

FALKIRK COUNCIL

Subject: VISIT TO CHINA BY FALKIRK COUNCIL DELEGATION
Meeting: EXECUTIVE
Date: 19 AUGUST 2014
Author: DIRECTOR OF DEVELOPMENT SERVICES

1. INTRODUCTION

- 1.1 This report provides feedback on a recent visit to China by a delegation from Falkirk Council.
- 1.2 Members will be aware that Falkirk Council has formed links with the City of Yueqing in China. A delegation led by the Yueqing Municipal People's Government visited Falkirk in 2011 and, as reported to Economic Strategy and Development Committee on 19th April 2011, a Letter of Agreement was signed by Provost Reid and Depute Mayor Wu of Yueqing, expressing an intention to develop links between the two communities. A further delegation from Yueqing came to Falkirk in June 2013 and their itinerary included visits to Alexander Dennis Ltd, Forth Ports and Grangemouth High School.
- 1.3 It was clear from these visits that Yueqing city has considerable interest in developing further its connections with the Falkirk area and the Council. It was also evident that Yueqing offered the Council an opportunity to develop civic, trade and educational links with China, as well as potential to help bring additional trade and investment to the Falkirk area.
- 1.4 Following their first visit to Falkirk, Yueqing City invited Provost Reid and a Falkirk delegation to visit Yueqing. This invitation was repeated during their second visit.
- 1.5 Advice on a reciprocal visit was sought from UK agencies holding expertise in China, such as Scottish Development International, China-Britain Business Council and UK Trade and Investment. They stressed the importance of building trusted personal relationships with Chinese civic and business leaders, that these could only be developed over time and that reciprocal visits would be an essential part of the process. It was suggested that a Falkirk delegation's initial trip to China should be a fact-finding visit and that it would be possible to take in some other potentially important business locations in China in addition to Yueqing.

2.0 DELEGATION TO CHINA

- 2.1 In consultation with external agencies and local businesses, an itinerary was developed for a visit during the first week of May to three cities, Shanghai, Hangzhou and Yueqing. Zhejiang Province, in which Yueqing and Hangzhou

are located, has a population of 55m people. The cities are amongst the most modern and entrepreneurial in China and anticipate significant future growth. The trip was an opportunity to re-affirm connections and acquaintances between government and business leaders of the two communities, to raise awareness of business and tourism opportunities in the Falkirk area and to explore further opportunities for economic cooperation.

2.2 The itinerary was as follows:

Sunday 4th May - Shanghai

- Arrive Shanghai
- Full delegation briefing

Monday 5th May – Shanghai

- British Consulate Briefing with China Britain Business Council also in attendance.
- Education Round Table Discussion Event
- Inward Investment Event promoting the Falkirk area

Tuesday 6th May – Shanghai/Yueqing

- Breakfast meeting with SDI Head of Asia Pacific
- Visiting Headquarters of Delixi Group accompanied by Mr. Wu Shouxi, director of the Office of Yueqing Foreign and Overseas Chinese Affairs Office
- Travel to Yueqing

Wednesday 7th May - Yueqing

- Visit Economic Development Zone and Huayi Group
- Visit Sako Intangible Cultural Heritage Exhibition Hall
- Visit Yueqing Bay Development Area
- Visit Chint Group
- Official agreement of cooperation and exchange between Falkirk, UK and Yueqing, China, hosted by Mr. Lin Xiaofeng, Party Chief of Yueqing Communist Party Committee
- Signing of Official Agreement of Cooperation and Exchange between the two areas.
- Signing of letter of intent for the China Britain Business Council to establish a cooperation relationship with Yueqing Association of Industry and Commerce

Thursday 8th May - Yueqing

- Visit Yueqing International Foreign Language School to sign memoranda of cooperation with Falkirk Schools and Forth Valley College
- Meeting with school leaders / tour of the School
- Visit to Yandangshan Cultural sites

Friday 9th May - Hangzhou

- Travel to Hangzhou
- Visit China Jiliang University
- Inward Investment Event in Hangzhou

Saturday 10th May - Hangzhou

- Visit to Lingyin Temple Hangzhou to investigate links with Robert Dollar

Sunday 11th May

- Return to Edinburgh

- 2.3 The delegation invited to Yueqing and participating in the visit consisted of Cllr Martin, Leader of the Council, Cllr Nicol, Depute Leader of the Council, the Chief Executive, the Head of Economic Development and Environmental Services, an Economic Development Officer, a Head Teacher, Principal of Forth Valley College, a representative of the China-Britain Business Council and two local business representatives.

3.0 OUTCOME OF VISIT

- 3.1 The main outcomes and benefits of the visit were as follows:

- The trip gave an opportunity to promote the Falkirk area for trade and investment and to display the Kelpies at events in Shanghai (22m population), Hangzhou (8m population) and Yueqing (1.2m population).
- Representatives from a range of business, government and education sectors attended the events in Shanghai and Hangzhou.
- Four agreements were signed by the Council, Forth Valley College and China Britain Business Council to enable further exchange activities to be initiated in particular relating to:
 1. Falkirk Council and Yueqing City of The People's Republic of China - Establishment of an agreement on cooperation and exchange focussing on Economic, business, educational and cultural activities.
 2. The China Britain Business Council and the Yueqing Import and Export Enterprises Association - Cooperation on issues of trade and business promotion
 3. Forth Valley College and the Yueqing International Foreign School - Cooperation to develop programmes of student exchange and knowledge transfer

4. Falkirk Schools and the Yueqing International Foreign School - Cooperation to develop Chinese language and cultural activities for Falkirk School pupils.

3.2 Over 100 people attended the various events held in each city to promote inward investment and tourism for Falkirk. Additionally, through links developed during the trip, a number of local businesses are currently pursuing business links with China.

3.3 Promotional materials were circulated to contacts during the visit, the main messages conveyed were:

- (i) Partnership & Opportunity - Internationally recognised for our innovation and excellence in manufacturing, logistics and chemical sciences, Falkirk is superbly placed in central Scotland to offer every advantage for growth and success.
- (ii) Heritage & Innovation - With an amazing array of world class visitor attractions, