



Editors Column



New Year's Message from the China Business Association 新年问候

Happy New Year!

With just a little over one year's establishment and on voluntary basis, we now have 65 formal members and 1,915 subscribers for our monthly newsletter from companies and institutions across China and UK.

In 2012, we have given advice to help companies to trade with China, supported local businesses to find partners, identified Chinese students volunteers for local communities, put companies in touch with professional services and support for doing business with China, and spoken at local schools and colleges to promote China business and culture.

The Association will continue to serve the East Midlands with free, open and relevant advice on business links with China, as well as connecting

China Business Association

英国中东部地区中国商务协会

January 2013 Newsletter

2013年元月电子通讯

Update on East Midland and business links with China

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MARKET DIGEST

China

- China became the [world's top patent](#) filer in 2011 (processing 526,412 patent applications), exceeding the US and Japan as it steps up innovation to improve its intellectual property rights track record
- China's richest man signs [Manchester United Sponsor](#) Deal
- Over 900 [foreigners get "green cards"](#) in Beijing and nearly 530,000 foreign experts were working in China in 2011
- China will maintain [steady economic policies in 2013](#)
- China plans pilot scheme for [individual overseas investment](#)
- [Domestic consumption](#) a top priority for 2013, said China's top economic planner
- [Retail Talent Programmes](#) Flourish in China to address China's talent shortage that has been a big headache for Western retailers
- Spending on [services](#) set to be a major driver of long-term and sound economic growth

Creative, Culture, Marketing

- Advertising agency WPP PLC Buys [Filmworks China](#)
- How do Chinese companies try to westernise their [brandings](#)
- [China's Social media Players](#): hits, misses, & maybes

Energy

- China remained the world's [largest energy producer](#) for a fifth year in 2012, its installed power generation capacity reached 1.14 billion kilowatts
- Sinopec to research China [shale gas development](#) with ConocoPhillips

Financial and Banking

- China lets foreign sovereigns, central banks exceed \$1 billion [investment limit](#)
- China's banking regulation authority (CBRC) and Ningxia Autonomous Region support a plan to establish Ningxia as China's [new International Islamic financial centreXinhua Unit](#)
- China approves [cross-border yuan loans](#) in pilot zone near Hong Kong

FDI & OFDI

- [Foreign direct investment](#) in China fell for the 12th time in 13 months
- China's total [outbound foreign direct investment](#) (OFDI) amounted to US\$60 billion annually and projected to reach US\$150 billion by 2015

Food & Drink

- Beijing to enact strict new [food safety](#) laws
- [Whisky](#): China's Rich Pay £200k For One Bottle
- China's [fast-food](#) pioneer struggles to keep customers happy as KFC and Pizza Hut tries to stay ahead of local competitors

ICT

- The turnover of China's [data storage and management](#) market hit \$2 billion, as China is expected to become the world's top big data market by 2016
- Companies are expected to spend more on [digital marketing](#) in 2013. China turned over \$48billion in 2011 on advertising industry

with other UK and China business networks.

I would like to take this opportunity to thank the Leicestershire Chamber of Commerce for its continued support, as well as that of our members, volunteers and contributors. I warmly encourage you all to make most of this network and share with us your intelligence, observations and suggestions.

The Year of the Water Snake is said to be a year of challenges, which begins with uncertainties but ends with a high note. The China Business Association will be with you along the way.

Xin Nian Kuai Lei!
新年快乐!

Min Rose

2013 – The Year of the Snake



People born in the Year of the Snake are intuitive, introspective and refined. Enthusiastic and willing to help others, Snakes are popular and inspire trust. Snakes are intelligent, wise and regarded as great thinkers.

Snakes are compatible with the Ox and Rooster and incompatible with the Tiger and Pig.

The Snake's lucky colours are yellow and red and lucky numbers are 2, 4, 7, and 9.

