



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

NEWSLETTER | 16 FEBRUARY 2016

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FCCC ACTIVITIES

China Mission East-Flanders – 28 May – 4 June – Beijing, Shanghai, Tianjin, Shijiazhuang

China, the largest economy and the most dynamic consumer market in the world, is no longer only a production or sourcing country. It is a huge market for European products which have a stellar reputation with the consuming Chinese middle class. Thousands of Flemish companies are active in China. 2016 is an excellent moment in time for your company to participate in the East-Flanders trade mission, organized by the Province of East-Flanders, Voka Chamber of Commerce East-Flanders and Flanders Investment & Trade, in cooperation with the Flanders-China Chamber of Commerce. On the programme are B2B meetings, visits to companies, ports and industrial zones. Also planned are meetings with Chinese authorities and networking with Chinese and Belgian business partners. We will visit four important cities: Beijing, capital of China; Shanghai, the biggest city of China; Tianjin, the most important port city in North China; and Shijiazhuang, provincial capital of Hebei. The Province of East-Flanders opens doors. The trade mission is headed by the Governor of the Province of East-Flanders Jan Briers and Vice Governor Geert Versnick. For more than 25 years, East-Flanders has had close relations with the Chinese Province of Hebei. The presence of the Governor and Vice Governor will certainly open doors to your company!

[More information and subscription](#)

The trade mission is organized by the Province of East-Flanders, Voka Chamber of Commerce East-Flanders and Flanders Investment & Trade, in cooperation with the Flanders-China Chamber of Commerce.

ADVERTISEMENT AND SPONSORSHIP

Advertisement and sponsorship opportunities 2016

The Flanders-China Chamber of Commerce offers several advertising and sponsorship opportunities in order to give your activities more exposure to potential new clients and collaboration.

If you are interested in advertising or sponsoring or need more information, please send an e-mail to: gwenn.sonck@flanders-china.be
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The sponsoring opportunities are the following:

1. SPONSORING OF ACTIVITIES

During FCCC activities, you can put a banner of your company at the event and distribute documentation of your company and obtain free invitations.

Invitations are distributed via E-mail and the FCCC website and newsletters. The events are announced in different media channels.

The fee is according to each different event.

2. SPONSORING AT THE FCCC WEBSITE

Your logo will be displayed on the FCCC home page with click through to your own website or to your own page on the FCCC-website

GOLDEN SPONSOR (12 months): 1.950 €

SILVER SPONSOR (6 months): 1.450 €

3. SPONSORING IN THE FCCC WEEKLY NEWSLETTER

Every Monday, the weekly Newsletters are sent and posted on the FCCC website.

Number of recipients every week: 1200 executives dealing with China

GOLDEN SPONSOR (12 months): 1.950 €

SILVER SPONSOR (6 months): 1.550 €

SPONSOR (3 months): 895 €

4. SPONSORING IN THE QUARTERLY E-NEWSLETTER IN CHINESE AND ENGLISH LANGUAGE: “NEWS FROM THE HEART OF EUROPE: FLANDERS”

- Newsletters are also posted online at the FCCC website
- 1 issue every quarter
- Number of direct recipients: +/- 2000 Chinese and Belgian business leaders, local authorities and institutions
- Distributed through the different Chambers of Commerce in China
- Your logo on the electronic newsletter and a 200-word profile of China activities

GOLDEN SPONSOR: 1.650 € -3 issues

SILVER SPONSOR: 1.250 € - 2 issues

Amounts are excl. VAT.

5. SPONSORING EU-CHINA ACTIVITIES

The EU-China Business Association (EUCBA) is an association of Associations in the European Union countries promoting business relations between European enterprises, institutions and their Chinese counterparts. It is an International non-profit organisation registered in Belgium.

The FCCC holds the secretariat-general of the EUCBA.

