

China Committee

Helping Business since 1861

Minutes of a meeting of the above Committee held at 11:00am on Monday, April 7 2008 at the Chamber Boardroom.

Present

Mr Alan Wong	Chairman	Mr David Ng
Ms Rose Lee	Vice Chairman	Mr Ronald Cheng
Mr Stanley Chu		Mr Desmond Yuen
Ms Ava Cheung		Mr Hilton Cheong-Leen
Ms Karen Tang		Mr Henry Lee
Ms Portia Tang	(rep of Mr Johnson Kong)	Mr Fred To
Mr Chan Chi Ming		Mr Emil Yu
Mr Dominic Yin		

Chamber Executives

Mr Alex Fong	CEO
Ms Wendy Lo	Manager, China Business Unit
Ms Fleur Liu	Manager, Chamber Services Ltd

Apologies for Absence

Mr Stanley Chak	Mr Stanley Hui	Ms Amy Leung	Mr Gary Sum
Mr Charles Kit Ying Chan	Mr Tai Hui	Mr Wen Li	Mr Tommy Tam
Ms Elaine Cheng	Mr Hung Hak Yau	Ms Carol Li	Mr C C Tung
Mr Gerald Cheuk	Mr Michael Iesu	Mr Thomas Li	Mr John Twist
Mr Franki Cheung	Mr Stanley Ko	Mr David T C Lie	Mr Robert Venn
Ms Susie Chiang	Mr Johnson Kong	Mr Casey K C Lim	Mr Wang Lu-Yen
Dr Lily Chiang	Mr Richard Lai	Mr Francis Lim	Mr Wei Dong
Mr Johnson Chien	Mr Albert Lam	Mr Liu Guoyuan	Mr Andy Woo
Mr Alan Chow	Mr Joseph Lam	Ms Ellen Liu	Mr E K Woo
Mr Jack S L Chow	Mr Calvin Lam	Mr Bryant Lu	Mr Stephen Wong
Ms Linda Choy	Mr Malcolm Lam	Mr Frank Y C Lyn	Mr Nature Yang
Mr Jay Chun	Mr Jeffrey Lam	Mr Gerry Ma	Mr Lawrence Yee
Ms Margaret Chung	Ms Ellen Lau	Mr Thaddaeus Mueller	Mr Thomas Yeung
Ms Janie Fong	Mr Brandon Lau	Mr Allard Nooy	Mr Edmond Yew
Mr Lawrence Fung	Mrs Yvonne Law	Mr Andy Pan	Mr Raymond Yu
Mr Tony Fung	Mr Maurice Lee	Mr Y K Pang	
Ms Christine Ho	Mr Thomas Lee	Mr Louis Pong	

Minutes of a meeting of the above Committee held at 11:00AM on Monday, 7 April, 2008, at the Chamber Boardroom.

1. Approval of Minutes of Previous Meeting held on 7 January, 2008

Minutes of previous meeting held on 7 January, 2007 were confirmed and signed.

2. Update on China-related topics

a. HKGCC CEPA VI Wish List

- Chairman reported to members that the Chamber had submitted CEPA VI Wish List to the Hong Kong government and the Chinese Government on March 31. The chamber had conducted a member survey on implementation of CEPA in January. In the survey, respondents have roundly commended the agreement and pointed out that further improvement could be made which truly in line with the spirit of CEPA as a “living document”.
- Mr. Alex Fong briefed with members the key points of HKGCC CEPA VI Wish List.
 - This current submission reflected the views of Chamber members in two major areas of CEPA, namely, implementation of CEPA and further liberalization of trade in services, the latter in the form of an updated liberalization “wish list”.
 - On implementation of CEPA, the Chamber continued to advocate making use of the third part of CEPA – on Trade and Investment Facilitation – and the strengthening CEPA’s institutional structure to achieve meaningful results. On Trade and Investment Facilitation, in the submission the Chamber supplemented its earlier views in two specific areas, namely, streamlining of application and approval procedures, and promotion of Hong Kong brands in the Mainland.
 - On Trade in Service, based on the secretariat’s own research and input from Chamber members, the wish list for further liberalization CEPA has been updated. For more details about Chamber CEPA VI wish list, please refer to attachment A.

b. The national 12th Five-Year Plan

- Chairman reported to members that the Chamber had set up a discussion group on National 12th Five-Year Plan. The discussion group had 17 members from different industries such as banking and finance, logistics, communications, legal services, manufacturing and etc. Mr. David Lie was the discussion group convener. The meeting was held on April 3.
- Mr Alex Fong briefed members the background of setting up the 12th Five-Year Plan Discussion Group. He said the group was established at the recommendation of the Secretariat to the General Committee, with Mr David Lie as the convener. Every year the China Committee and CSI, the think tank of the Chamber, organized visits to Beijing mainly to keep the Chamber abreast of what’s going on in the mainland which might have implications for our work. Last summer, CSI paid a visit to Beijing and met with National Development and Reform Commission (NDRC). Part of the discussion was that they were entering the process of the 12th Five-Year Plan preparation. Following the visit, the Chamber began to consider how best it can contribute to the review process. Mr Alex Fong said currently the government had not yet formulated a concrete plan of action to take forward this review. The discussion group was set up to facilitate the collection of views from members which could be analyzed and returned as our views to both the HKSAR and Mainland governments.

