

# Sichuan Economy and Trade Trends

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## **Macro Economy**

### **Sichuan Retail & Catering Sales Volume Reached RMB 26 Billion during National Holiday**

During National Day, Sichuan Retail & Catering Sales Volume attained at RMB 26 Billion, rising by 22% and 13% compared to that of pre-holiday days and last National Day.

Activities such as 2014 Sichuan Yunnan Guizhou Chongqing Tibet Tourism Product Fair, 1<sup>st</sup> Sichuan International Travel Expo, 11<sup>th</sup> International Food & Tour Festival of China, 2<sup>nd</sup> Daily Consumer Goods Expo and Shopping Festival of Chengdu were in full swing to benefit residents and drive holiday promotion. The volume of trade accomplished during 1<sup>st</sup> Sichuan International Travel Expo arrived at RMB 2.87 billion while a sales volume of approximately RMB 100 million were harvested among 1<sup>st</sup> to 6<sup>th</sup> day during International Food & Tour Festival.

Sichuan consumption environment subsequently got improved. During National Day, the sales volume of 12 key retail businesses gained a year-on-year increase of 14.2%, according to the monitoring data. As e-commerce prevailed, business volume during Mianyang E-commerce Expo totaled RMB 2.058 billion, over 60% of which was achieved via on-line transactions.

The consumption structure of Sichuan people saw an obvious change; and travel became consumption hotspot. Ticket proceeds of 77 National AAAA Scenic Spots in Sichuan attained at RMB 33.2998 million, with a year-on-year growth of by 13.14%. (Sichuan Daily reported on October 9<sup>th</sup>)

### **Chengdu High-tech Zone Launched 33 Policies and Invested RMB 1**

## **Billion per Year to Promote Strategic Emerging Industries**

Chengdu High-tech Zone launched 33 policies as to further development, market expansion, scale enlargement, and financial cost reducing for enterprises and invested good money in strategic emerging industries. Annual financial investment during implementation of policy is expected to exceed RMB 1 billion.

Chengdu High-tech Zone supported enterprises as to further development as well as upgrading of existing production lines. Project investment totaled over RMB 5 million; enterprises with over 50% investment into equipment will be offered with a maximum subsidy of RMB 5 million. Enterprises are encouraged to build new production lines for expansion and transformation; as to new-generation information technology firms with fixed assets investment of over RMB 200 million for new production lines, a maximum subsidy of RMB 10 million will be offered. As to scale enlargement, 9 clauses for encouraging enterprises to implement standardized strategy, brand strategy, and enlargement strategy were launched. As to enterprises with an annual sales volume of over RMB 1 billion for first time, one-time subsidy of RMB 2 million will be provided. As to encouragement in upgrading and transforming existing production lines, project investment totals over RMB 5 million; as to enterprises with over 50% investment into equipment, a subsidy equal to 5% of actual total investment but under RMB 5 million will be provided at the year of completion and operation.

As to enterprises with their products occupying over 10% of market share within industry, a maximum subsidy of RMB 5 million will be offered; as to production export enterprises with their export volume exceeding USD 1 billion for first time, one-time subsidy of RMB 5 million will be provided.

Once single enterprise during start-up and growth stage are tested

qualified through comprehensive assessment, a maximum venture capital investment of RMB 20 million will be offered. As to enterprises with their application for IPO of Shanghai or Shenzhen Stock Exchange accepted by CSRC, a one-time subsidy of RMB 2 million will be provided. As to enterprises successfully going listed in Shanghai/Shenzhen Stock Exchange, National Equities Exchange and Quotations, Chengdu (Sichuan-Tibet) Stock Exchange Corp. Ltd., a one-time subsidy of RMB 500,000, RMB 500,000, and RMB 300,000 will be offered. As to enterprises going listed in oversea capital market and approved by industry administration authorities, a maximum one-time subsidy of RMB 3 million will be offered. (Sichuan Daily reported on Oct. 15<sup>th</sup>)

### **Sichuan GDP Gained a Year-on-year Increase of 8.5% during First 3 Quarters**

Sichuan GDP totaled RMB 2.068154 trillion during first 3 quarters, with a year-on-year increase of 8.5% and the growth rate was 1.1 percentage points higher than average level nationwide. The added value of primary industry, secondary industry and tertiary industry came to RMB 274.608 billion, RMB 1.062561 trillion, and RMB 730.985 billion respectively, with a growth of 3.9%, 9.5%, and 8.4% respectively. The economic operation trend of Sichuan characterized by steady development was almost in same pace with that of the country.

The economic growth rates of Sichuan during first quarter, first half year and first 3 quarters were 8.1%, 8.5%, and 8.5% respectively. As Sichuan economy developed steadily, little fluctuations existed between different quarters. Economic stability climbed up; especially same growth rate happened during first half year and first 3 quarters, which took place for first time since 2010.

During first 3 quarters, the industrial added value of Sichuan enterprises above designated size obtained a year-on-year increase of 9.8%. The growth rate was 0.2 and 1.3 percentage points higher than that of first half year and the average level nationwide respectively. All the growth owed to industry structure adjustment. During the first 3 quarters of this year, a rapid growth happened to Sichuan auto manufacturing industry, computer, communication and other electronic equipment manufacturing industry, power and heat production and supply industry, which provided strong support for industrial economic recovery. In the meantime, the added values of the above 3 industries recovered by 0.4, 0.5, 0.3 percentage points as to their proportion in the industrial added value of enterprises above designated size. Sichuan industry structure got further improved.