The EUCBA organises high-level EU-China events and also publishes a Quarterly newsbulletin.

www.eucba.org

If you are interested in advertising or sponsoring or need more information, please send an e-mail to: gwenn.sonck@flanders-china.be

PAST EVENTS

FCCC Chinese New Year Reception – 3 February 2016 – Brussels

On 3 February the Flanders-China Chamber of Commerce (FCCC) organized its annual Chinese New Year Reception at KBC Bank in Brussels. Speakers at this event were:

- Mr Bert De Graeve, Chairman, Flanders-China Chamber of Commerce
- His Excellency Mr Qu Xing, Ambassador of the PRC in Belgium
- Mr Geert Bourgeois, Minister-President of the Government of Flanders, Flemish Minister for Foreign Policy and Immovable Heritage

Special thanks to KBC Bank at which the reception was organised and also its golden sponsor: ZTE, silver sponsors: Deme and Maasmechelen Village.

Pictures of the event can be [viewed online](#).

EUCBA: Exclusive Luncheon with Her Excellency Mrs Yang Yanyi, Ambassador of the People's Republic of China to the EU and Head of the Chinese Mission to the EU – 3 February 2016 – Brussels

The EU-China Business Association (EUCBA) organized an exclusive luncheon with Her Excellency Mrs Yang Yanyi, Ambassador of the People's Republic of China to the EU and Head of the Chinese Mission to the EU on 3 February 2016 in Brussels. Following a networking cocktail, Mr Stephen Philips, Chairman of the EUCBA, introduced the speaker. Ambassador Yang Yanyi delivered the keynote speech on the developments of EU-China relations. Mr. Bert De Graeve, Chairman of the Flanders-China Chamber of Commerce (FCCC) presented the conclusions of the event.

Pictures of the event can be [viewed online](#).

EU-China Conference: China's New Normal: What's In It For Businesses? – 28 January 2016 – Brussels

The European Union Chamber of Commerce in China, the EU-China Business Association and BUSINESSEUROPE organized an exclusive dialogue with the European Commissioner for Trade Cecilia Malmström, the European Parliament's Chair for Relations with China Jo Leinen, and the European Chamber China President Jörg Wuttke. This event took place on 28 January, 2016 at Thon Hotel EU in Brussels. The purpose of this event was to take stock of the most important developments in the EU-China relations and how this affects EU businesses.

Following an introduction by Mr Markus Beyrer, Director-General, BUSINESSEUROPE, Ms Cecilia Malmström, European Commissioner for Trade delivered a keynote speech on EU-China business relations. Her speech was followed by a speech by Mr Jörg Wuttke, President, European Union Chamber of Commerce in China and another one by Mr. Jo Leinen, Member of the European Parliament and Chair of the Delegation for relations with the People's Republic of China. Following a moderated panel discussion and Q&A, Mr. Bert De Graeve delivered the closing remarks on behalf of the EU-China Business Association.

During the event, representatives from the European Chamber's working groups were on-site to answer specific questions related to their industry sectors.

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 secretariate-general of the association.

Meeting and Reception with the Ambassador and Consuls General of Belgium in China – Wednesday 27 January 2016 – Brussels

The Flanders-China Chamber of Commerce (FCCC) organized a meeting with the Ambassador and Consuls General of Belgium in China. This event took place on 27 January 2016 at BNP Paribas Fortis in Brussels.

This event offered an excellent opportunity to discuss your companies' activities in China with the Ambassador and Consuls General of Belgium in China: Mr Michel Malherbe, Ambassador of Belgium in China; Mrs Cathy Buggenhout, Consul General of Belgium in Shanghai; Mr Christian de Lannoy, Consul General of Belgium in Guangzhou; and Mrs Michèle Deneffe, Consul General of Belgium in Hong Kong and Macao.

The event was concluded with an exchange of views and networking with the Ambassador and Consuls General.

Special thanks to BNP Paribas Fortis at which the reception took place.

Pictures of the event can be [viewed online](#).

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via Beijing to your destination in Hong Kong.

FINANCE

PBOC Governor: no basis for the yuan's continued depreciation

Zhou Xiaochuan, Governor of the People's Bank of China (PBOC), said there was no basis for the yuan's continued depreciation and he rejected rumors the central bank would tighten capital controls. Zhou also addressed concerns over China's dwindling foreign reserves, which last month fell to the lowest level since 2012. "It is normal for foreign reserves to rise and fall as long as the fundamentals face no problems," Zhou said. The PBOC has pumped in money to stabilize the yuan because of pressure following the economic slowdown and continued capital outflow, which has depleted China's foreign reserves. Holdings fell by USD99.5 billion in January to USD3.23 trillion. Zhou said China had no intention of tightening capital controls as it would be hard to implement, given the size of China's international trade and businesses abroad. The level of capital outflow in recent months was normal. Governor Zhou said speculators were targeting China and that "China would not let the market sentiment be dominated by these speculative forces", but the PBOC would be cautious when using resources to fight international speculators, he added. His remarks could help to stabilize the market and provide global investors with a clearer idea of the central bank's stance towards the yuan exchange rate, said ANZ Banking Senior Economist Raymond Yeung.

