

China Business Weekly

3 October 2023



FCCC ACTIVITIES

Exclusive dinner with H.E. Mr Cao Zhongming, Ambassador of the People's Republic of China in Belgium
Thursday, 5 October at 18h00 at 'De Warande', Zinnerstraat 1, 1000 Brussels



The Flanders-China Chamber of Commerce is organizing with the support of Flanders Investment & Trade an exclusive dinner with **H.E. Mr Cao Zhongming**, Ambassador of the People's Republic of China in Belgium. This dinner will take place on **Thursday 5 October at 18h00 at 'De Warande', Zinnerstraat 1, 1000 Brussels**.

During this dinner Mr Cao Zhongming will deliver a speech on China's economic perspectives and its foreign investment environment.

We also have the pleasure to welcome the new Commercial Counsellor at the Chinese Embassy in Belgium, Mrs **Xie Yajing**.

This exclusive event is an excellent opportunity to meet in person the Ambassador and the new Commercial Counsellor, as well as having the chance to introduce your company's activities to them.

The dinner is certain to be well attended, so we strongly recommend you book now to guarantee your place.

The programme is as follows:

18h00-18h30: Registration and networking

18h30-18h35: Introduction by Mr **Kurt Vandeputte**, Chairman, Flanders-China Chamber of Commerce

18h35-18h50: Speech by **H.E. Mr Cao Zhongming**, Ambassador of the People's Republic of China in Belgium

18h50-21h00: Networking Dinner

Practical information:

Date and time: October 5, 2023, 18h00 - 21h00

Location: De Warande, Zinnerstraat 1, 1000 Brussels.

Price for Members: €125 excl. 21% VAT (€26.25)

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Conference: China's growth outlook and policy shifts in a era of geopolitical uncertainty – Implications for European companies
Monday, 9 October 2023, 16 h – Brussels



The **Flanders-China Chamber of Commerce** and the **EU-China Business Association**, in cooperation with **The Conference Board**, are organizing an in-person briefing focusing on “**China's Growth Outlook and Policy Shifts in an Era of Geopolitical Uncertainty – Implications for European Companies**”, which will take place on **October 9 at 16h00 CEST**, at The Conference Board – Europe, Chaussée de La Hulpe 178 – 6th floor, 1170 Brussels.

During this briefing, Mr. **Alfredo Montufar-Helu**, Head of the China Center for Economics and Business, The Conference Board, will talk about the latest trends and policy shifts impacting the Chinese market, how this is shaping the country's development priorities, and what this means in terms of challenges and opportunities for European companies.

The programme is as follows:

16h00 – 16h05: Introduction by Ms. **Gwenn Sonck**, Executive Director, Flanders-China Chamber of Commerce / EU-China Business Association

16h05 – 16h45: Presentation by Mr. **Alfredo Montufar-Helu**, Head of the China Center for Economics and Business, The Conference Board

16h45 – 17h00: Q&A Session

17h00: Networking Reception

About the speaker:

Based in China since 2013, Alfredo has focused on analysing the business implications of policy, economic and political developments for companies investing and operating in China, and in the broader Asian region. Before joining The Conference Board, Alfredo was the Beijing Director of The Economist Intelligence Corporate Network, which is the C-suite briefing and networking arm of The Economist Group. Prior to that, he was Associate Director at KPMG's Global China Practice, and worked for J Capital Research, Eurasia Group and the Mexican Ministry of Foreign Affairs.

Alfredo has a Master of Science in Foreign Service (MSFS) from Georgetown University, and a BA in Political Science and International Relations from Mexico's Center of Research and Teaching in Economics (aka. CIDE). He is fluent in English and Spanish, proficient in French and Chinese and has a good working comprehension of Portuguese.

Practical Information:

Date and time: October 9, 2023, 16h00 CEST

Location: The Conference Board - Europe, Chaussée de La Hulpe 178, 1170 Brussels.

Price for Members: €45 excl. 21% VAT (€9.45)

Price for Non-members: €65 excl. 21% VAT (€13.65)

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PAST EVENTS

How Flemish SMEs are tackling the China market; Panel discussion followed by meeting with the Flemish Trade Commissioners in China – 26 September 2023



On September 26th, the Flanders-China Chamber of Commerce (FCCC) organized an interesting panel discussion focused on “**How Flemish SMEs are tackling the China market**”.