Social fixed assets investment totaled RMB 1.78295 trillion with a year-on-year increase of 12.8%. Fixed assets investment (excluding household investment) reached RMB 1.69907 trillion rising by 16.1%. Investment in tertiary industry gained the highest year-on-year increase of 20.5% and the growth rate recovered by 1.3 percentage points compared to that of first half year.

The sales volume of consumer goods attained at RMB 837.56 billion, with a year-on-year increase of 12.9% and the growth rate recovered by 0.9 percentage points compared to that of the whole nation. Urban and rural retails volume reached RMB 673.44 billion and RMB 164.12 billion respectively with a year-on-year increase of 12.6% and 13.9% respectively. (Sichuan Daily reported on Oct. 24<sup>th</sup>)

### **Growth Rate of Chengdu Industries above Designated Size Ranked Top among Vice-provincial Cities**

During January to September, GDP of Chengdu came to RMB 732.06 billion, with a year-on-year increase of 8.7%; the growth rate stays same

with that of first half year, with 1.3 and 0.2 percentage points higher than that of nation and Sichuan. The added values of primary, secondary and tertiary industries reached RMB 29.35 billion, RMB 335.67 billion and RMB 367.04 billion respectively, with a year-on-year increase of 3.4%, 10%, and 7.8%.

The added value of hi-tech industries above designated size increased by 15.2%. During January to September, The added value of hi-tech industries above designated size increased by 12.3%; the growth rate climbed by 0.3 percentage points compared to that of first half year and were 3.8 and 2.5 percentage points higher respectively compared to the average level of nation and Sichuan; the growth rate also ranked top among those vice-provincial cities.

Automobile industry and electronic information product manufacturing industry grew by 20.4% and 14.7%. Traditional industries such as construction materials, machinery and food recovered and the relevant growth rate climbed up by 2.3, 0.6, and 0.3 percentage points compared to that of first half year.

Industrial structure got further optimized. During January to September, the added value of hi-tech industries above designated size increased by 15.2%, with 2.9 percentage points higher than the average level of the whole city.

Financial industry also saw a rapid increase. During January to September, the added value of service industry in Chengdu totaled RMB 367.04 billion, with a year-on-year growth of 7.8%. The growth rate of financial industry was 12.8%, with 5 percentage points higher the average growth rate of service industry. (Sichuan Daily reported on Oct. 30<sup>th</sup>)

## **Foreign Trade**

## **Regular Trade Investment Round-Table Conference Will be Held between South Korea and Sichuan**

At 2014 South Korea-Sichuan Economic & Trade Cooperation Forum held on Oct. 20<sup>th</sup>, new progresses were achieved between Sichuan and South Korea: relevant agreements were signed between two sides; and regular trade investment round-table conference will be held to promote trade investment cooperation between South Korea and Sichuan.

Round-table conference will be held annually and interim conference can be also hosted during high-level officials' visits. 5 representatives of major business fields from both sides shall attend the conference and representatives shall be regularly replaced for a more extensive suggestion-collecting scope.

Cooperation will be deepened via thigh-level officials' visits, exchanges between South Korea and Sichuan trade & investment delegations, and trade & investment exhibition and forums besides trade round-table conference. In addition, both sides reached agreements on expanding existing cooperation channels and promoting establishment of cooperation industrial parks in Sichuan and South Korea. (Sichuan Daily reported on Oct. 21<sup>st</sup>)

## **Export and Import Trade Volume Went Up by 11.9% during First 3 Quarters**

The export and import trade volume of Sichuan during first 3 quarters totaled RMB 320.84 billion, with a year-on-year increase of 11.9%; the relevant growth rate was 10 percentage points higher than the average level of the nation. In the meantime, the export and import trade volume of Chengdu Hi-tech Comprehensive Bonded Zone accounted for over 40% of that in Sichuan; the private enterprises developed most rapidly.

Before September, the export trade volume of Sichuan totaled RMB

206.21 billion, rising by 11%; the relevant growth rate was 6.4 percentage points higher than the average level of nation. The import trade volume gained a year-on-year increase of 13.4%, even when negative growth prevailed across the country.

In August, Sichuan government office released *Plan for Some Areas of Chengdu Learning from China (Shanghai) Pilot Free Trade Zone*; 8 articles as to clearance reform entered into trial implementation at Chengdu Hi-tech Comprehensive Bonded Zone. Reform results: Before September, the export and import trade volume of Chengdu Hi-tech Comprehensive Bonded Zone totaled RMB 140.22 billion rising by 23.6% and accounted for 43.7% of that in Sichuan. The export trade volume of Shuangliu Park under Chengdu Hi-tech Comprehensive Bonded Zone saw a rapid growth of 71.2% during first 3 quarters. In addition, the bonded logistics functions of special customs controlling zone quickly expanded. During first 3 quarters, imported and exported goods of special customs controlling zones increased by 1.2 folds, contributing to an increase of 10.5 percentage points in whole foreign trade of Sichuan.

