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

NEWSLETTER | 10 APRIL 2017

	CWT
Real estate	Ban on selling commercial properties for housing dents real estate developers' sales
Retail	JD.com to build airports for delivery drones
Stock markets	CSRC approves IPO applications of 10 companies
Travel	China Southern sees further decline in passenger yields
VIP visits	Presidents Xi and Trump meet in Florida
	Chinese President visits Finland
One-line news	
Quotes of the week	Xi Jinping
Vacancy	Management Trainee Quality for the Chinese market
Job search	Belgian PhD in electro-optical engineering looking for opportunities in China
Announcements	Deloitte Webcast: Transfer pricing dispute resolution: A focus on China, Japan and Australia – 18 April, 2:00 – 3:00 PM HKT (GMT +8)
	Deloitte Webcast: Post-BEPS structuring for real estate deals: A focus on China, India, and Japan – 23 May, 2:00 – 3:00 PM HKT (GMT +8)

FCCC/EUCBA ACTIVITIES

Seminar: Win in China: Doing business with a Changing China – How to tap into the Chinese market for growth – 19 April 2017 – Antwerp

he Flanders-China Chamber of Commerce, the City of Antwerp and the Port of Antwerp are organizing a seminar focused on '*Win in China: Doing business with a changing China'.* This will take place on Wednesday 19 April at 18h30 at the Port of Antwerp, Zaha Hadid Plein 1, 2030 Antwerpen.

In December 2016 the City of Antwerp, The Port of Antwerp and Antwerp World Diamond Centre held another successful mission to China. The bonds between partner cities Antwerp and Shanghai were strengthened, contacts were made, allegiances forged, toasts raised and contracts signed. Given the good relationship between both cities and the growing economic importance of China, the future opportunities are legion. During the mission Mr. Bo Ji already taught us how to better understand the Chinese and enhance our negotiating power. The response to this lecture was very satisfactory therefore we requested Mr. Ji Bo to give us more insights into a changing China.

Mr Bo Ji, **Chief Representative for Europe and Assistant Dean of China's top business school, Cheung Kong Graduate School of Business, will deliver the keynote speech.** During the event, Professor Ji will share with us his perspective on

"***How to win in China***".

He will share with us cultural differences between the East and the West. He will then focus on multiple business models across a variety of industries to demonstrate exactly what it takes to establish your brand, grow your consumer base and win in China. We will be tackling the opportunities and issues facing companies as they look to expand their businesses into China and including those who are already operating in China. Focusing on China as the land of opportunity, Professor Ji will also shed light on this diverse and complex market and how business leaders can change the mind set to engage successfully with China going forward.

Click here for more information about the program and the speakers.

PRACTICAL
When: Wednesday, 19 April 2017
Location: Port House - Zaha Hadidplein 1 - 2030 Antwerp
Price: Free
Registration deadline: 14 April 2017

PROGRAM

- **18:30** Registration & Networking
- **19:00** Welcome by Mr. Luc Arnouts, Chief Commercial Officer, Port of Antwerp
- **19:05** Introduction by Mr. Christian Leysen, Board Member of the Flanders-China Chamber of Commerce
- **19:10** Keynote *"Win in China: Doing Business with a Changing China"* by Prof. Bo Ji
- **20:15** Q&A
- **20:30** Closing speech by Mr. Bart De Wever, Mayor of the City of Antwerp
- **20:35** Networking reception

If you would like to attend this event, please register via this link:

http://tiny.cc/Win-In-China-Registration

China: Opportunities in the Healthcare market – Monday 15 May 2017 – Barco – Kortrijk

The Flanders-China Chamber of Commerce is organizing a seminar on opportunities in the Chinese healthcare market. This event will be held on Monday 15 May at 14h30 at Barco, Beneluxpark 21, 8500 Kortrijk.

The seminar is organized in cooperation with the Cheung Kong Graduate School of Business, Flanders Investment & Trade, and Agoria Healthcare Technlogy Esscencia.

What is the opportunity?

Healthcare reform has become one of the priorities of the Chinese government. China's healthcare market is growing quickly – around 17% per annum in recent years. It is now the second largest market in the world for medical devices and pharmaceuticals. China's healthcare service market is also quickly becoming one of the largest in the world.

During this seminar, Mr. Bo Ji, Chief Representative and Assistant Dean of the Cheung Kong Graduate School of Business, will give you a better understanding of the opportunities in the fast-growing Chinese healthcare market. This will be followed by testimonials from Barco and Televic, sharing their experiences on the Chinese market.

The program is as follows:

14h30	Registration
15h00	Introduction by Ms Gwenn Sonck, Executive Director, Flanders-China Chamber of Commerce
15h05	Business Opportunities in the Chinese Healthcare market *Mr. Bo Ji*, Chief Representative, and Assistant Dean, Cheung Kong Graduate School of Business
15h50	Experiences of Flemish companies on the Chinese healthcare market *Mr. Filip Pintelon*, Senior Vice-President GM Healthcare, Barco, *Mr Olivier Billiau*, International Sales and Marketing Director, Televic
16h30	Questions and Answers
17h00	Networking

If you are interested in participating, kindly register via this link.

Participation fee for members : 75 € (excl VAT). Non-members: 115 € (excl VAT).

This is a very informative event for companies active in the Health Industry including

Pharmaceuticals, Biotechnology, Nutrition, Medical Insurance, Medical devices and applications, as well as Healthcare and life sciences.

"How to Succeed on the Chinese Market: Understanding China's Next Move" – One Day China Immersion Programme – Monday, 22 May 2017, 09h00 – 17h00 – Ghent

The Flanders-China Chamber of Commerce, the Cheung Kong Graduate School of Business and the Province of East Flanders are organizing the One Day China Immersion Programme: **"How to Succeed on the Chinese Market: Understanding China's Next Move"**. This programme will take place on Monday May 22, 2017 at the Provincial House, Gouvernementstraat 1, Ghent.