Years of the Snake include:

- China's biggest online search engine [Baidu nets France Telecom](#) smartphone browser deal is to launch its largest international expansion to date
- Apple expects [Chinese sales 'to overtake US'](#)

Infrastructure

- [New Beijing airport](#) approved to be completed in 2018. Beijing Capital International Airport ranked the world's 2nd busiest airport for 3 consecutive years and handled 81.8 million passenger trips last year, a 4.2% rise.
- China opens world's longest [high-speed railway](#) line as Beijing and Guangzhou now linked by 186mph bullet trains

Manufacturing & Engineering

- [Jaguar creates 800 jobs](#) driven by China sales, as China overtook the UK to become Jaguar Land Rover's largest market for the first time in 2012
- China's combined profits for [machinery industry](#) expected to grow 12% in 2012, down from last year's 21%, but remains impressive

Regulation & Trade Policy

- China's trade policies to be more open to boost its sluggish [imports and exports](#) in 2013, and China is to lower import duty on over 780 products from January
- Chinese legislature debates trademark law draft amendment that would prevent the malicious registration of [trademarks](#) that are already in use
- Examine China's [economic model](#) shift from export-led growth toward greater reliance on domestic demand, particularly household consumption
- China eyes more [rural development](#) in 2013 according to annual conference
- China to strengthen support of [Micro and Small-sized Enterprises](#) (MSEs) with 29 support measures

Retail and Consumer

- Chinese to buy one-quarter of world's [luxury products](#) in 2012
- Are [luxury brands](#) succeeding or failing digitally in China? China services growth adds to economic revival hopes
- Ferragamo to [raise prices](#) in Europe due to surge in Chinese consumers

Technology

China has opened up its [domestic satellite navigation network](#), a rival to the American GPS, across the Asia-Pacific region

Tourism

- The typical [Chinese visitor to the UK](#) spends £1,600 while in the UK, almost three times the average, VisitBritain said
- The Home Secretary confirmed the importance of [China as a priority growth market for tourism & business visitors](#) by announcing visa service improvement

MARKET INTELLIGENCE

[China Economy: what to Expect in 2013](#) (by Foreign and Commonwealth Office) with 8% growth likely with renewed impetus behind economic reform

China's State Administration of Taxation (SAT) released the "[China Advance Pricing Arrangement Annual Report](#) (2011)", introducing China's advance pricing arrangement (APA) system, implementation procedures, and practice development.

[Talent Challenges in China](#)

Recruiting and attracting calibre talent has become a challenge because there are too many opportunities for those skills in the current market with Top ten recruitment issues

World Bank's latest [Doing Business' report for China 2013](#) is now published

1953, 1965, 1977, 1989, 2001.

China – UK: Trade & Investment in 2012

China-UK trade in robust growth despite euro crisis. The bilateral trade in goods reached \$63.1 billion in 2012, a 7.5% increase compared to 2011.

The growth of UK export to China grew faster (15.5%) than China's exports to Britain (4.9%). The growth ranks first among major trade partners in the EU. Britain was the only country among China's major trade partners in the EU to pose a positive growth in trade with China, while the bilateral trade between China and the EU, Germany, France and Italy dropped.

Chinese investment into the UK also gathered steams eyeing the global role of the country as a financial centre and technology sources. According to statistics, Chinese firms completed some 10 investment, merger and share participation deals in Britain last year, with the total value exceeding \$8 billion, exceeding the total value made in the 2009-2011 period. Major merger and acquisition projects conducted in Britain last year cover such sectors as infrastructure, food and energy.

The investors include China's sovereign wealth fund China Investment Corporation, Brightfood, Sinopec, CNOOC and Huawei, whose investments have expanded from traditional financial services to food production, high-end manufacturing and aviation.