The rapid development of non-public enterprises mainly owes to Sichuan undertaking electronic information industry transfer in recent years. Before September, the export volume of mechanical and electrical products mainly including portable computers and integrated circuits accounted for over 60% of total export volume in Sichuan, contributing to an increase of 8.2 percentage points in whole foreign trade of Sichuan. More and more private enterprises expanded business outside China. The import and export volume of private enterprises during first 3 quarters went up by 26.7%; the export volume of mechanical and electrical products gained a year-on-year increase of 29.8% and enjoyed best performance in foreign trade.

The export products structure of state-owned enterprises saw an obvious adjustment. During first 3 quarters, state-owned enterprises' exported traditional labor-intensive products, meat and flue-cured tobacco experienced a big reduction. Exported metal-working machine, transformers, circuit protection devices, and other hi-tech and high value-added products went up by 1 fold. (Sichuan Daily reported on Oct. 23<sup>rd</sup>)

### **30,000m<sup>2</sup> International Trade & Exhibition Center to be Built in Chengdu**

October 25<sup>th</sup> marks the signing of a strategic cooperation agreement between Dadongzhan ITC (International Trading Center) and SingEx, CCPIT Sichuan Council and Sichuan Chamber of Commerce for Im-export (SCOCIE), signaling an inflow of more professional and higher-end international exhibition and trading resources into Chengdu for the successful establishment of an international trade and exhibition center. CCPIT Sichuan Council and SCOCIE are also determined to give full play to its own strength to bring in high-end industrial resources at home and abroad and attract various industrial capitals and corporate headquarters.

The 30,000m<sup>2</sup> trade and exhibition center at Dadongzhan ITC shall play an important role in building the Chengdu Convention & Exhibition Economy characterized by “one dominant mode supplemented by multiple modes”. The extensive complex shall bring not only more higher-end exhibitions for local residents at arms reach, like wine exhibitions and imported food exhibitions, but also new opportunities for industrial development in Chengdu. (Sichuan Daily reported on October 30<sup>th</sup>)

### **Performance of Gaoxin Hi-tech Comprehensive Bonded Zone from**

## **January to September: Contributing 40% of Foreign Trade in Sichuan**

Foreign trade volume of the Gaoxin Park of the Chengdu Hi-tech Comprehensive Bonded Zone has reached USD 20.3 billion from January to September this year, an increase of 29% year on year or 39% of the total foreign trade volume in Sichuan.

Processing trade still dominates the import and export sector. During the first 3 quarters, enterprises specializing in processing trade have realized a total trading volume of USD 14.7 billion, or 72.4% of the total amount in the park.

Bonded logistics and entrepot trade has experience booming development. From January to September, volume of foreign trade logistics at Chengdu Hi-tech Comprehensive Bonded Zone reached USD 2.7 billion, up 47% from the previous year. Global Logistics (Chengdu) Co., Ltd., the major supply chain management (SCM), freight circulation and distribution services provider for enterprises in the park continued to champion other logistics providers in growth rate in the area with a year-on-year increase of 344%. Entrepot trade leads in the “top growth rank” with a foreign trade volume of USD 2.86 billion, up over 160% from the previous year and contributing significantly to diverse development of the park. (Sichuan Daily reported on October 31<sup>st</sup>)

### **Key Projects**

#### **Bazhong-Cangxi-Mianyang Expressway Kicks Off Next Year**

The 194km Mianyang-Cangxi-Bazhong Expressway, consisting of the Mianyang-Cangxi section and the Cangxi-Bazhong section, is one of the 7 east-west lines forming the expressway network of Sichuan. As the key

route for expressway network in northeast Sichuan, the expressway is set to kick off in 2015. Starting from Youxian District of Mianyang in the west, the line connects to Mianyang-Suining Expressway at the Mianyang transportation hub interchange, passing through Jiange County of Guangyuan, Cangxi County, Bazhou District before connecting to the Bazhong-Nanchong Expressway at Enyang transportation hub interchange in the east, where it further extends out of Sichuan through Bazhong-Shaanxi Expressway. With an estimated investment of RMB 22.2 billion, the line will benefit 12.50 million people over an area of 48,600km<sup>2</sup>.

The Cangxi-Bazhong section starts from Chadian Township, about 10km away from Cangxi County. The line shall be connected to Guangyuan-Nanchong Expressway through a transportation hub interchange and then connected to the Mianyang-Cangxi section. The line will pass Fugong Township, Nanyang Township, Baiyi Town, Shuanghe Township, Sanmiao Township and Yuxi Town before finally joining the Bazhong-Guang'an-Chongqing Expressway (K33+600, under construction) near Liangyong Town of Bazhong where Liangyong transportation hub interchange shall be established. The 93.273km two-way four-lane expressway has a planned investment of RMB 11.859 billion. (Sichuan Daily reported on October 23<sup>rd</sup>)

## **Industries**

### **Record Number of New Top General Contractors in Sichuan**

From Jan. to Aug., 2471 new construction enterprises have been established and 762 enterprises have been upgraded. 53 of them are first-class construction general contractors, setting a new high compared

to just 5 such enterprises last year. It is also predicted that the first special private construction company will be established in Sichuan this year.