"How to Succeed on the Chinese Market: Understanding China's Next Move" will give European executives the latest China market insights and explain how to do business with a changing China. The course contains the following 5 modules:

- Win in China - Formulas and Business Models (with case studies and group discussions): Analysis of multiple business models across a variety of industries will demonstrate exactly what it takes to establish your brand, grow your consumer base and 'win in China'
- Chinese Consumer Behaviour and Digital Marketing in China: This session will analyse the latest trend of Chinese consumer behaviours in the mobile internet era and how it differs from Western consumers. We will also study how to capitalise on the business opportunities that are presented by the unique consumer behaviours in China
- Cross-cultural Management under Chinese Context: It is essential to understand how to work with and manage a cross-cultural team that do business with China to ensure effectiveness and results
- Negotiation with the Chinese: Often viewed as difficult, mystical and unpredictable, with an in-depth understanding of Chinese negotiating philosophy, culture and tactics, Western executives could develop a complementary strategy to win

Schedule

09:00 – 09:30 Registration
09:30 – 09:45 Welcome by Mr Geert Versnick, Vice Governor in charge of European and International cooperation and economic affairs of the Province of East Flanders
Introduction by Gwenn Sonck, Executive Director, Flanders-China Chamber of Commerce
09:45 - 10:55 Win in China: Formulas and Business Models
11:10 - 12:40 Chinese Consumer Behaviour and Digital Marketing in China
12:40 - 13:40 Networking Lunch
13:40 - 15:10 Cross-Cultural Management under Chinese Context
15:25 - 16:55 Negotiation with the Chinese
17:10 - 17:40 Award certificate from CKGSB, Flanders-China Chamber of Commerce & Province of East Flanders

LEARN MORE: https://goo.gl/rRABn7

Register here

If you prefer to pay through wire transfer, please contact lpwan@ckgsb.edu.cn for more payment details.

About the speaker

Bo Ji, Chief Representative of Europe & Assistant Dean of Global Executive Education

Bo is currently the Assistant Dean & Chief Representative for Europe at Cheung Kong Graduate School of Business (CKGSB), a top business school with more than 10,000 chairman/CEO level alumni in China. Bo had an over-20-year successful business career in Global Business Development, Innovation, Strategy, Supply Chain Management, M&A, etc. He served as the senior executive at the headquarters of many Fortune 500 companies such as Monsanto, Cargill, Pfizer, Wrigley and Mars. He is also a well sought conference speaker.

Combining his extensive business experiences and in-depth knowledge, Bo has been teaching EMBA/MBA at some of the world's most prestigious business schools such as INSEAD, Esade, MIT, New York University, Hong Kong University of Science and Technology, Technology University of Munich, Tsinghua University, CKGSB, Zhejiang University, Sun Yat-Sen University, Shanghai Jiaotong University and Taiwan's National Chengchi University etc. In addition, Bo also offers advice to Chairmen and CEOs. He is also a frequent speaker at renowned international conferences, forums, TV media and annual corporate meetings.

For more information, contact
Liping Wan, CKGSB: lpwan@ckgsb.edu.cn
Gwenn Sonck, Flanders-China Chamber of Commerce: gwenn.sonck@flanders-china.be

Member price: €450/ticket
Non-member price: €500/ticket

Conference: "Sharing Chinese & Western Leadership Insights" – 22 May 2017, 18h30 – Antwerp

"SHARING CHINESE & WESTERN LEADERSHIP INSIGHTS"

China is the second largest economy in the world and The Economist forecasts that by 2024, it will overtake the US as the world's largest economy.

LEAD-IN and the Flanders-China Chamber of Commerce are organizing their joint conference which explores Western and Chinese models of business leadership with an expert panel of business leaders and academics.

Different cultures can have radically different leadership styles and it is important for international organisations to understand them. As European business continues to expand into China, and Chinese companies establish operations around Europe, employers need to integrate both Chinese and European perspectives into their leadership models.

Understanding the inherent differences between Chinese and European leadership styles is essential for successful talent management programs. Our conference will give you a clear understanding of the similarities and differences between Chinese and European leadership styles and how to apply them to your company. We will explore:

- What are the similarities and differences in Western and Chinese leadership models in business?
- How do Chinese/European companies innovate, deal with human capital and strategy?

- What is the leadership impact of Chinese corporate leadership on long term future planning, innovation, human relationships, strategic planning, M&A and value creation?
- How should Western executives adapt to leading in a Chinese company?
- What are the main leadership challenges for Chinese companies coming into Europe?
- How do you become an inspirational leader in a Chinese/European business venture?
- Where do Western and Chinese leadership models converge?

Keynote speaker: **Mr. Bo Ji, Chief Representative for Europe and Assistant Dean of China's top business school, Cheung Kong Graduate School of Business**.
Panelists

- Bo Ji, Chief Representative for Europe and Assistant Dean, Cheung Kong Graduate School of Business.
- Jacques Vandermeiren, CEO Port of Antwerp
- Philip Eyskens, Senior Vice President Legal, IT and M&A, Bekaert
- And others.

Place: Port of Antwerp

18h30 Registration
19h00 Speeches

About the Cheung Kong Graduate School of Business

Cheung Kong Graduate School of Business (CKGSB) is a world-class business school in China that aims to develop current and future leaders with a global vision, a humanitarian spirit and an innovative mind-set.Over the past 15 years, CKGSB has developed into a prominent business school with 45 full-time professors, who have earned their PhDs or held tenured faculty positions at leading business schools such as Harvard, Wharton and Stanford. More than half of the 10,000 CKGSB alumni are at the CEO or Chairman level and, collectively, lead one-fifth of China's most valuable brands. Together, their companies shape over USD1 trillion in annual revenue, 14% of China's GDP, which demonstrates the school's impact and influence. CKGSB has a European office located at 11–12 St. James Square, London.

About the Speakers

Bo Ji, Assistant Dean for Europe, CKGSB; Inspiring TEDx speaker; Chinapreneur

Bo is the Chief Representative of Europe and Assistant Dean for Global Executive Education. Bo oversees CKGSB's office in London, with the goal of helping European businesses to understand China and successfully doing business in this dynamic market. His primary responsibilities are elite network management and conference speaking throughout Europe.

Bo has a strong background in both global business and executive education. He has led divisions at Fortune 500 companies including Monsanto, Cargill, Pfizer, Wrigley and Mars. He has also taught Executive MBA and MBA programs at top global business schools including MIT, NYU, INSEAD, HKUST and Tsinghua University.

ACTIVITIES SUPPORTED BY FCCC

2017 Chinese Enterprises Outbound Investment Conference – 26-27 May 2017 – Changsha

The 2017 Chinese Enterprises Outbound Investment Conference will be held on May 26-27 at Meixi Lake Hotel in Changsha, Hunan province.

