SUV at a starting price of CNY135,000. The Evoque, which is Jaguar Land Rover's best-selling model worldwide, retails from CNY398,000. Jaguar is investigating whether Landwind copied design elements of the Evoque.
- Yongda, a Chinese luxury auto service provider listed in Hong Kong, plans to sell cars online through Alibaba's Tmall platform. Alibaba had 80 million online customers in a financial position to buy a car, while Yongda had about 200 outlets selling more than 20 brands in China. Wang Zhigao, Yongda's Deputy Board Chairman, said online sales were a key innovation for the company as the car industry moves to embrace the internet. The first batch of cars made available through Tmall will be 4,000 Chevrolet Epica vehicles, priced at between CNY60,000 and CNY70,000 – 40% less than the manufacturer's recommended price.
- The Ministry of Industry and Information Technology (MIIT) has ordered motor companies to inspect the safety of locally-made environmentally friendly vehicles, saying the tests are necessary after some battery-powered buses caught fire. Automakers would have until October 20 to report their findings. The buses that caught fire had safety flaws in their product design and hidden dangers in their everyday use, the Ministry said.

EXPAT CORNER

Waiting time for residence permits cut in Beijing

New measures have been introduced that cut the minimum waiting time for foreigners seeking residence permits in Beijing by five days. Previously, it took at least 15 working days to secure a residence permit, but under the new policy this has been reduced to 10. In a related development, foreigners will be able to apply for visa extensions and residence permits at district police offices in Guangzhou and Shenzhen, in addition to the city-level Public Security Bureau (PSB).

FINANCE

Inclusion of yuan in SDR basket still in doubt

The International Monetary Fund (IMF) should put off any move to add the yuan to its Special Drawing Rights (SDRs) currency basket until September 2016, an IMF staff report said. The implementation of any formal decision to add the yuan to a basket of currencies comprising dollars, euros, pounds and yen should be delayed so as not to disrupt financial market trading on the first day of 2016. The IMF Executive Board will decide on the matter in November. The paper proposed the extension of the current SDR basket – without inclusion of the yuan – by nine months until September 30, 2016. The extension was mentioned as SDR users may need time to adjust to a potential changed basket composition, or “for technical reasons”, should the executive board decide to include the yuan. Some analysts said the statement indicated that the IMF was preparing for the possibility that the yuan will be included in the SDR.

- Only six Chinese city governments among nearly 300 disclosed their debts last year, while only half of the municipalities and provincial capitals revealed their unused budget funds, according to a fiscal transparency report by Beijing's Tsinghua University. The central government recently stepped up its efforts to recall unused funds so that they can be redirected to higher priority projects. Only Beijing, Guangzhou, Shanghai, Tianjin, Ningbo and Xiamen gave details of how they spent their debt.
- The National Development and Reform Commission (NDRC) said it will come out with more initiatives to develop the debt market, particularly to boost funding for infrastructure projects and stabilize the overall economy. The NDRC will soon permit two policy banks to fund big ticket infrastructure projects through bond issues, but it was yet to finalize the details. The bonds will be issued by the China Development Bank (CDB) and the Agricultural Development Bank of China (ADBC) and the debt will be purchased by the Postal Savings Bank of China.

- China's foreign exchange reserves dropped to a two-year low of USD3.65 trillion last month, down by USD42.5 billion from the level in June, the sharpest monthly decline since March. July's decrease marks the third consecutive month that the forex reserves have fallen, dropping by USD343 billion from a historic high of USD3.99 trillion in June 2014. Despite the fall, China still has the largest foreign exchange reserves in the world.
- ING Group is looking to grab a major slice of the business opportunities arising from the outbound moves of Chinese companies and will accordingly expand its banking facilities in the country, said Aart Jan den Hartog, Director of Commercial Banking for China at ING Bank. ING Group last week upgraded its Beijing representative office into a full-service branch.
- Offshore yuan market activity in June fell by the biggest margin in more than four years due to a slump in trade deals and a flat exchange rate, Standard Chartered Bank said. The Renminbi Global Index, which measures the extent of the yuan's internationalization through offshore business activities, dropped 2.8% month-on-month to 2,145 points, its largest monthly decline since it was launched in December 2010. It has dropped for three consecutive months.