The total number of first-class construction general contractors in Sichuan now reaches 354. However, there is still a long way to go compared to construction powerhouse provinces like Jiangsu and Zhejiang. (Sichuan Daily reported on October 5<sup>th</sup>)

### **Liangshan to build Rare Earth Industry Technology Institute**

Liangshan Prefecture officially initiated its construction plan of a non-profit private scientific establishment - “Institute of Liangshan Rare Earth Industry Technology” at approval of the local government.

With an planned investment of RMB 0.2 billion, the institute is set to be completed in 2015. The institute shall build the first R&D platform for rare earth industry in the prefecture relying on private technology enterprises. The institute shall focus on R&D on rare earth-related new products, technologies, processes and equipment to accelerate key technological achievements, extend industrial chains and promote the comprehensive transformation and upgrading of the rare earth industry in Liangshan. (Sichuan Daily reported on October 9<sup>th</sup>)

### **Ziyang Proposes National Sino-South Korea Industrial Park**

Ziyang sets to build its Sino-South Korea (Ziyang) Industrial Park to a national industrial park by centering on automobile industry. The Ziyang Investment Introduction & Sino-South Korea (Ziyang) Industrial Park Promotion Meeting held in Chengdu on Oct. 22<sup>nd</sup> attracted 25 Korean enterprises. With considerable existing investments of Korean enterprises in Ziyang, the city is building a world-class commercial vehicle manufacturing base jointly with Hyundai. The base shall realize a capacity of 700,000 and an output value of RMB 100 billion by 2020.

Ziyang officially initiated Sino-South Korea (Ziyang) Industrial Park this year. With a planned core area of 12.3km<sup>2</sup>, the project shall start with the 6km<sup>2</sup> “One Park & Two Bases”, i.e. the Sino-South Korea Industrial Park, Modern Equipment Industrial Base and Bio-pharmaceutical Industrial Base. The park shall orient on industries including finished automobile manufacturing, parts manufacturing, modern equipment manufacturing and bio-pharmaceutical production. (Sichuan Daily reported on October 23<sup>rd</sup>)

### **International Tourism Concentrates in Sichuan**

257 tourism investment contracts have been signed this year with a total investment of over RMB 260 billion, far more than the RMB 130 billion of same period last year. Enjoying the unique tourism resource and flourishing tourism in Sichuan, the 11<sup>th</sup> International Tourism and Culture Promotion Conference attracted more than 200 guests varying from government officials, tourism experts and heads of organizations from 22 countries and regions of the five continents.

Sichuan has established the strategic objective of accelerating the building of tourism economic powerhouse and international tourism destination by vigorously developing tourism. Tourism revenue of Sichuan during the first half of 2014 surpassed RMB 240 billion, an increase of about 30%, making tourism the backbone industry of the economic and social development of Sichuan. (Sichuan Daily reported on October 23<sup>rd</sup>)

### **Guang’an Economic-Technological Development Area: Unyielding Effort in Constructing the “RMB 100 Billion Park”**

Guang’an Economic-Technological Development Area (hereinafter referred to as GDA), which officially upgraded as a national economic

and technological development area in June 2010, is the only national economic and technological development area in Northeast Sichuan. With a planned area of 103km<sup>2</sup> covering the Kuige (Lingang) and Xinqiao industrial parks, it is a National Demonstration Area of Industrial Transfer, the only Demonstration Area of Sichuan-Chongqing Cooperation in Sichuan and the fine chemical industry base combining natural gas and crude salt processing in the province.

In 2013, the core area of Guang'an Economic-Technological Development Area realized a total industrial output of RMB 6 billion, a fixed investment of RMB 6.1 billion and introduction of 9 RMB 1 billion projects or above. The first 3 quarters of 2014 has witnessed a gross industrial output above scale of RMB 5.7 billion in GDA, an increase of 18.7% year on year and the top in Guang'an.

GDA strives to achieve a total industrial output of RMB 100 billion, a gross regional production of RMB 35 billion, a fixed investment of RMB 80 billion in five years to become the core growth pole in Guang'an. (Sichuan Daily reported on October 24<sup>th</sup>)

### **The Highest Logistics Center Seeks Investment in Chengdu**

On Oct. 25<sup>th</sup>, Nagqu (Lhasa, Tibet) Investment Promotion Meeting was held in Chengdu, seeking investment for the highest logistics center in China - Nagqu Logistics Center from global investors.

Relying on Qinghai-Tibet Railway, Nagqu Logistics Center is the most convenient logistics center between Lhasa and the mainland. It extends to Chamdo Prefecture of Tibet, Sichuan and Yunnan in the east, Ngari Prefecture of Tibet and Xinjiang in the west, and Shaanxi, Gansu and Qinghai in the north. Apart from logistics services, the center is also the Nagqu Hi-tech Development Zone and in the process of applying to be a comprehensive bonded zone.