- The People's Bank of China (PBOC) has now allowed individual investors to purchase all types of bonds over bank counters. Individuals with annual income of more than CNY500,000, CNY3 million of financial assets and over two years of experience in

securities investment can now buy any bonds they like over the counter, according to a new regulation. Previously, only certificate treasury bonds were available to individuals. Around CNY22.3 trillion of new bonds were issued last year, almost double the sum in 2014.

- HSBC's board has decided unanimously to keep its headquarters in Britain, following a review into a potential move that could have shifted the group's base to Hong Kong. Stuart Gulliver, HSBC Group CEO, said that having its headquarters in the UK, but significant business in the Asia-Pacific, "delivers the best of both worlds to our stakeholders".
- Chinese police have been ordered to step up efforts to shut down illegal online lending platforms, closely monitor legal operations and act promptly against suspected criminals. Senior officials said illegal fundraising schemes were likely to result in defaults in June as payments fell due. Police branches were warned to be on alert for social unrest. The China Banking Regulatory Commission (CBRC) said 1,000 P2P businesses, or 30% of the total, were ailing operations that needed to go.
- The Chinese government has decided to offer tax concessions to hi-tech companies. Those located in 10 regions and five national-level industrial development zones would pay 15% corporate income tax compared to the 25% paid by other businesses.

FOREIGN TRADE

EU launches investigation on Chinese steel imports

The European Union began new investigations into imports of Chinese steel, warning that it would not allow "unfair competition" to threaten Europe's industry which is crumbling under a flood of cheap imports. European steelmakers are reeling from a global glut and Luxembourg-based world leader ArcelorMittal blamed China for its USD8 billion loss last year, while thousands of jobs are being cut. "I am determined to use all means possible to ensure that our trading partners play by the rules," EU Trade Commissioner Cecilia Malmstrom said in a statement. The European Commission has opened an investigation into imports of seamless pipes, heavy plates and hot-rolled flat steel from China, the statement said. The Commission separately imposed anti-dumping duties on cold-rolled flat steel imports from China and Russia. It recalled that last month it had also imposed anti-dumping measures on steel bars used in the construction industry. In response, the China Iron and Steel Association (CISA) said a market exit mechanism must be put in place as the steel industry strives to cut excess capacity. "Though some enterprises have either cut or stopped production, the absence of an exit mechanism has prevented them from withdrawing from the market completely," it said. "Some have become 'zombie enterprises' due to a lack of funding, but are still there." Production of crude steel in China fell 2.3% to 804 million tons last year, the industry's first slump in 34 years. The nation will reduce its crude steel production capacity by 100 million to 150 million tons over the next five years, the China Daily reports.

HEALTH

China confirms first Zika case

China confirmed its first imported case of Zika, adding to fears over the fast-spreading virus that has been linked to severe birth defects mostly in Latin America. The virus was diagnosed in a Chinese man, 34, who had returned from Venezuela on January 28. He had reported a fever, headache and dizziness, according to health officials quoted by Xinhua news agency. The man, from Ganxian county in Jiangxi province, was recovering, his body temperature was normal and his rash was fading, said the National Health and Family Planning Commission (NHFPC). He works for a company in Dongguan, in Guangdong, and had travelled home via Hong Kong and Shenzhen. He had been quarantined in a Ganxian hospital since February 6. Few cases of the virus have been reported in Asia, but the World Health Organization (WHO) has declared a global health emergency to combat its spread. The virus is transmitted to humans through the bite of an infected Aedes mosquito. Dr Bernhard Schwartzlander, WHO Representative in China, said given the volume of travel between China and South America, "imported cases of the Zika virus are to be expected". However, he said Chinese health authorities were "well prepared" and the current risk of a widespread outbreak in China was low, as winter was not the breeding time for mosquitoes. As most infected people display only

minor symptoms, there was a risk of the virus spreading to China through the ports, the Shenzhen Entry-Exit Inspection and Quarantine Bureau said. It said it had the technology to test for the virus, and would increase alerts to travelers, the South China Morning Post reports. The patient is meanwhile recovering and has been discharged from hospital. No one who has been in touch with him has shown any signs of infection.