FOREIGN INVESTMENT

Investment along the Silk Road booming

Economic and trade cooperation between China and countries along the Silk Road has been stronger than expected over the past six months, the Ministry of Commerce (MOFCOM) said. China attracted USD3.67 billion in foreign investment in the first six months from companies along the Belt and Road, up 4.15% on a year-on-year basis. Total outbound direct investment (ODI) by Chinese enterprises reached USD7.05 billion in the first six months, up 22%. The biggest rise in investment from a single country along the routes was from Poland (3621.92% increase), followed by Saudi Arabia (697.27%), the Slovak Republic (196.67%), Malaysia (135.51%) and Russia (129.36%). Shanghai, Jiangsu and Shandong provinces attracted the most investment from Belt and Road countries, accounting for a respective 22.24%, 16.04% and 7.84% of the total capital. Chinese enterprises, meanwhile, have made direct investment in 49 countries along the Belt and Road, mainly in Singapore, Indonesia, Laos, Russia, Kazakhstan and Thailand.

Foreign VC firms to be allowed to invest in startups in Zhangjiang Park

Foreign venture capital firms will soon be allowed to invest directly in startup companies in Shanghai's Zhangjiang High-Tech Park. The move is part of the city government's plan to develop Shanghai as a global center for technology and innovation, said Sun Jiwei, Director of the Pudong New Area. "After the free trade zone, it is one of the most important projects in Shanghai," he said, adding that the park is to be renamed Zhangjiang Tech City. "The tech city and free trade zone are the two drivers of Shanghai's development," he said. The Zhangjiang Tech Bank will be set up to provide funding for technological innovation. By 2020, the Pudong New Area will be a global technology center, thanks to Zhangjiang Tech City, Sun said. The technology park opened 20 years ago and is now a national base for the integrated circuit, software and biomedical industries. It also supports startups and innovation in the areas of robotics, 3D printing, gene research and internet finance, said Yang Ye, Director of its management company.

FOREIGN TRADE

China to import more pork

Consumers in China eat more than half the pork consumed in the world, but domestic supplies come mainly from small farms that cut their herds whenever costs rise, causing boom-and-bust cycles that have led to record-high pig prices this year. The government is trying to develop a more reliable food chain, but supplies are likely to remain tight until the first quarter of next year at least and imports will jump. Rabobank is forecasting a 54% increase in pork imports this year to 2 million tons, mainly benefiting European Union countries. When prices surged in 2011, the government responded with subsidies to encourage pig breeding. But that

led to a huge surplus and lower prices, forcing farmers to slaughter breeding sows. “Driven by high margins, many farmers have started to replenish their farms,” said Pan Chenjun, Analyst at Rabobank in Hong Kong. “They are stopping the slaughter of sows to increase production and many large pig farms are also boosting supplies.” While small farms still account for about 80% of China’s pork, the share of production from farms with more than 3,000 pigs is expanding rapidly as Beijing attempts to develop more stable food chains. Annual world consumption of pork stands at around 110 million tons. China’s consumption is forecast to rise to 57.4 million tons this year, up 27% from 45.1 million a decade ago, according to the U.S. Department of Agriculture.

Exports drop 8.3% in July

China’s exports last month were valued at USD195.1 billion – down 8.3% from a year ago, the General Administration of Customs announced. Imports fell 8.1% year-on-year to USD152.1 billion, the ninth consecutive month of negative growth. The foreign trade figures largely fell short of economists’ expectations. Analyst predicted exports would drop by up to 3% in July, after a 2.8% rise in June, while forecasting a fall in imports of less than 2%. “China’s trade growth is unlikely to pick up significantly in the remainder of the year,” ANZ said in a report. “It is unlikely that the government can obtain the trade growth target of 6% set at the beginning of this year.” On August 3, the release of the Caixin/Markit China Manufacturing Purchasing Managers’ Index showed business activity fell to its lowest level for two years, as the indicator slid to 47.8 in July – down from 49.4 in June. China’s exports to the European Union fell by 2.5% in the first seven months of 2015 from a year earlier, while shipments to Japan dropped by 10.5%. One bright spot was exports to the U.S., which expanded by 9.3%.