Program:
Friday, May 26, 2017

14:00-17:00	Registration
18:00-20:00	Welcome dinner (by invitation only) Welcome speeches by Mr. Wang Jinzhen, Vice Chairman of the China Council for the Promotion of International Trade (CCPIT) and by the Governor of Hunan province

Saturday, May 27, 2017

08:00	Registration
09:00-09:40	Opening ceremony hosted by the Changsha Municipal Government
09:40-10:00	Agreement signing ceremony and release
10:00-10:20	Coffee break
10:20-11:20	Plenary session 1: Tendency of transnational investment – keynote speaker of the Development Research Center of the State Council
11:20-12:20	Plenary session 2: International cooperation on production capacity – keynote speaker of the National Development and Reform Commission (NDRC)
12:20-13:30	Buffet luncheon
13:30-15:10	Parallel meeting 1: Agricultural international cooperation – keynote speaker of the Ministry of Agriculture Parallel meeting 2: Overseas economic and trade cooperation zone – keynote speaker of the Ministry of Commerce
15:10-15:30	Coffee break
15:20-17:10	Parallel meeting 3: Support service for transnational investment – keynote speaker of the Silk Road Fund Parallel meeting 4: Intelligent manufacturing – keynote speaker of the Sany Heavy Industry Co
17:30	Buffet dinner

Confirmation of attendance to be received before May 10.

Contacts:
Ms. Zhang Yingping zhangyingping@ccpit.org
Mr. Yu Biao yubiao@ccpit.org
Ms. Guan Cong guancong@ccpit.org

2017 China-EU SME Cross-Border Investment and Trade Conference – 2 June 2017 – Brussels

The Bank of China, in partnership with EUROCHAMBERS, and supported by the EU-SME Centre and the EU-China Business Association (EUCBA), is organizing the 2017 China- EU SME Cross-Border Investment and Trade Conference.

Time: 2 June 2017.
Venue: Brussels
Participating enterprises: Around 100 Chinese enterprises and 200 EU enterprises will be invited to attend the Cross-Border Matchmaking Event, which conducts several rounds of "One to One" negotiation and connection.
Industry focus: Agriculture & Food Industry; Bio-Pharmacy & Health Care; Chemical Industry; E-Commerce; Environment and Renewable Energies; High Technology; High-end Equipment Manufacturing; Winter Sports and Cross-Border Tourism
Advantages:

- During the 19th EU-China Summit
- To realise China-EU bilateral benefits – Multi-Industry Matchmaking
- One to one on site negotiations
- Debt-Equity Combination Financing – BOC Customized Service

Fee: Registration: Free of Charge
Lunch and Coffee Breaks: Provided by BOC for all Participants
Interpreters (Chinese-English): Available during the Conference
Registration: www.bocsmeevent.eu
Contacts:
Tel: 0032-2405 6663；0032-2405 6691
Email: sme.be@bankofchina.com
sme.be@mail.notes.bank-of-china.com
Contact Address : 20 Avenue des Arts, 1000 Brussels, Belgium

Weihai International Food Expo – 16-19 June 2017 – Weihai

Weihai International Food Expo
Date: 16th to 19th, June,2017

Venue: Weihai International Exhibition Center

Organisers: Department of Commerce of Shandong Province, Shandong Entry-Exit Inspection and Quarantine Bureau and Weihai Municipal Government

Supporting Sponsors :
Foreign Trade Development Bureau of Ministry of Commerce, China Chamber of Commerce, China Aquatic Products Processing and Marketing Alliance, Korea Trade-Investment Promotion Agency, Royal Thai Consulate-General in Qingdao, Japan C & Z Communication, Asian-International Trade and Investment Association, Malaysia China International Trade Link Association, Taiwan Cross Strait Exhibition Association.

Introduction
Weihai International Food Expo was founded in 2010,and it is China's first food exhibition focusing on exporting quality and safety of agricultural products. It is held by the Department of Commerce of Shandong Province, Shandong Entry-Exit Inspection and Quarantine Bureau and Weihai Municipal Government in June every year. It has been successfully held for 7 sessions, with in total 4228 international standard booths, 2266 exhibitors from home and abroad, 10,500 professional buyers from more than 40 countries and regions, and 11.07 billion yuan of trade intention. The exhibition area is 30,000 square meters. The Expo will invite about 3,000 purchasers from large domestic chain supermarkets and business associations, purchasers from South Korea, Japan, Russia, Malaysia, Thailand, Taiwan and other countries (regions). Exhibition scope will cover marine food, agricultural and sideline products, snack foods, imported food, alcohol and beverages, food packaging and processing machinery.

Advantages
Weihai is the largest fishing production base in northern China, China's largest frozen food export base, China's largest production and processing base for kelp, China's largest fish oil capsule production base and seafood canned production base, China's largest peanut exporting base, and the biggest base for aquatic products and concentrated fruit juice in China. As an important city for exporting agricultural products, Weihai has been the first city to construct quality and safety demonstration base in the country since 2008, and it has formed a reliable quality and safety supervision mode to enhance the quality of agricultural products including aquatic products. Weihai City has been awarded the Shandong Provincial Government and General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China first "Quality and Safety Demonstration City of Exporting Agricultural Products in Shandong Province" award and the first batch of Quality and Safety Demonstration City of Exporting Agricultural Products in China.

Preferential Policies
For all overseas exhibitors, we will provide free booth, for which business license copy would be required. For the team leader who organizes more than 10 overseas exhibitors (1 person for each delegation), we will provide preferential policies of airport pick-ups and seeing-offs (only for Weihai Airport and Yantai Airport). For overseas purchaser, after confirmed with identification, we will provide preferential policies, including airport pick-ups and seeing-offs (only for Weihai Airport and Yantai Airport), and 3 days (with 2 nights) free accommodation. For the team leader who organizes the purchaser delegation of more than 10 overseas excellent purchasers (1 person for each delegation), we will provide preferential policies of 3 days (with 2 nights) free accommodation.

Contact and registration:
Contact person: Chen Hui, chenhuich2003@aliyun.com

ADVERTISEMENT AND SPONSORSHIP

Advertisement and sponsorship opportunities 2017

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
www.flanders-china.be

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

Seminar: "China's Transformation & its Global Implications" – 29 March 2017 – Brussels

China represents 50% of global economic growth. The Economist Magazine forecasted that China will overtake America to be the largest economy in the world by 2024. China has 1.3 billion consumers and 680 million mobile internet users. There is no greater moment than right now to look to China for future growth. Of course, doing business with China isn't easy. Yet, the lucrative Chinese market is hard to resist. So, how can you expand to China successfully!?

On March 29, 2017, Professor Xiang Bing, founding dean of China's top business school, Cheung Kong Graduate School of Business delivered a keynote speech at EUCBA on "China's Transformation: Opportunities for Business". During the event, the opportunities and issues facing European companies as they look to expand their businesses into China were discussed. A number of distinguished guests spoke about their diverse and insightful understandings of China's diverse markets and how you can look towards China for future growth.