Machinery

- The demand for construction machinery in China has continued to rise in 2011. From 2001 to 2009, investment by international construction machinery manufacturers increased by 200%.
- Product groups with the highest growth rates included earthwork machinery, piling machinery, construction cranes, rollers, pavement maintenance machinery, asphalt pavers and forklifts.
- China still needs to import large amounts of construction machinery, especially high pressure hydraulic components and sophisticated digging machines, (machinery sector report by EU SME Centre)
- China Top Sector High Tech: [Equipment Manufacturing and Machinery Industries](#) (Dutch Embassy Report)

Energy

Positive Water Industry Outlook on the state of the [water utilities industry](#) in China (by New Roland Berger)

Intellectual Property

- Dulling the Cutting Edge: How [Patent Related Policies and Practices](#) Hamper Innovation in China (By EU SME Centre) with [over 50 practical recommendations](#) to remedy the concerns flagged in the analysis
- China's ambitious efforts to build an 'innovation economy' have led to a [surge in patents](#) with the number of patent applications grew average 20% per year between 2008 and 2011

Legal

How to [manage contracts terms](#) and reduce risks in China (EU SME Centre Webinar presentation)

Holiday and Overtime

China Announces Official 2013 National Holiday Schedule plus a look at [how overtime is calculated in China](#)

McKinsey [Consumer & Shopper Insights: The McKinsey Chinese Luxury Consumer Survey](#) (McKinsey & Company) December 2012

[BRIC currencies trading in London](#) by London School of Economics and Political Science December 2012

EU is collecting views with regard to the protection of business and research know-how in the Union [HAVE YOUR SAY!](#)

EVENTS

Events in the UK

[Green Technology Roadshow](#) East Midlands Airport, (12th Feb 2013)
The roadshow will highlight the broad range of green and clean technologies available from the UK. Buyers expected from countries including China.

UKTI [Clean and Energy Efficient Production](#) (CEEP) Road Show 2013 (Feb 11-15, UK)
Develop export business for products in this sector especially in the Chinese market

[Asia Task force event](#) - Explore Asia: Your path to success (March 19, London)

[The China Business Conference 2013](#) (March 14, London)

Events in China

20th China International Exhibition on [Packaging Machinery & Materials](#) (March 4 – 6 2013, Guangzhou)

Chinese import from the EU increased 0.7% whilst Chinese export to EU dropped 7% in the first 11 months of 2012, showing China is gradually opening up its market for the EU.

China's investment into the UK will continue its "explosive" growth, with high-end manufacturing and infrastructure leading the way, a senior diplomat predicted.

(Source: [China Daily](#))

Opportunities

In partnership with the China Scholarship Council, the University of Nottingham is offering [10 full tuition fees scholarships](#) and stipends to start a full-time PhD research degree programme at Nottingham in September or October 2013 (deadline Feb 8, 2013). Also The University of Nottingham Ningbo China (UNNC) is offering at least [15 PhD scholarships](#)

NEWS

British Airways to launch new [direct flights from Heathrow to Chengdu](#) from Sept 2013, which will be the only non-stop one to Chengdu offered by a British carrier

Sino-British trade body, the [UK Chinese Business Association](#) (UKCBA), launched in London, pledging to work for development of economic and trade relations between the two countries.

[China Fish 2013](#) (leisure and recreation) Feb 23-25 2013 (Beijing)

International Exhibition of [Mediterranean Wines and Spirits](#) (Feb 26-28, Shanghai)

[LED China](#), the world's largest LED event (Feb Guangzhou)

14th China International [Machinery Industry Fair](#) (March 14 – 17 2013, Ningbo)

BUSINESS OPPORTUNITIES

Chinese Film and Television Art College seeks UK university to create joint post-grad programmes for [performing arts degrees](#)

One of China's largest accessory designers/manufacturers wants to co-operate with [UK industrial design firms](#) for digital accessories

A science & technology museum in Southwest China is interested in buying [exhibits from British museums](#)

A South China based trade company is carrying an amount of International brands of [kitchen utensils, home furnishings](#) products for the whole China market