Quality standards for facemasks to be implemented

The first quality standards for pollution filter masks will take effect on March 1 in a bid to regulate the rapidly growing domestic market. The Group Standard on Protective Masks against PM 2.5 was released on January 18, with the goal to regulate filter efficiency. The standard will also ban the use of cancer-causing aromatic ammonia in the fabric and list the details of domestic producers. The China Textile Commerce Association (CTCA) conducted research on facial protective masks and initially drafted the regulations in February 2014. Li Jianhua, Chairman of the Association, said the domestic market has grown quickly due to the frequency of severe smog in many cities. Though there are quality standards for protective masks used for medical and industrial purposes, no regulations had, up to this point, been released for protective masks on sale to the public. The lack of unified quality standards caused market confusion as some companies followed standards adopted in European countries and the United States, while some companies did not follow any standards. Of the 37 tested masks from major brands in China, only nine were adequate in filtering airborne pollutants and enabling smooth breathing, said a survey conducted by the China Consumers Association in March 2014.

MACRO-ECONOMY

Lenovo seeking partnerships to develop business

Lenovo Group is betting on a range of strategic technology partnerships to help its enterprise business move closer to becoming a USD5 billion a year operation this year. That is a key strategy for Lenovo, the world's largest personal computer supplier, as it expects to grow revenue of this business unit for the sixth consecutive quarter since buying IBM's x86 server division for USD2.1 billion in 2014. Lenovo Executive Vice President Gerry Smith told the South China Morning Post: "We're gaining share and getting more credibility in the market. You're only as good as your last quarter in the PC business, while it's more of a long-term play in the enterprise business." The company's enterprise operation, which includes the Think Server and System X lines, grew 8% year-on-year to USD1.3 billion in its fiscal third quarter which ended on December 31. It was the only business unit of Lenovo to record year-on-year growth during that quarter as sales declined at its personal computer and mobile device operations. Smith said Lenovo's enterprise business is currently being driven by advances in China with the country's "big three" internet players – Baidu, Alibaba Group and Tencent Holdings. Lenovo expects to make more partnership announcements this calendar year as demand for data center services around the world continues to expand.

MERGERS & ACQUISITIONS

Chinese consortium acquires Opera browser

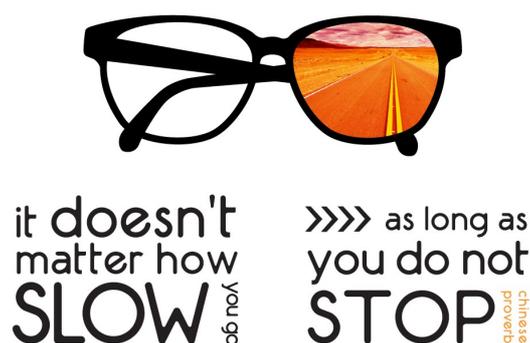
A Chinese consortium led by internet companies Beijing Kunlun Tech and Qihoo 360 Software has agreed to take over Norwegian browser company Opera Software in a cash transaction valued at USD1.2 billion. The proposed acquisition of Opera, which has more than 350 million users, is supported by two Chinese funds – Golden Brick Silk Road (Shenzhen) Equity Investment, and Yonglian (Yinchuan) Investment. Zhou Yahui, Chairman and Chief Executive of Kunlun, said the combination of Opera's business with those of his company and Qihoo 360 Software would "solidify our leadership position in the international internet space". Opera Software, which forecasts total revenue of between USD690 million to USD740 million this year, generates 60% of its sales from mobile advertising. It had the world's largest advertising footprint in mobile after Google in the fourth quarter, according to data from MixRank. Kunlun is a leading mobile games developer and publisher, with growing operations in app distribution and peer-to-peer lending. The Shenzhen-listed company made a big splash last month when it bought a 60% stake in U.S.-based Grindr, operator of a popular dating and social networking app for gay men. Qihoo 360 Software supplies leading internet and mobile security products in

China by number of users. In December, parent Qihoo 360 agreed to be acquired by a consortium of investors for USD9.3 billion and taken private within the first half of this year, the South China Morning Post reports.