Speeches on EU-China relations were given by:

- Mr Jochum Haakma, Chairman, EU-China Business Association;
- Mr Mauro Petriccione, Deputy Director General, DG Trade, European Commission
- Mr Jo Leinen, Chair of the Delegation for the Relations with China, European Parliament

A panel discussion on "Tapping into the Chinese market for growth" included:

- Mr Bo Ji, CKGSB European Dean (moderator)
- Mr Bart De Smet, Chairman, Ageas
- Mr Philippe Van der Donckt, Business Development Director Umicore and Vice-Chairman EUCBA
- Professor Xiang Bing, Dean, CKGSB

A networking drink concluded the event.

China seminar: "Made in China 2025" – Tuesday, 21 March 2017, 15h30 – Technopolis Mechelen

The Flemish Center for Quality Care and the Flanders-China Chamber of Commerce organized a session on "Made in China 2025" on 21 March 2017 at Technopolis Mechelen to examine the consequences of this policy. What does it mean for Flemish companies in China? And the other way around: what consequences will the quality improvement have for the Flemish manufacturing industry?

Following an introduction by Gwenn Sonck, Executive Director, Flanders-China Chamber of Commerce (FCCC), Dirk Laeremans, China expert and CEO of Orientas, introduced China's quality policy. Three companies present their case study: Koen Sonck, Quality Implementation Director & Senior Specialist Product Audit Q&CS, Manufacturing Quality at Volvo Car Group; Hans Deprettere, Sales Export Manager Asia Pacific & Middle East at Orfit Industries; and Paul Coppens, Manager TQM and Plate System Development and GS/Total Quality Management Consumables at Agfa Graphics. A networking drink concluded the event.

China Seminar: "Doing Business in China – The People Challenges" – 17 March 2017 – Kortrijk

The Flanders-China Chamber of Commerce organized a seminar focused on: "Doing Business in China – The People Challenges". This event took place on 17 March at Barco in Kortrijk.

According to survey of European companies based in China, one third mentioned that rising labour costs is their top HR challenge, while one quarter reports that talent shortage is their second biggest HR challenge.

During her visit to Belgium, Mrs Diana Lu, Vice-President Human Resource APAC at Barco, spoke about Chinese culture, its implications on Leadership and Talent and the HR challenges of Barco in China. She also gave valuable information about retaining talent in China.

Her talk was preceded by an introduction by Ms Gwenn Sonck, Executive Director, Flanders-China Chamber of Commerce, and followed by a Q&A session and an optional tour of Barco. During Mrs Lu's talk, a sandwich lunch was served.

Coastair: We Fly Cargo

AUTOMOTIVE

VW expands China presence with USD180 million Mobvoi joint venture

Volkswagen has invested USD180 million in a Chinese artificial intelligence start-up, as the German company bets big on so-called “smart mobility solutions” for its next generation of cars. The latest investment pushes total funding secured by Beijing-based Mobvoi to USD250 million with other investors including Google, Sequoia and Zhenfund. The carmaker’s Volkswagen China Investment unit has inked a strategic partnership with Mobvoi, which includes investing the USD180 million in a 50:50 joint venture between the two firms to develop applications based on the Chinese company’s cutting-edge voice recognition and natural language processing technologies. Jochem Heizmann, Volkswagen Group China’s President and CEO, said the tie-up would help create the “next generation of smart mobility” devices for its customers in China, which could have “the potential to be adopted globally”. Founded just five years ago by former Google Research Scientist Li Zhifei, Mobvoi gained prominence after launching its flagship smartwatch, “Ticwatch,” in June 2015. It has also developed a smart rear-view mirror product that provides navigation, instant messaging, and on-board infotainment, activated through voice command. “Mobvoi’s mission has always been to redefine the next generation of human-machine interaction,” Li said, “and this joint venture will provide us a new platform to do so, together with Volkswagen,” the South China Morning Post reports.

FINANCE

Chinese banks’ Q4 bad debt ratios improve

China’s five largest banks reported better-than-expected figures for their bad debt when they announced their full year financial results, helped by improved macro-economic conditions and more aggressive attempts to clean up their balance sheets. Non-performing loan (NPL) ratios declined at the China Construction Bank (CCB), Agricultural Bank of China (ABC), Bank of China (BOC), and Bank of Communications (BoCom) during the fourth quarter of 2016, while the ratio at the Industrial & Commercial Bank of China (ICBC) remained broadly unchanged. “Banks have been making use more forcefully of a wider range of instruments to deal with their bad loans in this credit cycle,” said Bernhard Kotanko, Managing Partner Asia Pacific for consultancy Oliver Wyman. “These have included securitization and debt-for-equity swaps, among others.” Construction Bank’s debt-for-equity swaps will exceed CNY300 billion by the end of the first quarter of 2017, bank President Wang Zuji said. Agricultural Bank President Zhao Huan said that his bank’s program so far was worth CNY70 billion from eight deals, and that there were 20 more swaps to come. “All of the banks are trying to manage and offload their NPLs to improve their asset quality, but there remains a concern about transparency,” said Kotanko. “One challenge for Chinese banks is how to increase the confidence in asset quality figures that they are reporting.”

- China’s foreign exchange reserves rose for the second consecutive month in March, the first two-month rise since last April. Data released by the People’s Bank of China (PBOC) showed foreign exchange reserves rose by USD3.96 billion in March to USD3.0091 trillion, after rising USD6.9 billion in February. In the first quarter, the reserves fell by USD1.4 billion compared with the end of last year.

- Minsheng Bank has revealed outstanding loans worth CNY1 billion with troubled Huishan Dairy. The bank suspended any new credit to the company last December, after the dairy producer had run into problems, although the bank insisted Huishan and its related companies had not yet defaulted on paying any debt interest payments. Hong Kong listed, Huishan Dairy saw its share price plummet 85% within a few hours on March 24, a day after its top executives held an emergency meeting to discuss capital shortages, and repaying its CNY11 billion worth of debt.
- China is to include "green" financing in the risk monitoring regimes of the country's banks, to stimulate stronger financing of environmentally-friendly projects. The new measure is likely to be included this year in the macro-prudential assessment (MPA) framework of the People's Bank of China (PBOC), said Ma Jun, Chief Economist at the PBOC's Research Bureau. Green credit, such as loans to projects offering energy savings or emission reductions, currently account for nearly 9% of total outstanding loans.
- Bank of East Asia and Credit Suisse Group are among 23 financial services companies that will set up offices in the special economic zone in Qianhai, Shenzhen. Known as the Qianhai SZ-HK Fund Town, the new area is scheduled to finish construction in October, with 29 buildings that can accommodate 100 fund management companies. Shenzhen Metro, the city's subway operator, is the developer of the zone, while Qianhai Financial Holdings manages the leasing. Already, 124,560 companies have registered in Qianhai, of which 51,188 are financial firms, with 90% of them classified as wealth managers.
- Xiang Junbo, former Chairman of the China Insurance Regulatory Commission (CIRC), has been put under investigation for corruption or other financial malfeasance. A member of the Communist Party's Central Committee, he is the highest-ranking cadre in the financial industry to be caught up in the government's crackdown on financial crimes. In the past, Xiang has also been Vice Governor of the People's Bank of China (PBOC) and President of the Agricultural Bank of China (ABC).