Hong Kong government department seeks service provider for contract for [sampling and analysis of wastewater](#) for various sewage treatment facilities

A local Chinese low carbon consultation company is searching for a [UK energy performance contracting \(EPC\) company](#)

A Chinese FMCG trading company is looking for collaboration opportunities with European producers, who specialise in [toothpaste and/or hand wash \(foam\) products](#)

Chinese company is looking for business partners to collaborate in areas of [odour control solutions to deal with VOCs problems](#) for pharmaceuticals, chemical companies etc

Business opportunity from China consumer electronics company looking for UK specialists in noise [reduction of total machine design](#)

Hong Kong tender for contractor for the design, construction, operation and maintenance of the North Lantau [Waste Transfer Station](#)

A Shanghai based fashion management group would like the opportunity to collaborate with UK suppliers and producers of [high-end fashion and luxury accessory brands](#)

Department for International Development's [Rapid Response Facility tender opportunity](#) to supply goods/equipment to support humanitarian emergency responses

Hong Kong tender opportunity for provision of [property all risk insurance services](#)

A Shanghai company would like the opportunity to distribute [environmentally friendly building materials](#) from the UK in China

Taiwan tender opportunity "Song-Shan [Airport Expansion Project](#)" Consultancy

Hong Kong tender opportunity for construction of three [steel berthing pontoons](#)

Technology and equipment in the fields of [agricultural irrigation and water-saving irrigation](#) sought by Chinese company

A Hong Kong owned [magnesium alloy](#) company is looking for business partners to collaborate in areas of advanced technical expertise and supply side activities

**An Interview with the
Vice Chancellor of
The University of
Nottingham**

**'We have history of working
with businesses'**



Prof David Greenaway says Western academia can play a crucial role in facilitating China's transformation to a knowledge economy.

The 60-year-old economics professor insists that China is now at the crossroads and only a new generation of critical and creative thinkers can help to sustain its spectacular growth rate.

([China Daily](#))

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Read the January 2013

[Chamber News](#)

Taiwan: The Ministry of Finance has announced the tender for interested bidders to be the [service agent for Kaohsiung Exhibition Centre](#) in December 2012

Hong Kong Airport Authority invites tenders to submit business plan for the provision of [into-plane fuelling services](#) at the Airport

A Taiwan company sought [poultry meat](#) product, eg. chicken legs from the UK to ship to China and Vietnam

A local authority in Yunnan Province is seeking wide cooperation in [water sector](#) including water supply, waste water treatment, reclaimed water use etc

Guiyang City authority is looking for a partner to set up a [castor plant](#)

A Chinese coach manufacturer is looking for a good survey company to provide in-depth research and analysis of UK market in [new-energy buses](#)

(Source: UKTI)

JOBS

The EU SME Centre is recruiting the [Centre Director](#) (registration required) and [Assistant to Director](#)

[Nestlé China](#): Future Leaders Programme (Salary approx £44,000)

[Ericsson](#) seeks Talent Management Subject Matter Expert for Asia Pacific (Hong Kong)

[The Economist](#) is recruiting a Business Development Manager in Beijing and Hong Kong

[University of Nottingham Ningbo Campus](#) recruits the Assistant for the International Doctoral Innovation Centre

[IBM](#) seeks the Project Management Administrator- PwD (Wuhan) and [various](#)

[Philips China](#) is recruiting the Senior/Principal Scientist – MRI Coil Design (Shanghai)

CBD Group Corp is recruiting the [Senior Product Designer](#) (Beijing)

Jabil is recruiting the [Industrial Engineering Manager](#) (Shanghai and Wuxi)

[Sino-US United MetLife Insurance](#) Company Limited seeks the Secretary to the General Manager (Shanghai)

Disclaimer:

Whilst China Business Association strives to ensure that the information contained is obtained from reliable sources, we do not warrant its accuracy and completeness of the material. Any person using this information is encouraged to conduct own due diligence.