Ms **Gwenn Sonck**, Executive Director at Flanders-China Chamber of Commerce (FCCC), introduced the discussion with an overview on how doing business with China looks like in 2023 and how the landscape is changing. Mr **Koen De Ridder**, the Flemish Economic Representative in Beijing, addressed the opportunities that China presents to Flemish companies and entrepreneurs. Following that, Mr **Giacomo Pozzi**, Project Executive at the China IP SME Helpdesk, addressed how to protect your company's Intellectual Property in China. Mr **Peter Wyffels**, Export & Key Account Manager at JORI, highlighted how companies are not only producing in China but also exporting high-end goods to the country.

Mr **Maarten Michielssens**, CEO of EnergyVision, pointed out how having a Belgian company with operations in China was a big advantage during the last 10 years. Moreover, Mr **Uwe Leonard**, Managing Director at Lambo Laboratories, talked about how the healthcare sector is growing in the 2nd largest economy in the world and what opportunities it presents.

The session was followed by an engaging Q&A session and a networking dinner with the Flemish trade commissioners in China. A detailed report will follow next week.

Visit by Suzhou delegation – 19 September 2023



On 19 September, the Flanders-China Chamber of Commerce (FCCC), received a high-level delegation in Ghent, led by the Vice-Mayor of Suzhou, Mr. **Tang Xiaodong**. The delegation also met top executives at Barco and Umicore, founding members of the FCCC and which have also investment in Suzhou.

This visit was a follow-up to the meeting in March in Suzhou between the Mayor of Suzhou and the Belgian Ambassador of Belgium in China, Mr **Jan Hoogmartens**, PhD, the Consul General of Belgium in Shanghai, Mr **Bruno Jans**, Mr **Frank Van Eynde**, Flemish Economic Representative and Ms **Gwenn Sonck**, Executive Director, Flanders-China Chamber of Commerce (FCCC).

The visit aimed to discuss further cooperation between both sides. Suzhou is well-known among FCCC members. Bekaert, Picanol Weaving Machines, Vermeiren and many others have investments in Suzhou Industrial Park.

If you are interested in learning more about the experiences of our member companies in Suzhou or the investment incentives of Suzhou Industrial Park, please send an e-mail to gwenn.sonck@flanders-china.

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TRAVEL

Chinese tourists on the move during 8-day holiday



The Chinese are enjoying an 8-day holiday, combining the mid-autumn festival with the National Day holiday week. On the first day, September 29, the national railway transported 20.98 million passengers, setting a new record for single-day passenger volume in history. Analysts predict that this year will be the busiest Golden Week for five years. Family travel, tourism, and sport events combined are expected to lead to a surge in travel demand by rail and air. On September 30, it is estimated that the railway will transport 17.6 million passengers, with 12,180 passenger trains in operation, including 1,594 additional trains. There are expected to be 896 million domestic tourists traveling during this year's holiday, an increase of 86% compared to last year, the Ministry of Culture and Tourism estimated. **Revenue from**

domestic tourism is expected to reach CNY782.5 billion, a growth of 138% compared to last year. This marks the busiest Golden Week in five years, and it demonstrates that the tourism industry is entering a new normal and becoming an important engine driving the country's economy. The Ministry predicted that popular tourist cities such as Shanghai, Suzhou and Chengdu, will experience an exceptionally high demand in the cultural and tourism market. The number of hotel and flight bookings has increased at least five times compared to the same period last year.

According to data released by Ctrip, one of China's largest online travel agencies, the number of tourists on the first day of the Golden Week holidays has surged, with overall tourism orders increasing 2.8 times compared to the first day of the National Day holidays last year, and a 20% increase compared to the first day of the May Day holidays this year. Tourism order volume for the first day of the Golden Week in Chengdu, Sichuan Province, increased by 492% compared to last year. Hangzhou is also popular thanks to the ongoing Asian Games. Orders for flights, scenic tickets, hotels, and homestays have all shown significant year-on-year growth. At the same time,

outbound tourism is recovering, with outbound orders on the first day of the Golden Week holidays increasing by 54% compared to the May Day holidays this year, and 11 times compared to the first day of the National Day holidays last year, according to Ctrip. Bookings to Thailand have increased by more than 28 times compared to the first day of the National Day holidays last year, and have basically returned to the same level in 2019. Thailand on September 13 announced plans to adopt a visa-free policy for tourists from China from September 25, in order to boost the local tourism industry. In 2019, 11 million Chinese tourists visited Thailand, accounting for one third of the country's overall foreign tourists.