- The decline in global commodity prices could prove a significant boost to China’s economic growth. “The average price of China’s imports dropped 10% during the past six months while the country’s exports remain equal in comparison with export values last year,” said Shen Danyang, Spokesman of China’s Ministry of Commerce (MOFCOM). With global commodity prices expected to remain weak in the second half of the year, China is expected to continue benefiting.
- Suifenhe in northeast China’s Heilongjiang province has been selected as a pilot zone in which both the Russian ruble and Chinese yuan will be legal tender. Suifenhe is a major hub for Heilongjiang’s trade with Russia. Last year, it accounted for 80% of the province’s exports to Russia and reported foreign trade of USD7.6 billion.

HEALTH

Heart disease remains top health risk

Heart disease will continue to be the country’s top health threat in the next decade, with more rural residents being affected. China has about 290 million people with heart disease – a quarter of its population and one out of five adults – according to a report on cardiovascular disease released at the 2015 China Heart Congress in Beijing. “The epidemic is continuing and has become China’s major public health problem,” said Zhao Dong, a cardiovascular disease expert at Beijing Anzhen Hospital, one of the country’s best hospitals for treating heart diseases. Rural areas are facing more severe threats, with the mortality rate from heart disease climbing from 174 out of 100,000 people in 1990 to 294 out of 100,000 in 2013. Urban areas saw an increase from 210 per 100,000 in 1991 to 259 out of 100,000 in 2013. Last year, heart disease was listed as the top killer disease in China, contributing to at least 40% of deaths in the country, the China Daily reports. “If China reduces its cardiovascular death rate by 1% in the next 30 years, it will save the country more than USD10 trillion, or about 20% of 2014’s GDP,” said Hu Dayi, a leading cardiologist from Peking University Hospital Heart Center.

- China is to expand medical insurance to cover all critical illnesses by the end of the year. 50% of medical costs will be covered by the insurance. Serious illnesses can bankrupt households under the current system. Since 2009, China has spent CNY3 trillion on health care reform. China’s health care spending is set to hit USD1 trillion by 2020, up from USD357 billion in 2011.

- The Supreme People's Court (SPC) is demanding heavy penalties for people who break food safety laws due to come into effect on October 1. The Court released a circular stressing that those selling food online via their own websites should be considered wholly liable, while those who run markets, rent out counters and organize trade fairs but fail in their legal duties should be held jointly liable if consumer rights and interests are infringed. The circular also called for timely compensation.

MACRO-ECONOMY

20 of the 100 top tech billionaires are Chinese

20 technology billionaires from China were included in the Forbes list of the 100 Richest People in Tech. Only the United States, with 51, had more tech billionaires on the list. Forbes concluded that "the next technological revolution may come from outside of Silicon Valley". Jack Ma, 51, founder of Alibaba Group, topped all Asian tech billionaires, and was seventh overall with an estimated wealth of USD23.2 billion, despite Alibaba's share price tumbling by more than 30% from its peak in November. Pony Ma, 44, founder of Shenzhen-based Tencent Holdings, best known for its instant messenger service WeChat, came in second in China with a net worth of USD17.9 billion. Robin Li, 47, CEO of search engine Baidu, was bumped down to fourth in China. His company's shares have dropped nearly 20% in the past 12 months as it tries to adjust to the increasingly mobile-driven landscape. Lei Jun, 46, who aspires to become "Steve Jobs in China", passed Li of Baidu to become the third-wealthiest Chinese tech tycoon with an estimated wealth of USD13.4 billion. Aiming to provide affordable smartphones to consumers, his company Xiaomi shipped the largest number of smartphones in the second quarter and took the lion's share of 15.9% in the Chinese market, according to market consultancy Canalys. The top Chinese female technology entrepreneur was Hong Kong-based Zhou Qunfei, 45, Chairwoman of Lens Technology Co, who rose to 30th with a net worth of USD7.5 billion. She is also the world's wealthiest self-made woman, the China Daily reports.