FOREIGN INVESTMENT

Capital controls cause delays in OBOR projects

China's strict capital controls are delaying the approval process for companies to finance projects under the government's "One Belt, One Road" initiative, according to industry players. "Mainland private companies now need at least three to six months to get approval from Beijing for them to get the money out of the country to finance many of the One Belt, One Road projects," said Clement Chan, Managing Director of accounting firm BDO. "China has not banned such investment but the authorities have demanded more documentation and explanation as to how the money would be used, particularly for large amounts, above USD5 million." He said that before the government toughened its rules on capital flight, it could take just two months to get the green light to finance a simple project. "Beijing does not want companies using these types of investment as an excuse to bring money out of the country to hedge against the loss in the valuation of the yuan. This has naturally delayed the approval process and is likely to continue this year until China reviews its capital control policies." The yuan's 7% deterioration last year against the U.S. dollar spurred many companies to go on a shopping spree overseas to park their currency offshore as a hedge. Initiated by Beijing in 2013, the Belt and Road plan is aimed at building railways, ports, airports, roads and other infrastructure in 60 countries neighboring China and in other parts of Asia, the Middle East and Europe to boost trade flow and economic growth.

China urges foreign firms to make 'joint efforts' to control flows of cash out of the country

The State Administration of Foreign Exchange (SAFE) has asked for cooperation from multinationals, including Sony, BMW, Daimler, Shell, Pfizer, IBM and Visa, to manage and control the flow of capital out of the country. The request was made on SAFE's website after Director Pan Gongsheng addressed a delegation of foreign businesses in China at a symposium in Beijing. "A stable and good foreign exchange market is in line with the common interests of regulators and market players and it requires joint efforts from all sides," Pan Gongsheng was quoted as saying. The meeting came as many foreign businesses are complaining, albeit privately, about Beijing's tightened controls and vetting of outbound remittances and payments as it attempts to stem the flow of cash out of the country after the yuan weakened against the U.S. dollar. The Chinese government says it is merely implementing existing rules and regulations and it has not imposed any fresh capital account control measures. Jacob Parker, Vice President of the U.S.-China Business Council, told the South China Morning Post (SCMP) that Beijing's capital account controls have affected the dividend payments of its members. "Our companies fully understand the rationale behind capital controls is to ease the downward pressure on the yuan and they support that goal. Unfortunately, these restrictions are impacting not only capital account transactions, but also current account transactions," Parker said. Joerg Wuttke, President of the European Union Chamber of Commerce in China, told the SCMP that the meeting had been extremely encouraging. "Pan is very keen to know the technical issues that foreign industries have encountered in China," he said. Many analysts expect the restrictions to stay in place for some time given the major uncertainties facing global markets.

FOREIGN TRADE

WTO sets up panel to examine "surrogate country" approach

The World Trade Organization (WTO) has set up a panel to examine the so-called "surrogate country" approach used by the European Union to calculate anti-dumping measures applied to Chinese exports. The move follows a request from Beijing. When China joined the WTO in 2001, it was agreed other member states could treat it as a non-market economy for 15 years. The deadline passed late last year, but the EU still wants to operate on rules that protect it from cheap Chinese products flooding its markets. China had asked the WTO to establish a panel of experts to rule on its demand that the EU stop using a "surrogate country" system to determine whether China is selling its products below market prices. The EU rejected that request, but when China submitted a second demand, WTO rules required the body to set up a panel. The EU has indicated it would like the U.S. to be an ally against alleged unfair Chinese practices at the WTO, but U.S. President Donald Trump's administration has said it may ignore rulings made at the Geneva-based body.

MACRO-ECONOMY

Decision announced to set up Xiongan New Area

On April 1, the Chinese government and the Central Committee of the Chinese Communist Party announced their decision to set up the Xiongan New Area in Hebei province, about 120 kilometers south-west of Beijing. The zone will be formed by the three counties of Xiongxian, Rongcheng and Anxin. The new zone will help relieve the burdens on Beijing as a metropolis, and create a new growth pole for China. It will also play a significant role to advance the coordinated development of the Beijing-Tianjin-Hebei region. By taking over some functions of Beijing, it will alleviate population growth, traffic jams and air pollution in the capital. It would also avoid overdevelopment in Beijing. The establishment of the area was described as a "major historic and strategic choice" that would be "crucial for the millennium to come".

The Chinese government is exploring new development models for big cities by diversifying their functions and easing their burdens, which will help solve environmental issues and promote the development of surrounding areas. The Xiongan New Area is to become a role model for green, creative, high-quality and high-end development. The establishment of the area has been hailed as an important and strategic plan of the Chinese leadership to explore a completely new model for China's urban development. It is also part of reforms to tackle the problems that have emerged during the rapid development of the nation's economy. Xiongan will become the corner of a triangle with the other two corners Beijing and the port city of Tianjin. The State Development & Investment Corp (SDIC) said that it will tap its expertise in the fund business and capital management to help support key projects in the new area. The Xiongan New Area will have the same national significance as the Shenzhen Special Economic Zone, established in the 1980s, and the Shanghai Pudong New Area, created in the 1990s.

The local governments of Xiongxian and Rongcheng counties have frozen all real estate sales after the central government announced the establishment of the Xiongan New Area to prevent speculation. Less than a day after the announcement, real estate prices had jumped from CNY5,000 to CNY20,000 per square meter in Rongcheng county. Even in Wenan county, 30 kilometers away from Xiongxian county, and not included in any developing plans, housing prices jumped from CNY4,700 to CNY5,500 per sq m. Property developers in Bazhou, another place close to the Xiongan New Area, offered prices between CNY17,000 and CNY20,000 per sq m, and many demanded that buyers make full payment. Seven people have been arrested for real estate violations in the Xiongan New Area, sending strong signals to investors that the government intends to fend off risks from distortions in the property market. The Preparatory Committee for the Xiongan New Area has discovered 765 cases of real estate violations and shut down 71 sales offices. “The area will implement the most stringent control of the real estate sector,” Zhao Kezhi, Communist Party Secretary of Hebei province said. As of April 6, all 10 counties in the Xiongan New Area and neighboring regions had launched new home purchase policies to stop speculative buying. They have unveiled purchase limits, such as suspending residents with more than three residential properties from buying houses and apartments and requiring an up to 60% downpayment from buyers who own more than one apartment. In Wenan and Bazhou, those without local household registration, or hukou, can buy only one apartment with a downpayment of at least 50%.