China has implemented measures to revive domestic tourism and further unleash consumption during the Golden Week holiday including providing high-quality tourism products and services, expanding marine tourism, optimizing tourism infrastructure, increasing the number of international flights, offering convenience for inbound tourism and expanding financing channels for tourist enterprises.

This overview is based on reports by the China Daily and the South China Morning Post.

FOREIGN TRADE

China and Germany agree to expand market access



China and Germany agreed to expand mutual market access based on a level playing field and strengthen cooperation in the fiscal and financial areas. Chinese Vice Premier He Lifeng and German Minister of Finance Christian Lindner co-chaired the third China-Germany High-Level Financial Dialogue in Frankfurt and reached consensus on 25 topics, China's Ministry of Finance said in a joint statement. Both sides agreed to communicate on signing a memorandum of understanding (MOU) on insurance supervision, and China welcomes qualified German insurance companies to apply for operational licenses in areas they specialize in. Chinese and German authorities will discuss exempting specific requirements for Chinese banks' branches in Germany, while China is willing to encourage at least one Chinese bank to establish a subsidiary in Germany as its European hub. Both sides will support German financial institutions conducting renminbi business, encourage qualified German entities to issue and invest in renminbi-

denominated bonds and promote the listings of depository receipts of domestic shares on each other's stock markets. Both countries will also cooperate on central bank digital currencies and sustainable finance. During the last financial dialogue in 2019, central banks from both sides signed a memorandum of understanding to strengthen cooperation, the China Daily reports.

The South China Morning Post adds that **the Lindner-He talks were the first of their kind in four years.** The talks came at a time when the two countries are struggling to manage the risk of economic downturn and follows the publication of a German plan to "de-risk" its relationship with China by reducing its reliance on goods produced in the country. At a National Day event in Berlin to mark the 74th anniversary of the founding of the People's Republic, Ambassador Wu Ken said China was willing to deepen cooperation with Europe and Germany on the basis of mutual benefit. **"We hope Europe will show more openness and self-confidence on the issue of electric vehicles and Huawei's 5G technology,"** Wu said. He was responding to reports that Germany's Interior Ministry is planning to force local telecoms operators to rid their networks of Chinese-supplied critical components by 2026, including parts supplied by Huawei Technologies and ZTE Corporation. In their last round of talks in January 2019, both sides signed agreements to strengthen coordination in banking, finance and capital markets, and pledged to further open market access and deepen cooperation in a bid to broaden economic ties.

Ambassador Wu said China understood German's concerns and fears but the "fear of change and competition should not lead us to stray from the path of cooperation or

to put up barriers". "In the face of a century of changes and the 'turn of the times', as well as increasing global challenges, awareness of worries and risks is necessary and beneficial. I hope that the German government and society can continue to view students and scholars from China with an open mind rather than with suspicion or even vigilance," Wu said, calling on both sides to renew efforts to improve ties and understanding. "We need to sow more seeds of friendship in the hearts of the young generations of the two countries. They are not risks, but the future of the two countries, as well as builders of bilateral ties," the Ambassador said.

But there were also signs of tension. **German envoy for international climate action Jennifer Morgan** was given the cold shoulder on trip to Beijing as she **was granted**

just one meeting with a government official, China's climate envoy Xie Zhenhua, during her three-day visit to Beijing. She was told senior officials were too busy to meet her, which was regarded as a sign of displeasure over Foreign Minister Annalena Baerbock's calling President Xi Jinping a "dictator". The German Ambassador Patricia Flor was called to the Foreign Ministry for a dressing down, while Ministry Spokeswoman Mao Ning described the remarks as "extremely absurd, seriously infringing on China's political dignity and an open political provocation". Morgan's requests to meet officials from several Chinese ministries were rebuffed. Morgan is seen as close to Baerbock, who plucked her from her role as head of Greenpeace to lead Germany's climate policy last year, a move that required Morgan, an American, to take on German citizenship.