- Alibaba Group Holding has bought a 5.6% stake in Groupon, making it the fourth-largest shareholder in the online deals website that has lost 86% of its value since going public more than four years ago. Groupon reported fourth-quarter results that beat analysts' estimates, driven by purchases in North America.

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Website: www.hkwj-taxlaw.hk

RETAIL

Sales of white goods expected to boom

The latest reduction of the minimum downpayment for home purchases will boost home sales in most parts of China and result in higher home appliance demand with a six-month time lag, analysts say. "Should property sales in the lower-tier markets be stimulated by the latest home downpayment cut, we believe it would generate better home appliance demand in six months' time," Citi analysts said in a note. China's home appliances sales and property sales were positively correlated. China announced a reduction in the minimum downpayment for house purchases to 20% from 25% in most cities, except those with home purchase restrictions including Beijing, Shanghai, Shenzhen and Guangzhou. Citi analysts expect Hong Kong-listed washing machine and waterheater maker Haier Electronics to benefit the most, followed by Shanghai-listed sister firm Qingdao Haier, which makes refrigerators and air-conditioners, Hong Kong-listed television maker Skyworth Digital and Shenzhen-listed home electronic appliance maker Midea Group. Haier Electronics sourced around 78% of its sales last year from "third- and fourth-tier" property markets, Citi analysts said, compared with 65% for Qingdao Haier and Skyworth, and 50% for Midea.

Pharmacies are Japan's latest must-see tourist attraction

Over-the-counter (OTC) drugs have been added to the shopping list that Chinese take on overseas trips, with an increasing number choosing foreign brands over domestic ones due to their perceived higher quality. Pharmacies in Japan have become so popular with Chinese shoppers they now offer Chinese-speaking staff and have helped offset a long sales decline for the manufacturers of the products. Chinese are now buying increasing amounts of foreign-made everyday medications, such as paracetamol and cough syrup and taking them back home. The flood of interest by Chinese consumers prompted Japan's Home Medicine Association to launch a Chinese-language website last year, providing information on 80

products from 26 membership companies. “The OTC drug market in Japan has long been on a downward trend, but the surge in purchasing by foreign customers has boosted sales by about 110% in 2015 over the previous year,” Fujii Ryuta, the Association’s Vice President, told the South China Morning Post. Total consumption by Chinese visitors to Japan increased by 2.5 times, year-on-year, to JPY1.4 trillion, accounting for 40% of all foreign tourists spending.

Military fan site becomes e-commerce business

Tiexue.net, an online platform for military fans has transformed itself into a multi-million yuan business. Last November, its holding company, Beijing Tiexue Technology, was listed on the National Equities Exchange and Quotations (NEEQ), an over-the-counter (OTC) exchange saturated with capital-hungry start-ups. Beyond the forum, which has itself attracted 10 million registered users since 2001, most of the site’s income now comes from its e-commerce offshoot that makes and sells army-style coats and boots. Not only are the clothes snapped up by millions of fans, it has also become a supplier to the armed police. During a road show in December, Jiang Lei, 31, Tiexue’s Founder and Chief Executive, set fire to a fleece that he was wearing to show off its heat resistance. It was one of 5,000 fire suits it is producing for the police’s forest protection crew this year – the first armed forces order Tiexue has received. At first, Tiexue served only Chinese franchises of Western manufacturers, such as Alpha Industries, which supplied clothing to the U.S. military, but, since 2014, sales of Tiexue’s original products have surpassed franchised ones. In that year, Tiexue’s e-commerce section generated more than CNY87 million in revenue. Tiexue’s latest move is to establish a subsidiary, Iron Horse Media, to focus on military literature, films and television series, the South China Morning Post reports.