- The final Caixin China Manufacturing Purchasing Managers' Index for July dropped to 47.8 points, its lowest level since July 2013, and down from 49.4 a month earlier. The index has been below the neutral line of 50 points for the past five months. The final reading was 0.4 points lower than the preliminary figure released in late July. The official factory Purchasing Managers' Index (PMI) was also weaker than expected, falling to 50 in July from June's sluggish growth reading of 50.2.
- China has no need for "massive stimulus measures" to keep its economy steady, the People's Daily said, in an apparent effort to assuage growing concern over the country's slowing growth. China's leaders have started their summer policy talks in Beidaihe, Hebei province, with economic development at the top of their agenda.
- Activity in China's services sector expanded at the fastest pace in 11 months in July, thanks to stronger new business. The services Purchasing Managers' Index compiled by Caixin/Markit rose to 53.8 from June's 51.8. The July level is the highest since August 2014 and marks a 12th straight month of expansion.
- Beijing has more single people earning more than CNY50,000 a month than any other Chinese city, followed by Shenzhen and Shanghai, according to a survey by matchmaking website zhenai.com. Most of the wealthy single men work in the manufacturing, internet and financial industries, while wealthy single women work in finance and education.
- Consumer inflation reached 1.6% in July, leaving room for the government to cut interest rates or take other steps to stimulate slowing economic growth, which together with declines in commodity prices, has helped keep consumer inflation in check. The producer price index (PPI) declined 5.4%, the 41st consecutive monthly fall.
- The Chinese government has approved an ambitious blueprint to overhaul China's state-owned enterprises (SOEs). The shake-up is expected to be the biggest of its kind in more than a decade. Two new Temasek-style sets of companies will channel funds to SOEs and pressure them to turn a profit. In return, SOEs will be able to make more of their own business decisions and their boards of directors will be able to hire and fire managers.

MERGERS & ACQUISITIONS

Hebei Iron, Tewoo eye Fortescue stake

Hebei Iron & Steel Group Co and Tewoo Group Co have approached Fortescue Metals Group about acquiring an interest in the iron ore producer. The Chinese companies are also separately in talks with Fortescue about investing in the infrastructure serving its operations in Western Australia's Pilbara region. They may also consider buying stakes in Fortescue's mines, for a total investment of about USD1 billion to USD2 billion in the Australian firm's assets, according to insiders. Fortescue, controlled by billionaire Andrew Forrest, said in March it would consider selling minority stakes in mines, railways and ports. "A deal that would allow it to cut its debt would help solve the biggest headache investors have with Fortescue," said Evan Lucas, Markets Strategist in Melbourne at IG. Australia's third-largest iron ore producer, which has USD7.2 billion in net debt, abandoned a previous plan to sell a stake in its infrastructure assets in 2013 after saying the offers did not meet its objectives.

- Chinese shipping firm COSCO has been invited by authorities in Cyprus to submit details of its plans for the privatization of Limassol port. It was among 12 companies preselected for the containers operations, 13 for the general cargo sector and 10 for the sea-services operations. Invitations for final tenders will be issued in November.
- Chinese property and investment firm Dalian Wanda Group is in exclusive talks to acquire World Triathlon Corp, the United States-based owner of the popular Ironman Triathlon franchise, for more than USD850 million, according to a person familiar with the matter. Dalian Wanda outbid other potential buyers for Ironman and is now in negotiation to finalize a deal with its owner, private equity firm Providence Equity Partners.
- China Ocean Shipping Group (Cosco) and China Shipping Group are planning a merger. China's two largest shipping and logistics conglomerates together control 11 listed entities in Shanghai, Shenzhen, Hong Kong and Singapore. China Cosco Holdings, China Shipping Development (CSD) and China Shipping Container Lines (CSCL), the three dually-listed flagships, applied for a trading halt after the market close on August 7.
- China's second-largest food conglomerate Bright Food Group has teamed up with the sovereign wealth fund China Investment Corp (CIC) to buy out Spain's food distributor Miquel Alimentacio. Bright Food will take a 72% stake in the Spanish food distribution business after the deal is approved by China's authorities and passes the European Union's anti-monopoly review. The deal is expected to be completed in September. Bright Food has conducted eight foreign acquisitions since 2011, including companies in the biscuit, wine, sugar and dairy industries.
- China's Anbang Insurance Group is bidding to buy Japanese property asset manager Simplex Investment Advisors in a USD1 billion deal. Competitors in the bidding process include U.S. investment fund Fortress Investment Group, Blackstone Group, and Elliot Management. Japanese property firms Hulic and Kenedix were also shortlisted for the second round of bidding.