REAL ESTATE

Evergrande Group faces bankruptcy as founder put in police custody



China Evergrande Group's USD20 billion debt restructuring plan is at risk of falling apart as Founder Hui Ka-yan was put in police custody, blocking his ability to do business deals. Hui and his offshore family vehicle Xin Xin (BVI) are sponsors of the restructuring agreements with a committee of foreign creditors, including global hedge funds and distressed-debt investors. The situation also raised question marks over access to his assets to pay legal advisers and creditors.

Hui, who turns 65 on October 9, has been placed under "mandatory measures" by Chinese authorities for unspecified crimes, the troubled developer said in a filing on September 28. The term typically refers to house arrest or movement surveillance, among other things. "In general, the restructuring proposal needs approvals and signatures of key people in charge," said Raymond Cheng, Managing Director of CGS-CIMB Securities in Hong Kong. As the number one person in Evergrande, **"the fact Hui's missing will definitely have a huge negative impact on the restructuring process."**

Hui and Xin Xin are sponsors of the restructuring support agreement with China Evergrande's class A creditors, who

held USD14.2 billion of claims tied to 10 defaulted U.S. dollar-denominated bonds, one Hong Kong dollar convertible bond, and one private loan. Hui separately is also a sponsor of another restructuring agreement with creditors with claims against China Evergrande as guarantor for USD5.23 billion of bonds sold by its offshore unit Scenery Journey and other yuan-based options and obligations. Offshore creditors holding 77% and 91% of those debts, respectively, have given their consent to the restructuring terms based on the most recent update in April. They may serve a 10-day notice to withdraw their support, according to the support agreements.

Apart from his controlling equity stake in China Evergrande, and indirectly its two other listed vehicles, Hui's personal assets include USD600 million worth of the company's defaulted bonds. He is also listed as the owner of Event, a 60-meter luxury super yacht valued at USD60 million. The yacht was sold earlier this year for about USD32 million as part of a process to sell down non-core assets. Hui agreed in March to pay the committee representing its offshore creditors a "work fee" and retained Baker McKenzie as his counsel in the restructuring process. The law firm did not reply to emails seeking comment to find out if it was still advising Hui following his "arrest".

Evergrande's Hui was last heard from in a voice clip circulated – and verified – by the company last December, in which he instructed his executives to speed up construction to ensure that homes under contract are delivered to customers. He last signed off the company's exchange filings in Hong Kong on September 24. Apart from Hui, several current and former executives in the group have also been detained by police. Evergrande also asked for the suspension of trading in its shares, as well as shares of Evergrande Property Services and China Evergrande New Energy Vehicle Group, without giving a reason. Trading in the three stocks would remain halted until further notice. The trading halt came a month after the group emerged from a 17-month suspension. The

company and its subsidiaries had a combined market capitalization of HKD16.7 billion on September 27, a decline of nearly 80% in their value before they resumed trading in August.

“Hui’s legal issues are not good news for creditors, but neither do they represent the ultimate failure of the restructuring process,” said Brock Silvers, Managing Director at Kaiyuan Capital in Hong Kong. Taking the

rescue of HNA as an example, Silvers said Chinese authorities seem to be following an established playbook of allowing companies fairly significant leeway to resolve leverage and risk issues, and only replacing management once patience has been exhausted. “At this point, liquidation probably represents the worst outcome for all parties,” he said. “It’s hardly a forgone conclusion,” the South China Morning Post reports.

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CHINA NEWS ROUND-UP

Economic activity expands for the first time in six months

Manufacturing activity resumed expansion for the first time in half a year, adding to signs that the economy has bottomed out and may recover steadily in the fourth quarter, experts said. Nevertheless, continuous policy support is still crucial, given the sustained difficulty of small businesses, they said, with monetary policy to remain accommodative and additional government spending likely in the rest of the year. The comments came after the National Bureau of Statistics (NBS) said that **the official purchasing managers index (PMI) for the manufacturing sector came in at 50.2 in September**, above the boom-bust line of 50 for the first time in six months and rising for the fourth consecutive month.