Tibet focused 41 projects on the promotion meeting. With a total investment of RMB 15.1 billion, the projects mainly involve modern agriculture, transportation, food & beverage, modern services, equipment manufacturing and new energy resources. 15 projects were signed at the meeting, covering new energy resources, equipment manufacturing, biopharmacy, modern logistics and modern agriculture among others. (Sichuan Daily reported on October 26<sup>th</sup>)

### **Investment for 56 Major Industry Projects Surpass 70% of the Annual Plan**

Industrial investment during the previous 3 quarters reached RMB 542.9 billion, a year-on-year growth of 0.3% and 0.1 percentage point recovered from the previous 8 months. Investment for 56 major industrial projects totaled RMB 14.42 billion, or 75.7% of the annual investment plan.

Industries with diminishing investment are decreasing against shrinking of about half the industrial investment. In the 41 industrial sectors, coal mining among 19 sectors experienced negative growth in industrial investment, 4 less compared to the previous 8 months. 8 among 21 cities (prefectures) suffered negative growth in industrial investment.

Situation for new industrial projects continues to improve. The previous 9 months witnessed the establishment of 4483 new industrial projects, 1.5 percentage points lower than the drop of the previous 8 months. 500 key provincial technological upgrading projects progress smoothly. (Sichuan Daily reported on October 28<sup>th</sup>)

### **Convention & Exhibition Economy**

#### **International Aging Industry Expo Started Up**

The 2<sup>nd</sup> Sichuan Aging & Health Industries Expo was opened in Chengdu

on Oct. 10<sup>th</sup>, lasting four days. During this Expo, training class for Sichuan administrative cadres in charge of aging services is initially set up, and 120 cadres will take participation in Technology and Application Forum on Intelligent Internet of Things Technology for Elderly Care, China (Sichuan) International Forum on Aging Service Development and Innovation, as well as other relevant seminars.

Themed on “caring for the old, livelihood and old-age insurance”, the Expo sets up seven theme pavilions respectively for elderly care institutions, healthcare service, and intelligent technology, etc, covering 11,000 m<sup>2</sup>. Hundreds of noted enterprises at home and abroad engaged in aging service have applied for participating in the exhibition so far, including Intel, China Telecom, Vanke, Mengniu Dairy and Naobaijin (Melatonin). The exhibition is highlighted by a new-style elderly care mode combining scientific technology and intelligence. A myriad of intelligent equipment will be displayed on the exhibition, such as healthcare apparatus, in-home care apparatus as well as electric mobility scooter and cellular phone for the seniors. (Sichuan Daily reported on October 10<sup>th</sup>)

### **60 Projects Signed by Sichuan at the 10<sup>th</sup> Pan-Pearl River Delta**

#### **Region Cooperation and Development Forum**

The 10<sup>th</sup> Pan-Pearl River Delta Region Cooperation & Development Forum and Economic & Trade Fair was opened on Oct. 12<sup>th</sup> in Guangzhou. Our province has signed 60 projects with PPRD parties, with total investment hitting RMB57.65 billion.

We will further attach more importance on the quality of projects. Despite the number of projects signed on the Forum decreased by 37.5%, the total investment amount went up by 31.7%, and the average investment volume for a single project mounted to RMB960 million, much higher

that RMB460 million in last year. Among them, 50 projects are related to industry, taking up over 80% in both quantities and investment amount. (Sichuan Daily reported on October 13<sup>th</sup>)

**New Products and Technologies Developed by One Hundred  
Enterprises to Make Their Debut on the Energy-saving  
Environmental Protection Industry Expo**

“2014 China Chengdu Energy-saving Environmental Protection Industry Expo” themed in “energy-saving & environmental protection, low-carbon model” is to be held in Jintang County of Chengdu from November 7<sup>th</sup> to 8<sup>th</sup>, highlighting new product technologies, high-caliber professionals and wellbeing development. A variety of new products and new technologies brought out by nearly 100 enterprises will make their debut on this Expo. The venue covering over 10,000 m<sup>2</sup> have been set up for the Expo at the energy-saving environmental protection product exhibition center in Huaikou Town of Jintang County. More than 200 enterprises have been arranging for their booths. A variety of new products and new technologies brought out by nearly 100 enterprises will make their debut on this Expo.

During the Expo, a series of events will also take place, such as “Western China Energy-saving Environmental Protection Summit”, and press conferences for energy efficient and environmentally friendly products and technologies. Special attention will be paid to several wellbeing development sectors concerning environmental protection. Experts from top-class institutes such as School of Environment of Tsinghua University and the American Institute for Medical and Biological Engineering are invited to give opinions on the following topics: how the energy-saving environmental protection equipment manufacturing and industry, and technologies involved in atmospheric pollution/hazy weather treatment

and water treatment function in economic structural adjustment and industrial transformation development; and new challenges, new opportunities and new trends in front of energy-saving environmental protection development in western region. (Sichuan Daily reported on October 17<sup>th</sup>)

### **The 15<sup>th</sup> WCIF Kicked Off**

The 15<sup>th</sup> Western China International Fair will witness the successful holding of 76 investment promotion and trade cooperation events of various kinds, including 8 major events and 42 special events. The WCIF consists of two parts, with exhibition coverage of 240,000 m<sup>2</sup>. In total 8981 enterprises from 76 countries and regions come for the fair with over 60,000 guests and merchant attendees from home and abroad.