REAL ESTATE

Sales of high-end apartments surging in Beijing

High-end apartment sales in Beijing are surging. By the end of July, a record 148 apartments with a sale price of more than CNY100,000 per square meter were sold, the highest in Beijing's property market history, according to Centaline Property Agency. The combined sale of such homes from 2009 to 2014 was just 113 units. According to Yuhao Real Estate Selling & Consulting Solution Agency, the top seller in the first half of this year was Wanliu House, a luxury residence in Haidian district that was developed by Sinobo Group. The project was put on sale at the beginning of this year with an average price of CNY135,000 per sq m, usually with a floor space of 200 to 500 sq m. All the top 10 projects are located in Beijing's main urban district, with an average price of no less than CNY81,000 per sq m. The rally in the stock market during the first six months of this year also created more millionaires and billionaires. The subsequent market rout saw most of them shifting their focus to the property market.

- The price of new homes in Shanghai hit a new record last month. The mean selling price in July rose 32% year-on-year and 0.9% from June to CNY34,639 per square meter, according to Shanghai Uwin Real Estate Information Services Co. Sales by area fell 9% from June, but soared 92% from July last year to 1.34 million sq m.
- A national property information platform is set to be established by 2017, paving the way for a possible new property tax, according to the Ministry of Land and Resources. The unified system will replace the current one, which is overseen by various departments in various cities. The fragmentation of the system means the government cannot track a person's entire property portfolio if it is spread across different cities, making it impossible to levy property taxes nationwide.

ADVERTISEMENT

ChinAccess: Professional Interpreting & Translation Services (EN/NL/CN)



Professional Interpreting & Translation Services (EN/NL/CN)

Ms. Hong DING
 Mobile: +32 497 448029 Email: hd.ChinAccess@gmail.com

To translate or to interpret is more than to render a text or a speech from one language to another. A professional translator needs also to convey the essential meaning and spirit of a text or a speaker. Except for language fluency, experience in interpreting and translation, good understanding of both cultures, various background knowledge, and quick reflexes are the fundamental skills for a professional translator. For over 2 decades of experience in interpreting and translation in various fields of business and commerce, ChinAccess has succeeded to integrate these skills into the interpreting and translation techniques. The motto of ChinAccess is to strive for quality and trustworthiness.

RETAIL

Shanghai residents most enthusiastic online shoppers

Shanghai residents are China's most enthusiastic online shoppers of goods from overseas websites (called haitao in Chinese) – accounting for 12% of the country's total purchases, according to website Taobao. Chocolate and candy topped the poll of goodies bought online from overseas by Shanghainese, along with perfume. In Beijing, air purifiers were the most popular product. In Shenzhen, Guangdong province, foreign biscuits were the top choice. Top locations for purchases abroad were Japan, the United States and South Korea, followed by Hong Kong, Germany, France, Taiwan, Australia, the United Kingdom and Denmark. Taobao interviewed 5,000 buyers across the country for the survey. Nearly half had been buying from overseas for at least three years. Beijing residents are the second most enthusiastic haitao shoppers, followed by Hangzhou in Zhejiang province, Guangzhou and Shenzhen in Guangdong and Chengdu in Sichuan province. Cosmetics and skin care products remain the most popular overseas products for Chinese buyers overall, with half having bought these products through haitao websites, the Shanghai Daily reports.