Vice Premier Zhang Gaoli called for a “reasonable pace of development” in the new area, stressing that large-scale real estate development and illegal construction should be banned, and the pace of development should be reasonable. He added that Xiongan will be an innovation hub and a cluster for high-end, high-tech industries. Development of real estate is not a priority. “It is estimated that Xiongan’s total fixed asset investment could reach CNY4 trillion over the next two decades,” UBS Securities wrote in a research note. There will be a substantial demand for cement, steel, rail and transportation. The area should have a “world-class transport system” that is green and smart. Transport should mainly focus on rail and bus transit options, complemented by bike-sharing and other “green, advanced and highly intelligent” transportation options, said Lu Huapu from Tsinghua University and a Member of the Expert Committee advising the coordinated development of the Beijing-Tianjin-Hebei region. Smooth and easy transit between Xiongan, Beijing and Tianjin would be essential to attracting high-level talent from those cities and key to the new area’s development.

The new area’s establishment also had an impact on the stock market, with the share price of Beijing-based cement manufacturer BBMG Group Co surging by 23.84% on the Hong Kong Stock Exchange during the opening quotation on April 3. The trading price of Shijiazhuang-based China Suntien Green Energy Co, a new energy product supplier, grew by 23.33%. On April 6, shares on the Shanghai stock exchange showed the biggest daily gain in eight months, led by stocks related to Xiongan New Area. Shares of more than 30 companies surged by the daily 10% limit. Cement producer BBMG Corp soared by the 10% daily cap. So did Tianjin Port Co and trading company Langfang Development Co. Li Yimin, Senior Equity Researcher at Shenwan Hongyuan Securities Co, predicted potential infrastructure investment in Xiongan may hit nearly CNY56.3 billion in the next two years and surge to CNY1.9 trillion by 2030.

Shen Jianguang, the Chief Asia Economist at Mizuho Securities, said the Xiongan New Area was at the heart of President Xi Jinping’s Beijing-Tianjin-Hebei integration plan. The “Jing-Jin-Ji” plan is one of the President’s two main development initiatives, alongside the “One Belt, One Road” trade and infrastructure strategy. Former Shenzhen Mayor Xu Qin was appointed Hebei’s Deputy Communist Party Secretary to help the new district’s development. The zone will start with an initial area of 100 sq km, slightly bigger than Hong Kong island, and eventually cover an area of 2,000 sq km, about the same size as Shenzhen. The new zone will be home to “non-capital functions” from Beijing, a term that covers institutions, schools, hospitals, markets and factories. The area is far less developed than Beijing. The combined gross domestic product (GDP) of the three counties that will form Xiongan last year was less than 1% of Beijing’s, and their total population was 1 million, compared with Beijing’s 21 million.

Some 13 central SOEs, including China United Network Communications Group Co, China Railway Construction Corp and Sinopec Group, have already held top management meetings to discuss their plans for the Xiongan New Area. Central SOEs, particularly in infrastructure, manufacturing, mining, telecommunication and transportation, are expected to be the first batch to move their headquarters and subsidiaries to the Xiongan New Area, in order to exploit the expected commercial opportunities. Currently, more than 80 of the 102 central SOEs have their headquarters in Beijing.

- Annual spending on robotics in China is forecast to exceed USD59 billion by 2020. That would make up about half of the Asia-Pacific's USD133 billion in forecast robotic spending in 2020. The country will remain the single largest and fastest-growing robotics market in the world, accounting for more than 30% of global spending during that period, according to technology research firm IDC. Chinese installations of industrial robots reached about 90,000 units last year, up from 68,556 in 2015.
- China Singyes Solar Technologies plans to spend up to CNY700 million to raise its solar farms generation capacity by 37% this year by finishing projects in its home province of Guangdong. The Zhuhai-based firm aims to complete 102 megawatt (MW) of projects in Guangdong, adding to the 271 MW it had at the end of last year. The company posted a 41% jump in net profit to CNY502 million for last year, as revenue grew 25.3% to CNY5.2 billion.
- Four companies signed a framework agreement to establish China's first steel industry restructuring fund. It is expected to initially have a capitalization of CNY40 billion to CNY80 billion. China Baowu Steel Group's Hwabao Investment Co and the U.S.-China Green Fund will hold 25% each,WL Ross & Co 26% and China Merchants Finance Holdings Co 24%. The fund will help the Chinese steel industry to eliminate excess capacity, speed up restructuring, raise industry concentration and promote international cooperation.
- China's service sectors expanded at the slowest pace in six months, reigniting worries that economic growth may be ebbing. The Caixin China General services Purchasing Managers' index dipped for the third straight month to 52.2 last month from February's 52.6. Business activity and new orders both expanded at the weakest pace in six months, while employment growth was the slowest this year so far. The Caixin China General Manufacturing PMI fell to 51.2 in March from 51.7 in February. However, China's official manufacturing PMI rose to 51.8 in March from 51.6 in February.
- Investment by privately owned businesses, after posting a lackluster 3.2% year-on-year growth in 2016, is set to rebound to 6% to 10% this year, according to JP Morgan Chief China Economist Zhu Haibin. Private-sector investment accounts for about 60% of the country's total fixed-asset investment (FAI).
- The average net profit of 1,598 SMEs listed on the National Equities Exchange and Quotations (NEEQ) hit CNY21.05 million last year, up 26.29% year-on-year. The SMEs posted an average annual business revenue of CNY212 million in 2016, up 25%. Total assets of each company averaged CNY464 million at the end of 2016, up 23.9% year-on-year.

MERGERS & ACQUISITIONS

HNA Group seeking to acquire Singaporean logistics firm CWT

HNA Holding Group has offered to buy Singaporean logistics firm CWT Group for USD1 billion. The group already spent more than USD30 billion on acquisitions around the world since last year. The Hong Kong-listed unit of HNA Group would offer a 13% premium above the stock's last trading price on April 5 before it was suspended. Established in 1970 as a private arm of the Port of Singapore Authority, CWT is a leading provider of logistics, commodity marketing, financial and engineering services with operations in 90 countries. The company was listed on the Singapore Exchange in 1993. CWT's major shareholders, including C&P Holdings and Loi Kai Meng among others, hold 65.13% of the company. If 90% of its shareholders accept the offer, it will become compulsory. Preconditions for the deal include approval by Singapore's anti-monopoly body and support by HNA shareholders during an upcoming meeting. HNA said the acquisition was "strategically beneficial to the group" as it sought to diversify from tourism and property to become a leading logistics player with global reach, the South China Morning Post reports.