Vice Premier of State Council Ma Kai took his presence at the 15<sup>th</sup> WCIF and delivered keynote speech on the Western China International Cooperation Forum. Czech President Zeman and other foreign (former) politicians, ministers, international organization officials, officials from embassies in China, major foreign commerce chambers, large corporation principals and other important guests also attended the WCIF.

France, as one of the major guest countries during this WCIF, has assigned a government delegation and multiple economic & trade delegations to attend the fair. 2200-square-meter France Pavilion is set to host eight economic & trade cultural events, including Sino-French SMEs Cooperation and Development Forum, French ballet performance and Sino-French Gourmet Cultural Exchange, which is listed as events to celebrate the 50th anniversary of establishment of Sin-France diplomatic relations. *Fortune* Global 500 enterprises and multinational corporations such as Intel, Dell, IBM, Microsoft and Novartis regard WCIF as the first choice for making investment in Sichuan and western China. Over 20,000

foreign guests and merchants are estimated to participate in the fair.

As one of the major events during WCIF, the 7th Western China International Cooperation Forum is jointly hosted by WCIF Organizing Committee and United Nations Development Programme under the theme of “Transformation and Development: Mutual Opportunities and Challenges”. On the forum, Leaders of our country and Party, foreign politicians and guests will deliver keynote speeches. A high profile special forum – “the 7th Western China International Cooperation Forum-Phoenix Financial Forum” will be organized in cooperation with Phoenix TV of Hong Kong.

During the Chengdu Investment Conference and Project Signing Ceremony on Oct. 23<sup>rd</sup>, projects signed by Chengdu institutions amounted to 14 with contract amount of RMB51.736 billion. 107 projects have been signed on WCIF by Chengdu institutions with RMB87.986 billion in contract amount, hitting a new record by increasing RMB38.6 billion compared to previous year.

The 14 projects consist of 1 strategic cooperative agreement, 8 advanced manufacturing projects, and 5 projects for service sectors. Classified by industries, the projects involve in automobile, new energy and electronic information. Over 150 guests have been attracted to attend the signing ceremony, including managers of *Fortune* 500 enterprises, commerce chamber principals and government leaders. (Sichuan Daily reported on October 23<sup>rd</sup>)

### **CCPIT Sichuan Council**

#### **Chairman Li Gang Met the Delegation Led by Amir Lati, Israel**

##### **Consul-general in Chengdu**

In the morning of Oct. 21<sup>st</sup>, 2014, Li Gang, Chairman of CCPIT-Sichuan met Amir Lati, Israel Consul-general in Chengdu. Consulate General of

Israel in Chengdu is about to inaugurate as the third consulate general of Israel established in mainland China after Shanghai and Guangzhou.

Chairman Li Gang extended his warm welcome to Mr. Amir Lati for his first visit to Chengdu after taking office, and expressed that CCPIT-Sichuan would keep maintaining friendly cooperative ties with Consulate General of Israel and other business institutions. Israel plays a leading role in advanced technologies, and substantial mutual benefits will undoubtedly be achieved if bilateral cooperation is carried out. It is hoped that Consulate General of Israel will introduce Israeli enterprises to take participation in events held in Chengdu such as “China (Sichuan) Imported Commodity Fair” and “Chengdu International Trade Fair for Automotive Parts and Aftermarket Services (CAPAS)”. It is convinced that exchange and cooperation between Israel and western China will be greatly expanded with the support of Consulate General of Israel.

Consul-general Amir Lati expressed his heartfelt gratitude to Chairman Li Gang and the long support of CCPIT-Sichuan. According to him, Israel, despite not vast in territory, has leading-edge strengths in environmental protection, agriculture, IT and automotive technology. The Israeli enterprises are relatively in small scale in need of support from the government, which is one of the reasons that Israel Consulate General is settled in Chengdu. Consulate General is presently under preparation, and collection of information on the economic situation and industry distribution in Sichuan and southwest provinces is also ongoing. Israel hopes to strengthen bilateral cooperation by maintaining tight relation with CCPIT-Sichuan and jointly organizing fairs and reciprocal visits by delegations.

Chairman Li Gang declared that CCPIT-Sichuan would fully assist the activities organized by Consulate General of Israel, and would make joint efforts with Amir Lati on promoting mutual economic and trade

exchanges.

**Economic & Trade Delegation Led by Deputy Director-general of the  
Department of Trade and Industry (DTI) Yunus Husen Attended the  
15<sup>th</sup> WCIF**

The 15<sup>th</sup> WCIF is held in Chengdu from Oct. 23<sup>rd</sup> to Nov. 3<sup>rd</sup>, 2014. Nearly 70 representatives from 51 South Africa corporations come to attend the WCIF under the leadership of Deputy Director-general of the DTI Yunus Husen.

During the WCIF, “China (Sichuan)- South Africa Investment Seminar and Communication Fair” has been successfully concluded in Howard Johnson Hi-Tech Plaza Chengdu Hotel on Oct. 23<sup>rd</sup> as organized by CCPIT-Sichuan with the support of Embassy of the Republic of South Africa in China. CPC Party Secretary of CCPIT-Sichuan Su Hongyi and Deputy Director-general of the DTI Yunus Husen took their presence at the conference and gave speeches. Over 100 enterprise representatives from the two sides attended the meeting.