September’s PMI reading was up from 49.7 in August because production accelerated while market demand improved, especially export orders, the Bureau said. The improved reading has further bolstered analysts’ confidence in China’s recovery prospects, following encouraging data for August, when the profits of industrial enterprises and consumer inflation both resumed positive growth on a year-on-year basis. “The pace of China’s economic rebound has stabilized and is moving upward,” said Zhong Zhengsheng, Chief Economist at Ping An Securities. He added that September’s PMI indicates that the drag from external demand has eased, policies on infrastructure and real estate have promoted a recovery in related industries, and the mitigated debt burden of households is boosting the sectors of consumer goods and services.

With activity in services and construction sectors accelerating, the composite PMI, which includes both manufacturing and non-manufacturing activities, came in at 52 in September, up from 51.3 in August, indicating an acceleration in overall business activity, according to the NBS. Experts said the official manufacturing PMI may remain above 50 for the remainder of the year. “The economic momentum is expected to strengthen steadily in the fourth quarter and pick up further through 2024, with the help of well-calibrated and targeted policies and a

gradual recovery in external demand,” said Hoe Ee Khor, Chief Economist of the ASEAN+3 Macroeconomic Research Office.

The country’s inflation may also recover, with the year-on-year decline in the producer price index, a gauge of factory-gate prices, likely to narrow from 3% in August to about 2.4% in September, said Wen Bin, Chief Economist at China Minsheng Bank. Despite the overall improvements, NBS data showed that activities at small manufacturers still contracted, with their PMI standing at 48 in September, up from 47.7 in August. Also, **the manufacturing PMI published by Caixin Group slipped from 51 in August to 50.6 in September** as employment declined. Zhao Qinghe, NBS Statistician, said, “It is necessary to focus on implementing the policy measures that have been introduced and bringing their effects into play to further consolidate the continuously improving economic conditions.” Zhao added that the number of manufacturers reporting heightened industry competition, high raw material costs and tight cash flow increased in September, the China Daily reports.

e-CNY app made more user-friendly for foreigners

The digital e-CNY app has been made more user-friendly for foreigners. The “recharge before use” feature allows foreigners to replenish the wallet of the app using Visa and Mastercard. Foreigners can also go to banks to recharge the digital RMB wallet with cash. If there is a balance left in the digital wallet after the China trip, it can be returned to the foreign bank card or account that was used for topping up. Previously, foreigners in China could not top up their e-CNY wallets in advance. They could only do so on the spot when making payments. The new function allows foreigners to use more convenient online payments, such as “quick pay”, just like domestic users. Also, it shortens the transaction time, simplifies the operation simpler and smoother, improves payment efficiency, reduces waiting time due to foreign card verification and enhances the overall payment experience.

With the upgrade, foreigners can use their e-CNY wallets both at brick-and-mortar merchants capable of accepting the digital currency under trial programs and on online platforms such as ride-hailing app Didi, takeaway service provider Meituan, travel portal Ctrip and e-commerce platform JD. Dong Ximiao, Chief Researcher at Merchants Union Consumer Finance, said that mobile payment services are not as widely used in most foreign countries and regions as in China. The upgrade will not only create a more convenient payment environment for foreigners in China, but will also help test the e-CNY platform and promote the digital currency internationally, Dong added. Zhou Maohua, Analyst at China Everbright Bank, said the upgrade will benefit foreigners and increase the use of the e-CNY in cross-border transactions. China has been developing the digital version of the currency since 2014 under trial programs. As of May 31, around 264 million e-CNY transactions were made in trial regions, totaling CNY83 billion, according to the People's Bank of China (PBOC).

In another development, Chinese financial technology company **Ant Group introduced seven new leading digital wallets and payment apps from Asia to the Chinese mainland**, bringing the total number of overseas digital wallets accepted on the mainland to 10. The company said that users of overseas digital wallets, such as HiPay of Mongolia and Changi Pay of Singapore, will be able to use their domestic mobile e-wallets to enjoy a seamless payment experience on the mainland across Alipay's vast merchant network, the China Daily reports.