- U.S. and European regulators have cleared ChemChina's proposed USD43 billion acquisition of Swiss agribusiness giant Syngenta on condition it sells some businesses to satisfy anti-monopoly objections. It would be China's biggest foreign acquisition to date. ChemChina subsidiary Adama Agricultural Solutions agreed to sell businesses in the U.S. that produce the herbicide paraquat, the insecticide abamectin and the fungicide chlorothalonil to American Vanguard Corp and its affiliate Amvac

Chemical Corp. ChemChina has also agreed to sell significant parts of its European operations in pesticides and plant growth regulation products.

REAL ESTATE

Ban on selling commercial properties for housing dents real estate developers' sales

Property developers are facing a potentially huge dent in their sales in Beijing after the municipal government declared war on residential apartments being sold on land intended for commercial use. The Beijing authorities on March 26 banned all sales of new apartments built on plots that were originally acquired as commercial or office land. The converted commercial projects had become increasingly popular as the dwindling supply of new residential land made them a more affordable option, particularly among young buyers. Until now, the so-called "commercial apartments" also had the advantage of not being subject to home purchase restrictions, meaning non-local household registration holders could buy as many units as they liked. Under tough new restrictions, only people with a Beijing hukou – and non-hukou holders who have paid social security for five consecutive years and do not already own a home – can now buy existing units. New commercial apartments cannot be sold to individuals at all. Additionally, banks are now banned from extending loans for the purchase of such apartments, which means buyers will have use their own cash. "The policy has literally reduced such product's transactional value to zero, as it has become very illiquid," said Yan Yuejin, Research Director at the E-house China R&D Institute. Authorities also ordered all property agents to pull the commercial apartments off their shelves, making it much harder for owners to sell their properties. Some 38 estate agency branches in Beijing, some owned by big names such as Homelink, 5i5j and Centaline, have been shut down for violating the rule, and a further 91 have closed voluntarily. The government identified six commercial projects that were being marketed for residential purposes. All of those properties were barred from being sold, a move that affects China Vanke, Longfor Properties and China Evergrande, the South China Morning Post reports. Across Beijing, in the three days after the ban was introduced just seven commercial apartments were sold, according to Centaline, down from 850 in the three days preceding it. There are about 250,000 existing commercial apartments in Beijing, and another 150,000 units of potential supply, according to Centaline data. More than 90% were sold to individuals, and the remainder to corporations. By 2015, sales of such apartments made up 29% of total new home sales.

- Shanghai's housing market will be generally stable in 2017 but sales are likely to be subdued due to strictly-enforced policies to curb speculation. In the first three months of this year, about 1.3 million square meters of new homes were sold across the city, a plunge of 68.7% from the same period a year earlier, Cushman & Wakefield said. These new homes were sold for an average CNY47,335 per square meter, up 6% from the previous quarter and an annual surge of 35.5%. More than 1.03 million square meters of new houses were released locally in the January-March period, little changed from 1.04 million square meters during same period a year ago.

RETAIL

JD.com to build airports for delivery drones

E-commerce giant JD.com said that it will build 150 airports for unmanned aerial vehicle delivery in Sichuan Province. JD.com CEO Richard Liu said the airports are expected to open in three years and the drone delivery will help cut the freight costs by 70%. The drone service will deliver Sichuan's products to shoppers nationwide within 24 hours and will improve delivery efficiency in remote mountainous areas in the province, Liu added. JD.com has been developing drone delivery to meet the increasing retail demand in China's rural areas, where complex terrain and underdeveloped infrastructure have compromised timely human courier delivery. JD.com said its drones, which can carry 50 kilograms of parcels, have been put into use and drones that can carry 500 kg are in the pipeline.

STOCK MARKETS

CSRC approves IPO applications of 10 companies

The China Securities Regulatory Commission (CSRC) has approved the IPO applications of 10 companies, which will be allowed to raise no more than CNY3.1 billion. Four companies will be listed on the Shanghai bourse, one on the Small and Medium Enterprise Board in Shenzhen and five on ChiNext, China's Nasdaq-style board. The companies and underwriters will confirm the IPO dates after discussion with the exchanges. Under the current IPO system, new shares are subject to approval from the CSRC, which controls both the timing and pricing. China is seeking to transform its approval-based system to a more market-oriented one.

TRAVEL

China Southern sees further decline in passenger yields

Passenger yields on international routes will remain in decline this year because of fierce competition in the aviation sector, according to Asia's largest carrier, China Southern Airlines. Luo Laijun, Acting Director of the airline's Commercial Steering Committee made the prediction as the carrier announced an increase in flights to the U.S. under a code-sharing arrangement with American Airlines, its new minority shareholder with a 8.83% share. "We will operate more non-stop flights to the U.S. as part of our cooperation with American Airlines," said Wang Changshun, Chairman of China Southern, starting with 10 flights in a code-sharing agreement. China Southern's net profit had surged 35% last year to CNY5.04 billion as it repaid dollar debt ahead of schedule to mitigate the impact of the yuan's depreciation. However, yield per revenue passenger kilometer dropped both for domestic and international routes, down 3.6% and 11.1% respectively in 2016 from the previous year.

- China Railway Group, one of the country's largest rail and infrastructure builders, expects to more than double its overseas business as a proportion of total revenue to 10%, Chairman Li Changjin said. This is despite contribution from the firm's international revenue dropping to 4.4% of the total last year from 5% in 2015. Li's projection is backed by a 49.6% surge in new contracts clinched overseas to a record CNY102.5 billion last year, which boosted its overseas order book by 62% to CNY170.8 billion.
- China has risen two positions to 15th in the latest global tourism competitiveness ranking, released by the World Economic Forum (WEF). The forum's Travel and Tourism Competitiveness Report 2017 ranks 136 countries and regions across 14 dimensions. China received nearly 57 million tourists in 2016, which took up over 20% of global arrivals in Asia, the report said. It attributes the improvement of China's tourism competitiveness ranking mainly to the country's increased international openness, improved information and communications technology readiness and further investments in its tourist service infrastructure.