- Since Ms Rose Lee also attended the first meeting of the 12th Five Year Plan Discussion Group, she pointed out one of the main discussions of the meeting was to think about the depth of the report which the Chamber to produce. She mentioned that it would be other professional bodies in various sectors which would also have direct dialogues with Beijing and the Hong Kong SAR government and to produce specialized report. While the Chamber was a general trade organization, therefore she said we should think about what value added could be added by the Chamber could help our members to break through constraints from different aspects such as financial, logistical and etc.
- c. Regulation on Vocational Technical Training (Draft) 《 聯業技能培訓條例(草案) 》
- Chairman told members that the chamber received a confidential draft of the regulation on vocational technical training in the mainland from TID the last two weeks ago and requested us to give comment on the draft. He briefed members with the main points of the draft as below :
 - Requesting enterprises to provide training before allowing employees to work on the post.
 - Requesting enterprises to reserve 1.5 – 2.5% of employee’s salary as training expenses
 - Requesting enterprises should spend not lower than 60% of the reserve on the training of 1st line-employee.
 - There will be RMB 10,000 – 50,000 fine on those enterprises without following the rule.
 - Chairman commented that on the one hand, it was a good regulation to promote the qualification of worker in the mainland. However on the other hand it would further increase the cost burden on manufacturers.

3. Forthcoming programs

a. Key China Missions in 2008

- Chairman briefed members on the key China missions in 2008. He told members that there were mainly three types of missions, one was organized by the governments (Chinese government or HK Government), one was organized by the China committee, and one was joint mission with other association.
 - For the first type of mission organized by governments, the coming mission was the Expo Central China in Wuhan on April 25 – 28. For the second type of mission, the China Committee as usual would organize a working level mission to Beijing and a mission to PRD but the timing was not confirmed during the meeting. Besides that Chairman asked members if they agreed to have a mission to Chongqing. Members showed interest. For the third type of mission, Chairman reported that the Hong Kong Chinese Enterprises Association had asked the chamber to have a joint-mission to Italy, Croatia and Russia from June 11 to June 23. The delegation would be a small group of about 10-20 members. Chairman commented that the time of the mission was a bit long of 13 days, thus he expressed the chamber should only support the Russian part of the mission and the duration was shortened to 6 days from June 18 – 23.
- b. HKGCC Study Mission to Wuhan, Hubei Province for Expo Central China 2008 (April 25 – 28, 2008)
- Chairman promoted the mission to members and the information was tabled.

- c. China Roundtable Luncheon : “Selling to China: How risky is it?”. Speaker: Mr. Xavier Farcot, Deputy Regional Managing Director, Greater China, Coface (April 10, 2008)
 - Chairman promoted the mission to members and the information was tabled.
- d. China Roundtable Luncheon : “China Property Market Policy Reform and Insight”. Speaker: Mr. Yu Kam Hung, Senior Managing Director of Hong Kong, Southern China and Taiwan and Senior Managing Director of Valuation and Advisory Services, Greater China of CB Richard Ellis (April 11, 2008)
 - Chairman promoted the mission to members and the information was tabled.

4. Information Note

- Report of Hong Kong – Shenzhen Economic Cooperation Forum was on tabled.
- Letter entitled “ Promoting enterprises development in PRD” to 1st session of 11th CPPCC written by Jeffrey Lam, Chamber Legco Representative was on tabled.

5. Any Other Business

- The secretariat reported that numbers of China committee members were inactive for a long time and suggested to check if these inactive members would like to stay in the committee. Chairman and members agreed the secretariat to send letters to those inactive committee members who had not attended any committee meeting since Mar 2007.

6. Date of Next Meeting

- June – dates to be decided

7. China Committee Chairman Mr. Alan Wong hosted a lunch at Zen Chinese Cuisine after the meeting (LG1, The Mall, Pacific Place One, 88 Queensway, Admiralty) (12:30-14:00)

Prepared by

Approved by

Wendy Lo
Secretary

Alan Wong
Chairman