- The transaction value of Chinese shopping websites rose 59% in 2014 year-on-year to CNY16.4 trillion. Third-party platforms accounted for about 44% of the total, with self-operated stores taking the remainder. The country's 20 biggest online websites saw aggregate transactions totaling CNY6.2 trillion. Mobile e-commerce sales are forecast to account for more than half of all online retail shopping in China by 2016.

- Alibaba Group has signed exclusive partnerships with more than 20 apparel brands including Zara and Timberland. Alibaba said its fast-growing online marketplace Tmall.com will become the only third-party online sales platform for the apparel brands in China.

STOCK MARKETS

CSRC trying to stabilize the market

The China Securities Regulatory Commission (CSRC) said that maintaining stock market stability and restoring investor confidence are still its top priorities, despite the recent turbulence which dampened market sentiment and trading volume. The regulator has met with all major securities brokerages and funds and urged them to better control their margin trading and short sales business, both of which have been blamed for the recent roller-coaster ride in the A-share market, according to Deng Ge, CSRC Spokesman. Zhang Yujun, Assistant Chairman of the CSRC urged financial institutions to prudently control their scale of assets in leveraged trading and said these should be appropriately matched with capital position and risk management capability. Zhang also reiterated that the regulator has banned risky margin financing through non-brokerage channels and will step up the crackdown on using program trading to “maliciously” short the market. The regulator will also target speculative trading of stock index futures and prohibit futures companies from offering margin lending for clients to trade futures contracts. The A-share market rallied on August 7, with the benchmark Shanghai Composite Index rising 2.26% to close at 3,744.2 points. The smaller Shenzhen Component Index gained 2.67% to close at 12,753.05. U.S. investment bank Goldman Sachs Group has estimated that the Chinese government has injected up to CNY900 billion in the past two months to try to prevent a market meltdown, the China Daily reports.

- Just 19 Chinese companies launched IPOs at stock exchanges worldwide in July, down from 23 in July last year and 53 in June. The 19 offerings raised a combined USD2 billion, down 38% from a year earlier and 89% from June. Of the total, 12 companies floated in Hong Kong, five in the Chinese mainland and two in the United States, Zero2IPO said.
- Citadel Securities, a unit of U.S. hedge fund Citadel, said one of its accounts in China has been barred from trading shares by securities regulators, making it one of the first foreign institutional investors to be caught up in Beijing’s crackdown on “malicious short-selling” that the central government has blamed for the recent market rout. More than 30 accounts have been barred from the stock exchanges for three months. Citadel is being probed for “spoofing”, a practice that involves placing and then canceling orders, distorting prices in the process.
- China Railway Signal & Communication Corp made its listing debut in Hong Kong after raising HKD11 billion in an initial public offering (IPO) that values the company at about HKD55.1 billion. The state-owned company said it will use about 20% of the proceeds from its IPO on domestic and overseas acquisitions, while spending an unspecified portion on long-term research and development (R&D).
- Li Liang, former head of the Investor Protection Department at the China Securities Regulatory Commission (CSRC), is being prosecuted for corruption and was also found to have abused his position.

TRAVEL

Shenzhen airport and two airlines censured for flight delays

The Civil Aviation Administration of China (CAAC) has censured Shenzhen airport as well as China United Airlines and Shenzhen Airlines over their poor management of large-scale flight delays. CAAC said it would stop accepting applications from Shenzhen Baoan International Airport for new flight routes, to increase flights and to offer air charter services. The penalties, which took effect this month, will last until the end of the year. Since the second half of last year, large-scale flight delays in Shenzhen had triggered several incidents with passengers. An investigation by CAAC found a lack of coordination and effective communication to deal with flight delays. It called for airlines and airports to better cope with large-scale flight delays

and avoid similar incidents. Mark Clarkson, Business Development Director at OAG Aviation, said the Shenzhen airport flight ban was an “unusual and harsh” punishment. Guangzhou Civil Aviation College professor Qi Qi said: “The regulator is punishing whom it can. Whatever falls outside its power, there is nothing it can do. The Shenzhen airport flight ban would serve as a warning to other airports. Management of China’s airspace remains largely under the control of the military. According to the CAAC, air traffic control was to blame for one in every four of last year’s 937,000 delayed flights. Airlines were to blame 26.4% of the time, while bad weather accounted for 24.3% of the delays. Flights were delayed for an average of 19 minutes last year – an improvement of two minutes from 2013.