VIP VISITS

Presidents Xi and Trump meet in Florida

Chinese President Xi Jinping met U.S. President Donald Trump at the latter's Mar-a-Lago estate in Florida in the first face-to-face contact between the two leaders. The summit's success was more than just symbolic. Xi said he and Trump "reached important consensus on the development of China-U.S. relations", according to a news release issued by China's Foreign Ministry. It achieved tangible outcomes – an action plan to address frictions over trade, an elevation of bilateral talks to be overseen by the two Presidents, a dialogue mechanism between the Chiefs of Staff, and Trump's acceptance of an invitation to visit China this year. However, the summit was overshadowed by the U.S. Navy's firing of 59 Tomahawk cruise missiles into Syria at around the same time Trump and Xi were sitting down for a state dinner. But perhaps the most significant result of the first face-to-face Trump-Xi meeting was the personal rapport between them and the talk of them becoming friends. Such a relationship would help in problem-solving and in preventing saber-rattling between the two countries, analysts said. Xi was more reserved, saying he and Trump had built "a good working relationship" after gaining a better understanding of each other, enhancing trust and reaching consensus on multiple issues. Trump hailed the meetings as producing “tremendous progress in our relationship with China” and said he believed “lots of very potentially bad problems” would be “going away”. For his part, Xi said the summit was of unique significance to bilateral ties after describing the meetings as “positive and fruitful”.

Trump and Xi have agreed to a bold 100-day action plan for trade talks to boost U.S. exports and reduce its trade deficit with China. Analysts said the big questions are whether Trump can assemble the right trade team to negotiate with Beijing and whether the deal is just a smoke screen to mask the lack of progress with China over trade. Steve Tsang, Director of the SOAS China Institute, said the 100-day plan was “at best aspirational, at worst just something to satisfy Trump’s core supporters and make him look strong on China”, the South China Morning Post reports.

Chinese President visits Finland

Chinese President Xi Jinping has paid a state visit to Finland at the invitation of Finnish President Sauli Niinisto. It was Xi’s first visit to Northern Europe as China’s head of state. Finland was among the first Western countries to establish diplomatic ties with China after 1949 and the first Western nation to sign an intergovernmental trade agreement with China. Finnish Prime Minister Juha Sipila has pledged that his country will join with China in advocating free trade and globalization. Chinese President Xi Jinping said China and Finland will have more cooperation in areas including innovation, entrepreneurship, clean energy, bio-economy and arctic research. After his visit to Finland, Xi traveled to Mar-a-Lago in Florida to meet with U.S. President Donald Trump.

- China and Norway agreed to restart negotiations on a free trade agreement (FTA), after Premier Li Keqiang’s meeting with Norwegian Prime Minister Erna Solberg in Beijing.

ONE-LINE NEWS

- Foreigners are now allowed to have foreign maids in Shanghai. A woman from the Philippines became the first person to receive a residence permit for foreigners providing housekeeping service in Shanghai’s Pudong district, which houses more than 300 Fortune 500 companies and the location of the China (Shanghai) Pilot Free Trade Zone.

QUOTES OF THE WEEK

“There are a thousand reasons to make the China-U.S. relationship a success, and not a single reason to break it.”

Chinese President Xi Jinping in his first meeting with U.S. President Donald Trump, quoted in the China Daily, April 8, 2017.

VACANCY

Management Trainee Quality for the Chinese market

Company:

The Belgian Pork Group is a network of 6 Belgian companies specialized in the production, Processing and marketing of pork meat products. It’s the biggest slaughter- and processing group of Belgium, and exports a significant part of the production to more than 50 countries worldwide.

With the specialization in automation of the different units of processing and the control of the full chain in the processing of pork meat, we offer unique possibilities to the customers.

The Belgian Pork Group strongly invests in animal welfare, quality and food safety. Every unit has achieved the highest standards and –certificates. The traceability of food together with prevention are the essential elements in the quality system.

Function:

As the Management Trainee Quality for the Chinese market, you are responsible for the quality of the meat products exported to the Chinese market. You have a strong affinity with meat products. This helps you in knowing exactly what the Chinese customer wants, by doing this you further strengthen the relationship with the customers.

You already live in Belgium, or are willing to relocate. Within Belgium, you are willing to not only work from the main office in Westrozebeke, but are also willing to work from the other Belgian sites, controlling the meat exports for correct labelling, packaging and slicing. Furthermore, you aid the sales during fairs.

You are meticulous, communicative and customer-oriented. You give feedback to the Belgian Pork Group sales & quality staff on your findings, suggest improvements and are also the go-between between the Chinese customers and Belgian Pork Group, translating what the customer wants into possibilities.

Background:

- You have a diploma in bio-engineering, or equivalent
- You recently graduated
- Mandarin is your mother tongue, English is your second language.
- You have a work permit for Belgium
- You already live in Belgium, or are willing to relocate.
- You have an international driver's license

Personality:

- Quality-driven: no detail escapes you
- Communicative
- Open
- Result-oriented

What can the Belgian Pork Group offer you? A challenging, new function within the BPG group with real responsibilities. Adequate salary with additional fringe benefits and housing near the main office. This is a temporary function for a maximum of 2 years.

Interested? Do you recognize yourself in this description? Then, send your CV and a short motivation to CPM, Mrs. Sarah Bols, sarah.bols@cpm-hrm.be, 09 231 42 42. You will be answered swiftly and discretely.

JOB SEARCH

Belgian PhD in electro-optical engineering looking for opportunities in China

Michiel Callens is an electro-optical engineer with a PhD looking for opportunities in China. Michiel has a broad and deep understanding of optics, photonics and electronics. Organic Light Emitting Diodes (OLEDs) were the topic of his PhD and he has considerable knowledge and experience in other display technologies. Michiel is looking for R&D and project management opportunities in the field of optics and is available from October 2017. He can be contacted trough his linked-in profile (LINK) or via email (mkcallens@gmail.com).

ANNOUNCEMENTS

Deloitte Webcast: Transfer pricing dispute resolution: A focus on China, Japan and Australia – 18 April, 2:00 – 3:00 PM HKT (GMT +8)

An increase in transfer pricing controversy was always anticipated to result from the OECD BEPS program of work. Which Revenue Administrations in Asia Pacific have got on the front foot with new compliance activities? Which continue with previous areas of focus? We'll discuss:

- New audit procedural approaches introduced by Revenue Administrations.
- Practical options and guidance on best practices for resolving disputes.
- Mutual Agreement Procedure.
- The way forward.

Gain insights from Deloitte experts on the best practices for transfer pricing disputes.

> Register

Deloitte Webcast: Post-BEPS structuring for real estate deals: A focus on China, India, and Japan – 23 May, 2:00 – 3:00 PM HKT (GMT +8)

In the era of post-BEPS, how would you structure your investment in the real estate sector in India, China, and Japan so as to ensure it does not expose you to unintended tax costs and maximizes opportunity? We'll discuss:

- Overview of a post-BEPS typical investment structure in the real estate sector.
- Taxation of repatriation.
- Tax implications on financing arrangements.
- Exit tax considerations.
- Practical case studies and lessons learned.

Keep up to date with how post-BEPS investment structure in the real estate sector could impact your business.

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