Su Hongyi first introduced basic information of Sichuan and advantageous industries, and extended his wishes of promoting cooperation among government institutions, commerce chambers and enterprises of both sides. The ambassador of South Africa to China Ms. Martha extended her welcome to the enterprise participants as well as invitation to Sichuan companies to invest in South Africa. Deputy Director-general of the DTI Yunus Husen and representative Sudutt delivered speeches respectively on the industry policies and economic development of South Africa. According to the speeches, the South Africa government will give priority to development of energy, communication and infrastructure in the coming three years. South Africa enjoys great

potential in agriculture and pharmacy, and is home to 60% of the world's uncultivated land. Shoemaking industry in South Africa also embraces promising future. South Africa is a vital portal to tap African market by virtue of its favorable investment climate. At last, Chen Yiqiao, Chairman of the Joint Association of Chinese Entrepreneurs and Businessmen in South Africa introduced the agricultural opportunities in South Africa based on his own experience, and expressed his willingness of helping Sichuan entrepreneurs to seek development in South Africa.

During the enterprise fair, 50 Sichuan enterprises covering businesses of food, electromechanical industry, infrastructure and steel held meetings with 80 enterprise representatives from South Africa. Sichuan Junde Industry Co., Ltd. and Sichuan Yuwang Ecosystem Agriculture Development Co., Ltd will exchange visits with Kwazulu-Natal Company and Makolobane Farmers Company to have an understanding of products produced by each other, so as to further expand collaboration.

Before the opening of the Fair, Su Hongyi met Deputy Director-general of the DTI Yunus Husen, and the delegation paid a visit to Dongfang Electric Corporation, Maipu Communication Technology Co., Ltd. and Cameido Shoe Company.

### **“Sichuan – Hungarian Enterprises Seminar” held by CCPIT Sichuan Council at the 15<sup>th</sup> WCIF**

On October 24<sup>th</sup> 2014, the “Sichuan – Hungarian Enterprises Seminar” with participants of representatives from Hungary Saiby Pharmaceuticals Co., Ltd., Hungary North Wood Co., Ltd., Hungary Green Real Estate Co., Ltd. and Hungary Green Investment Group Co., Ltd. was held by CCPIT Sichuan Council. At the seminar, products were introduced by representatives and cooperation opportunities were presented, on that

basis, representatives from 16 relevant Sichuan enterprises partook in the panel discussions and communications with Hungarian enterprises representatives.

Sichuan enterprises were deeply impressed by the Grape Vital series environmental protection and disinfection products presented by Hungary Saiby Pharmaceuticals Co., Ltd., and representative from pharmaceutical enterprises of Chengdu Rongsheng Pharmaceuticals Co., Ltd., AstaTech (Chengdu) Biopharm Co., Ltd., Sichuan Tianyi Pharmaceuticals Co., Ltd., and Sichuan Yuanda Shuyang Pharmaceutical Co., Ltd. held discussions with the president of the company - Zsolt Csabai on the product composition, experimental effect, sales market and pricing of such product. Moreover, communications on return on investment, unique selling points of project and the project promotion campaign in Chengdu of real estate investment projects in Hungary were held between Hungary North Wood Co., Ltd. and Sichuan Junde Real Estate Co., Ltd.

### **Enterprises Led by CCPIT Sichuan Council to Hong Kong and Macau for Economic and Trade Activities**

At the invitations of Hong Kong Trade Development Council and Macau Trade and Investment Promotion Institute, the vice counsel of CCPIT Sichuan Council – Zhu Xiaojin led the Sichuan economy and trade mission in a group of 4 to Hong Kong and Macau for economic and trade activities from October 20<sup>th</sup> to 24<sup>th</sup>, 2014. During the business trip, the mission participated in the “19<sup>th</sup> Macau International Trade and Investment Fair” and “2014 International Trade and Investment Forum”, etc and paid official visits to relevant chambers of commerce and associations.

The mission visited the vice chairman of Hong Kong China General Chamber of Commerce - Leung Wai Ho, manager of international and

mainland relation affairs department of HKTDC – Yao Runyu in succession. The vice counsel of CCPIT Sichuan Council – Zhu Xiaojin made introductions to the Sichuan WCIF and “the 5<sup>th</sup> China Sichuan Imported Commodity Fair” to be held in 2015, etc and sent out invitations to Hong Kong enterprises for participation. The vice chairman - Leung Wai Ho and manager - Yao Runyu expressed in respective that they were willing to further strengthen communication and cooperation with Sichuan in the fields of exhibition and convention and proactively organize Hong Kong enterprises to partake in exhibition and convention events held in Sichuan. In addition, manager Yao also answered questions and responded to feedbacks regarding to the transshipment trade, port trade, TCM and food industry overview concerned with by enterprises representatives and reached cooperation intention with Sichuan Yuanxiang International Trade Co., Ltd. in international financial talents training program for the purpose of co-founding training class in order to facilitate communications between Sichuan financial business elites and Hong Kong financial business elites and expand financial enterprises cooperation bilaterally.