High-speed rail line to open after 6 years

China’s northernmost high-speed rail line, designed for trains running at speeds of up to 250 km per hour between Harbin and Qiqihar, will go into service by the end of this month, railway authorities in Harbin said. Construction of the 281-km line, which has eight stops, began in November 2009. Workers overcame numerous problems with snow and frozen land, and topography that required a significant number of bridges. “The 3,460-meter-long bridge over the Songhua River, which contains four rail lines, is the controlling project of the whole line and lifts the nation’s bridge construction to a new level,” said Project Manager Zhang Guohua. A new Songhua River Railway Bridge was built about 60 meters to the east of the old one, and the two railway bridges spanning the river have created a unique landscape. The new bridge, which cost CNY1.4 billion, has an expected life span of more than 100 years. During its construction, builders met many difficulties, such as the region’s extremely low temperatures, because freezing causes rail lines to expand, and is one of the world’s toughest problems, the China Daily reports.

- From August 20 to September 3, Beijing will halve the number of vehicles allowed on the streets, depending on their odd or even license plate numbers. Vehicles with out-of-town plates and heavy trucks will be banned.
- Astro Air plans to launch a helicopter service between Shenzhen and Guangzhou, which would take about 35 minutes. Passengers will take off from the roof of the Excellence Century Center in Shenzhen’s central business district and land on Guangzhou’s Zhujiang New Town. There would be one or two flights per day.
- About 937,000 – or a third of all flights in China – did not leave on time last year, according to the Civil Aviation Administration of China (CAAC), which is the highest level since such data was first made available in 2006. It blamed air traffic control, weather and the airlines in roughly equal measure.

ONE-LINE NEWS

- Chinese smartphone makers Xiaomi and Huawei pushed Apple into third place in China’s smartphone market. Xiaomi was the largest smartphone vendor in China based on shipments with a 15.9% market share in the April-June period, Canalys said. Huawei was close behind at 15.7% it said, followed by Apple, South Korea’s Samsung and Chinese firm Vivo.
- Shen Peiping, former Vice Governor of Yunnan province, pled guilty to taking more than CNY16 million in bribes, according to the Beijing No 1 Intermediate People’s Court. Shen, 53, was put under investigation in March last year, and expelled from the Communist Party and dismissed from public office six months later.
- Alibaba Group Holding has hired former Goldman Sachs Group Partner Michael Evans to oversee its international expansion. He had already been a close adviser to Alibaba Group for many years.
- Wu Fusheng, 51, Chairman of China First Heavy Industries, committed suicide while the company was under investigation by the Central Commission for Discipline Inspection (CCDI).
- Wei Jianxing, 85, a former Chairman of the Central Commission for Discipline Inspection (CCDI) and former Member of the Standing Committee of the Communist Party’s Politbureau, died from an illness in Beijing on August 7.

- All postal packages sent to Beijing will be scanned and subject to security checks as part of safety measures ahead of a military parade to commemorate the 70th anniversary of the end of the second world war. In addition, senders and receivers of packages would need to register their real names, the China State Postal Bureau announced.
- The Supreme People's Court (SPC) has established a research center to deal with legal affairs for the "One Belt, One Road" initiative. The centre was inaugurated at the Shanghai University of Political Science and Law, and the SPC will set up similar research centers at the Chinese Academy of Social Sciences (CASS), Tsinghua University, and the China University of Political Science and Law.
- Gu Chunli has been sacked from his position as Vice Governor of Jilin province following a graft investigation.

VACANCY

General Manager BenCham Shanghai

The Benelux Chamber of Commerce, Shanghai Chapter (BENCHAM Shanghai) is looking for a new General Manager in Shanghai.