China to promote NEV and processing trade sectors, as Canton Fair to start on October 15

China will implement a series of policy measures, including advancing trade cooperation in the new energy vehicle sector and upgrading the development of the processing trade, to solidify its foreign trade growth this year, government officials said. Speaking at a news conference on the 134th China Import and Export Fair, or Canton Fair, Guo Tingting, Vice Minister of Commerce, said that in response to the challenges posed by the global economic recovery slowdown and weakening demand for goods, the government will roll out new measures to facilitate the export of used cars and support domestic companies in establishing warehouses in overseas markets. The fair, with a total exhibition area of 1.55 million square meters, will be held in Guangzhou, Guangdong province, from October 15 to November 4. Highlighting the significant role of promoting trade liberalization and facilitation, Guo reaffirmed China's commitment to firmly uphold the multilateral trading system, with the World Trade Organization (WTO) as its core. "China remains dedicated to maintaining a high level of openness to the global market and aims to expedite the development of a high-standard network of free trade zones," she said.

President Xi Jinping has stressed efforts to actively participate in the reform of the WTO and improve the ability to handle high-level opening-up. He made the remarks while presiding over a group study session of the Political

Bureau of the Chinese Communist Party. China is in the midst of a green transformation, as traditional export sectors like clothing, household appliances and furniture make room for technologically advanced and eco-friendly products, said Sun Xiao, Secretary General of the Beijing-based China Chamber of International Commerce (CCIC). Chu Shijia, Director of the Guangzhou-based China Foreign Trade Center, one of the Canton Fair organizers, said, "This shift reflects the country's transition toward a new era of growth driven by innovation and sustainability."

China saw steady export growth of mechanical and electrical products, such as data processing devices, cellphones and automobiles between January and August, which rose 3.6% year-on-year to 8.CNY97 trillion, accounting for 58% of the country's total exports. In particular, exports of automobiles totaled CNY442.7 billion, up 104.4% year-on-year, according to the General Administration of Customs (GAC), as reported by the China Daily.

Shanghai Foreign Affairs Office publishes handbook for expatriates

To attract more expats to Shanghai and help them better integrate into the city, municipal authorities released a handbook, which explains local policies and provides service information for expatriates. The handbook was compiled by the Foreign Affairs Office of the Shanghai municipal government in collaboration with the Shanghai People's Association for Friendship with Foreign Countries. It provides comprehensive information for both new arrivals and longtime expat residents on various aspects of everyday life in Shanghai. The handbook has four sections: Shanghai essentials, living in Shanghai, exploring Shanghai, and a service directory. The "living in Shanghai" section includes practical information such as administrative procedures on arrival, useful mobile phone apps, as well as details on public transportation, housing, education, healthcare, emergency hotlines and public holidays. The "exploring Shanghai" section provides information on cultural venues, international exhibitions and events, shopping, landmarks and local specialties. The handbook, which took into account the views and suggestions of many expat residents, has around 40 illustrations and 36 QR codes, which can connect users to service information and instructions.

Kong Fu'an, Director of the Shanghai Foreign Affairs Office and Executive Vice President of the Association for Friendship with Foreign Countries, said expats are valued members of the community who make significant contributions to the city's development. "Together, we aim to build Shanghai into a global hub of talent where people from every corner of the globe can converge and thrive. We'll continue to introduce services and measures to provide thoughtful services so that expats can enjoy a pleasant stay and successful career here," he said.

Natacha Tarascon from France, who has lived in Shanghai for a decade, said that life as an expat in the city is easy and safe. High-quality education and medical care are also reasons for the mother of three to stay in Shanghai. "My kids, who were all born and raised in Shanghai, have been learning Chinese, French and English since they were

born. Diverse learning and mixing cultures will surely open their minds,” said Tarascon, who founded a children’s skin care brand in Shanghai in 2019. She said she started her business in Shanghai because the city has always been open to new brands and the municipal government is very supportive of startups. “Also, we can easily collaborate with high-end suppliers and innovative factories here,” she said, as reported by the China Daily.

The Shanghai Daily provided the link to access the guide @ <https://www.citynewsservice.cn/pdf>

President Xi urges officials to support scientific innovation

Chinese President Xi Jinping has called for faster technological breakthroughs during a tour of the Eastern province of Zhejiang, one of the country’s main economic powerhouses, where he called for the faster application of research, intelligent green development in manufacturing and for establishing internationally competitive clusters of emerging digital businesses. He told local officials: “We should give more prominence to the enhancement of scientific and technological innovation, integrate scientific and technological innovation and advantageous resources, and accelerate breakthroughs in the frontier fields of science and technology. The development of the industrial supply chain must be planned with a global perspective in mind, and the resilience and security of the industrial supply chain must be continuously improved. We must strengthen the main roles of enterprises in technological innovation, push ahead and deepen the integration of the different chains of innovation, industry, capital and human resources, so that the fruits of our research and development can be realized.”