On October 23<sup>rd</sup>, the mission attended the opening ceremony of the “19<sup>th</sup> Macau International Trade and Investment Fair” and visited exhibition halls. At the fair, the vice-chairman of Macau Importers and Exporters Association – Tan Boye made introduction to the import and export situation of Macau in recent years and the overview of “M in M” Macau creativity hall to vice counsel of CCPIT Sichuan Council – Zhu Xiaojin along with expression of great interest in “the 5<sup>th</sup> China Sichuan Imported Commodity Fair” to be held next year.

At the fair site, communications upon the topics of traditional Chinese medicinal materials storage and transportation were made between Sichuan International Chamber of Commerce Middle East Market

Specialized Committee and State Administration of Traditional Chinese Medicine, laying a foundation for distribution of traditional Chinese medicinal materials for hospitals established in Dubai by the Middle East Market Specialized Committee.

Furthermore, the mission also participated in the “2014 International Trade and Investment Forum”, during which the characteristic connections between Macau and Portuguese-speaking countries were introduced by Macau Trade and Investment Promotion Institute Foreign Cooperation Department to Sichuan mission, expressing strong demands and aspirations of Portuguese-speaking countries for entering the inland markets and hoping a further strengthened cooperation with our council via the bridge of Macau for the sake of assisting Sichuan in expanding the economic and trade communication and cooperation with Portuguese-speaking countries.

### **Sichuan Enterprises Participating in SIAL 2014 with Fruitful Outcomes**

From October 19<sup>th</sup> to 28<sup>th</sup> 2014, the economic and trade mission in a group of 18 representatives from Sichuan liquor and food industry co-assembled by CCPIT Sichuan Council and Sichuan Bureau of Quality and Technical Supervision left for France to participate in the SIAL 2014 and held economic and trade activities in Switzerland and Italy, having obtained fruitful outcomes.

At the SIAL 2014, 5 booths arranged in uniform style set up by Sichuan enterprises attracted lots of French and international purchasing agents coming forth for discussions and negotiations. At the event, 4 sales contracts and multiple agreements of intent were signed between Luzhou Laojiao Import & Export Co., Ltd., Sichuan Jinpendi Group Co., Ltd., Sichuan Huili Yuanyuan Agricultural Local Products Co., Ltd., and

Sichuan Wangcang Gerui Biotechnology Co., Ltd. and French local enterprises and European enterprises with contract amount as much as RMB100 million.

In addition, the economic and trade mission also paid official visits to France-Sichuan Exchange Association, China Foreign Trade Center (Switzerland Representative Office), Italy Foreign Trade Committee and Italia Wine Alliance, etc. for the sake of strengthen mutual communications and cooperation and also made communications on inviting aforementioned organizations and local enterprises for participation of important economic and trade activities in Sichuan. The economic and trade mission held the “China (Sichuan) Liquor Appreciation Activity” in Paris, France and “China (Sichuan)-Swiss Liquor and Food Industrial Enterprises Matching Meeting” by means of one-to-one discussions with over 70 enterprises, hotels, importers, agents, chambers of commerce and associations and governmental agencies in Zurich, Switzerland respectively so as to display and promote the Sichuan Liquor and distinctive agricultural products to European countries and facilitate the communications and cooperation between enterprises. ASIANECES Media made special video coverage themed by “Sichuan Liquor in Homeland of Grape Wine” to report the “China (Sichuan) Liquor Appreciation Activity”, from which the advertising of Sichuan Liquor in France was further promoted and recognition and acceptability of French people to Sichuan Liquor were further aligned.

The activities were meant to further strengthen the economic and trade achievements obtained in France and other European countries as well as promote the popularity of Sichuan Liquor and food enterprises in European countries. In particular, the activities also served as a solid foundation for exchanges and cooperation between the Sichuan food enterprises being abroad for the first time and international companies.

**Vice Counsel of CCPIT Sichuan Council – Zhu Xiaojin Meeting with  
the Delegation Led by CEO of Australia International Trade  
Association - Michael Guo**

On October 30<sup>th</sup> 2014, the vice counsel of CCPIT Sichuan Council – Zhu Xiaojin held meeting with the delegation led by CEO of Australia International Trade Association - Michael Guo in Chengdu.

The vice counsel Zhu Xiaojin indicated at the meeting that a strong economic complementarity existed between Sichuan and Australia along with great potentials in the fields of agriculture, investment and trade, above all, spaces for cooperation in agricultural high-new technology, dairy product, education, tourism and automotive spare parts were at hands. We are expecting that Australia International Trade Association could invite Australian enterprises to partake in the events like “China Sichuan Imported Commodity Fair” and “Chengdu International Trade Fair for Automotive Parts and Aftermarket Services”.

CEO Michael Guo firstly expressed great gratitude to the consistent supports given by vice counsel Zhu Xiaojin and CCPIT Sichuan Council, expressed the willingness to have the friendly relationship with CCPIT Sichuan Council unceasingly developed and looked forward to the successful cooperation made in the aforementioned fields and matching meeting and delegations exchange visits organized with joint efforts. Australia International Trade Association is willing to play an influential role in Australia to serve as a bridge for cooperation between Sichuan enterprises and Australia.