- Chinese consumers spent CNY1.2 trillion abroad last year, with the goods they bought ranging from luxuries to daily necessities, according to a luxury-market consultancy. More than 60% of the consumers bought luxury products, accounting for 46% of global luxury sales. According to the Ministry of Commerce, Chinese consumption power overseas grew on average by 27.8% annually between 2005 and last year.
- Holiday consumption over the Lunar New Year period increased significantly this year. The Ministry of Commerce (MOFCOM) said that retailers and catering firms had reported revenues of CNY754 billion during the February 7 to 13 Golden Week holiday – a growth of 11.2% over last year’s Golden Week. Food prices increased slightly, with vegetable prices increasing about 2.5% over the holiday. Income generated by domestic tourism increased by 14.2% from the same period last year to CNY13.79 billion. An estimated six million Chinese travelled abroad.
- China will become the world’s third largest cosmetic surgery market by 2019, with its market size estimated to double to CNY800 billion from its current level due to people’s growing wealth, peer pressure deriving from social media platforms, and the influence of Korean pop culture, according to analysts.

SCIENCE & TECHNOLOGY

Chinese military technology narrowing gap with the West

Western superiority in military technology is “eroding”, the International Institute for Strategic Studies (IISS) in London said in its Military Balance report. It highlighted that Russia and China are pushing to modernize their militaries and are “increasingly active in the development and deployment of advanced military capabilities”. “We previously felt that Western states were the champions of new technology and had a large technological lead either over their state peer competitors or over non-state actors,” said John Chipman, Director General and Chief Executive of the IISS. “Now that technological lead is narrowing,” he added. Chipman stressed that military power in the 21st century was not only about planes, tanks and ships but also about technologies such as cybersecurity, cyber-weapons and drones.

Chinese scientists exited over detection of gravitational waves

News that elusive gravitational waves have been observed for the first time has been hailed in China. The discovery, made by the advanced Laser Interferometer Gravitational-wave

Observatory (LIGO) in the U.S., confirms the last outstanding prediction made in Albert Einstein's General Theory of Relativity. After months of speculation, scientists from the Advanced LIGO project confirmed they had detected gravitational waves caused by two black holes merging about 1.3 billion years ago. Wang Junjie, Astrophysicist at the National Astronomical Observatories affiliated to the Chinese Academy of Sciences (CAS) said that "besides the direct observation of the gravitational waves, the discovery has another two exciting aspects. Both the two black holes observed in this event are way larger than any stellar-mass black holes that have been observed. And it is the first time that astrophysicists have observed a pair of black holes orbiting around each other."

STOCK MARKETS

U.S. SEC drops insider-trading case over Qihoo 360 shares

The U.S. Securities and Exchange Commission (SEC) has shelved its complaint against Luo Haijian, Chief Executive of Chinese online gaming company 4399, for alleged insider trading involving shares of Qihoo 360 Technology last year. Gabriel Colwell, Luo's Lead Counsel from international law firm Squire Patton Boggs, told the South China Morning Post that the SEC agreed to the voluntary dismissal after finding that its complaint was "based upon incomplete information". The complaint had been filed in a federal court in Manhattan, where the SEC alleged that Luo made a profit of more than USD1 million after trading in a U.S. brokerage account prior to Qihoo's announcement of a buyout offer that would take the New York-listed company private. An emergency court order was obtained by the SEC to freeze that brokerage account and all profits from the trades in Qihoo's shares by Luo, a resident of Guangzhou. "The suspicious timing and size of Luo's trades spurred us to move swiftly to freeze his proceeds and ensure that potentially illegal profits cannot be siphoned out of this account beyond a U.S. court's jurisdiction while our investigation continues," Andrew Calamari, Regional Director of the SEC's New York office, said in a statement last June. "Once we were able to provide the SEC staff with all of the relevant facts, including demonstrating that the trades at issue were consistent with Mr Luo's extensive trading history, the SEC was receptive to our request for dismissal," Colwell said.

- China's stock markets opened down on the morning of February 15 as they resumed trading after a holiday week that saw global equities and commodities slump. The Shanghai Composite Index dropped 2.84% to open on 2,684.96 points, while the Shenzhen Composite sank 3.25% to 1,693.81 points. Hong Kong's Hang Seng Index opened the week on 18,668.87 points, up 1.91%.