Very talented business professional (M/F) in building relations with people, companies, diplomatic corps, government agencies in the business community relating to Benelux and China; with excellent leadership and management skills; very well motivated and well connected; Candidate should be available at short notice in Shanghai.

Mission: To manage, promote and further develop the activities of the Chamber, whose main objective is to serve the interests of its members. Achieving this includes the organization of content-driven seminars, matchmaking opportunities, information and experience sharing and strengthening the Benelux business club community in Shanghai. These activities are accomplished in close collaboration with the Consulates General of the three countries, the Benelux business community (at large) in China and abroad, and towards local institutions and Chambers of Commerce.

Respond by sending your CV, photo, expected salary and personal assessment questions (100 to 200 words to each question) to Mr. Piter de Jong, Piter.De.Jong@Asia.ING.com and Mr. Tom Schutyser, Tom@bencham.org.

ANNOUNCEMENTS

8th China (Weihai) Fishing Gear Manufacturing Center Expo (CGC EXPO Weihai 2015) – October 16-18, 2015 – Weihai, China

The 8th China (Weihai) Fishing Gear Manufacturing Center Expo (CGC EXPO Weihai 2015), will be held on October 16-18 in Weihai, China.

CGC 2015 Preview:

- 1047 companies applied for the booths, already beyond the venue holding capacity
- Free admission exclusively for pre-registered buyers
- Much cheaper hotel (5-star hotel, USD70/80 per night), taxi, and seafood within the city

Review of CGC 2014:

- 77,769 visitors, including international, domestic and public visitors
- 535 international buyers from 49 different countries and regions
- 703 exhibitors, including 11 international exhibitors

For more information:

E-mail: lijiang@chinafish.cn Web: www.cgcexpo.com www.chinafishshow.org

FOUNDING MEMBERS



STRUCTURAL PARTNERS



with the support of



Your banner at the FCCC website or newsletter

Companies interested in posting a banner/an advertisement on the FCCC website, FCCC weekly newsletter or bi-weekly sectoral newsletters are kindly invited to contact the FCCC at: info@flanders-china.be

Organisation and founding members FCCC

President: Mr. Bert De Graeve, Chairman of the Board, NV BEKAERT SA

Vice-President: Mr. Stefaan Vanhooren, President Agfa Graphics, Member of the Executive Committee of the Agfa Gevaert Group, NV THE AGFA-GEVAERT GROUP SA

Secretary and Treasurer: Wim Eraly, Senior General Manager, NV KBC Bank SA

Executive Director: Ms. Gwenn Sonck

Members of the Board of Directors and Founding Members:

Mr. Bert De Graeve, Chairman of the Board, NV BEKAERT SA

Mr. Jozef De Mey, Chairman of the Board, NV AGEAS SA

Mr. Philippe Vandeuken, Legal & Corporate Affairs Director Benelux & France, NV AB INBEV

Mr. Carl Peeters, CFO, NV BARCO SA

Mr. Johan Verstraete, Vice-President Marketing, Sales & Services Weaving Solutions, NV PIKANOL SA

Mr. Luc Maton, General Manager Asia Region, NV AHLERS SA

Mr. Philip Hermans, Director General, NV DEME SA

Mr. Egbert Lox, Vice-President Government Relations, NV UMICORE SA

Mr. Wim Eraly, Senior General Manager, KBC Bank SA

Membership rates for the second half of 2015:

- SMEs: €195
- Large enterprises: €485

Contact:

Flanders-China Chamber of Commerce

Offices: Ajuinlei 1, B-9000 Gent – Belgium

New telephone and fax numbers: Tel.: +32/9/269.52.46 – Fax: ++32/9/269.52.99

Registered office: Zenith Building, Koning Albert-II laan 37, 1030 Brussels

E-mail: info@flanders-china.be

Website: www.flanders-china.be

Share your story:

To send your input for publication in a future newsletter mail to: info@flanders-china.be

This newsletter is realized with the support of Flanders Investment & Trade.



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.