Hangzhou, the capital of Zhejiang, is currently hosting the Asian Games, and Xi presided over the opening ceremony accompanied by several foreign leaders including Syrian President Bashar al-Assad and South Korean Prime Minister Han Duck-soo. Outside the Games, Xi toured several locations in the province, where he served as Governor and Party Secretary between 2002 and 2007, and addressed some urgent issues the country is facing, such as the intensifying tech-war with the West. President Xi also visited Yiwu, a trading hub for small business that is often seen as a barometer for Chinese exports. He encouraged traders to make greater contributions to “the expansion of domestic and international markets and smoothing trade circulation both domestically and internationally”.

The country’s exports are one of its key economic drivers, but have been hit by slackening international demand and tensions between China and the West. Xi also used the visit to Zhejiang to urge local officials to offer greater support to the private sector – a major element in Beijing’s efforts to revive the sluggish economy – and to visit Lizu, a village promoted as a showcase for efforts to revitalize rural areas. He said revitalizing villages could offer young people “a place to show their talents” and expressed the hope that more young people would play an active role in developing the countryside.

China’s youth unemployment reached new highs before

the authorities stopped releasing data last month. According to the latest available figures, more than one in every five people aged 16 to 24 in China was jobless in April. Xi stressed the necessity of prioritizing employment, saying “the employment problems of key groups must be solved”. He also stressed the need for a “close and clean” new relationship between business and government, after the former Communist Party Secretary of Hangzhou was given a death sentence, suspended for two years, for corruption in July, the South China Morning Post reports.

Separately, President Xi Jinping also reiterated China’s willingness to promote cooperation in global transportation in a congratulatory letter sent to the Global Sustainable Transport Forum in Beijing. On the theme of “Sustainable Transport: Working Together to Promote Global Development”, the two-day event is being hosted by the Ministry of Transport, and was organized by the Ministry’s Global Sustainable Transport Innovation and Knowledge Center. Xi said that building a safe, convenient, efficient, green, economical, inclusive and resilient sustainable transportation system is an important step in supporting the high-quality development of the economy and society.

Three Chinese sci-tech clusters among the world’s top five, says WIPO

Three of China’s science and technology (S&T) clusters are among the world’s five, the World Intellectual Property Organization (WIPO) announced. Wang Wenbin, Spokesperson of the Foreign Ministry, said that the achievement showed the success of China’s measures to encourage relevant regions to leverage their strength as reservoirs of innovation and increase their ability to innovate and boost economic growth. On September 20, the WIPO released the Global Innovation Index 2023 (GII), which showed that three Chinese S&T clusters – Shenzhen-Hong Kong-Guangzhou, Beijing, as well as Shanghai-Suzhou – were among the world’s top five. In addition, the GI identified 24 S&T clusters in China, up from 21 in 2022, as **the country is now home to the greatest number of S&T clusters,** said the WIPO.

Wang said that the achievement showed that relevant regions have used their advantages in innovation. “Since the first edition of the GI was released in 2007, China has been on the list at various ranks, reflecting the continuous improvement of China’s innovation-driven development,” Wang added. China’s innovation-driven index reached 336.3 in 2022, up 15.5% year-on-year, and social research and development investment surpassed CNY3 trillion for the first time, ranking second worldwide. Daren Tang, Director General of the WIPO, said that China has become a major contributor to international intellectual property work, and has successfully transformed itself into a global center of innovation, creativity and technology. Wang reaffirmed that innovation is linked to international cooperation, openness and sharing. “China will keep implementing the win-win strategy of opening-up, improving openness, promoting international communication and cooperation in science and technology, and building an open, fair, just and non-discriminatory environment for development,” he noted, as reported by the Global Times.

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Membership rates for the second half of 2023 (excl. VAT)

- SMEs: €245 (excl. 21% VAT)
- Large enterprises: €595 (excl. 21% VAT)

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