TRAVEL

Chinese tourists on 'explosive shopping' trips to Japan

Complaints have been rising in Japan about groups of Chinese tourists on "explosive shopping" trips known as "bakugai". The problem largely boils down to a lack of parking spots in Tokyo. In early January ahead of the Lunar New Year in February when Chinese travelers flock to Japan, some eight tour buses occupied the left traffic lane of a four-lane road on a main street in the posh Ginza shopping district. The buses parked there were awaiting tourists who had finished shopping at department stores and boutiques. On the sidewalk, Chinese tourists holding shopping bags were instructed by store security to open a path for pedestrians. A study by the Japan National Tourist Agency indicated that 63% of Chinese visitors purchased cosmetics and perfume, 55% snapped up food, spirits and cigarettes and 52% bought over-the-counter medicines and toiletries. Delays in the departure of the buses of 30 minutes after the appointed time are not unusual. Buses usually leave the site for a while after being cautioned by police but return to the same spot later. According to the Japan National Tourism Organization, the number of visitor arrivals in Japan last year reached a record 19.74 million, the South China Morning Post reports.

Sending red packets and shopping overseas: favorite activities for Chinese New Year

Sending and receiving red packets online and shopping overseas are fast becoming two of the most popular – and modern – ways of celebrating the Lunar New Year. Guangzhou Daily

reported that 8.08 billion red packets were sent to more than 420 million people on the eve of the Year of the Monkey, eight times as many as last year. Virtual red packets were launched by online companies in 2014 and soon became a nationwide phenomenon. They come in several varieties, with the most popular by messaging service WeChat. Nearly six million Chinese tourists planned to travel overseas, excluding Hong Kong and Macao, for this year's holiday, compared to 5.18 million last year, according to a study by China Tourism Academy and online travel agent ctrip.com. This year's favorite destinations were Thailand, Japan and Korea. Local tourism is also receiving a boost, expecting 300 million visits during the holiday period, a 14% rise on last year. Yunnan, Fujian and Sanya are among the most popular destinations. The average Beijing resident is expected to spend CNY5,000 while traveling; the average Shanghai resident, CNY7,000. Residents from second-tier cities such as Yiwu in Zhejiang are expected to spend more than CNY6,000. Xinhua reported that China's box office set a record for a single day on February 8, the first day of the Year of the Monkey, with sales of CNY660 million breaking the record of CNY425 million set on July 18, 2015. Director Stephen Chow's *The Mermaid* topped the box office on its premiere with takings of CNY270 million, setting a new record for domestic made movies on a single day.

Chinese begin big rush back home

Traffic surged at China's railway stations, airports and highways on February 12 as millions of workers began their journeys back to work after the week-long Lunar New Year holiday. But many were delayed with the arrival of another cold front that brought heavy fog. The China Railway Group said it handled just over 9 million passengers on February 12, 6.9% more than last year as most people traveling home would return to work on Sunday, February 14. The railways carried 7.9 million passengers on February 11, 4.5% more than last year. Hundreds of millions returning to their jobs after the holiday also added pressure on air traffic and highways, but several thousand travelers were stranded when fog cut visibility on highways. Travelers in Shanghai and Zhejiang province were also affected by poor visibility which prompted the authorities to close some highways or cut speed limits to between 60 and 80 km/h. Visibility in Shanghai's Minhang, Songjiang, Fengxian and Jinshang districts was down to just 200 m.

- More than 741,000 travelers departed from or entered the country via Shanghai's airports over the Chinese New Year holiday, up by 5.8% over last year. About 80% of the 392,000 outbound travelers were Chinese citizens.

ONE-LINE NEWS

- The setting-off of fireworks is becoming less popular as more people are concerned about air pollution. In Beijing, fireworks sales are down by a half this year after already falling a third in 2015. The central city of Zhengzhou is one of five provincial capitals outlawing firecrackers altogether. Shanghai is also banning them in the city center. The government has put up posters advising moderation in setting off firecrackers.
- China is speeding up its upgrading of vehicle emission standards to control car exhaust pollution. 11 provinces in East China are required to put the new emissions standards into effect from April, nine months earlier than originally planned. Those provincial regions are Beijing, Tianjin, Hebei, Liaoning, Shanghai, Jiangsu, Zhejiang, Fujian, Shandong, Guangdong and Hainan. The standard is similar to the Euro V standard.

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



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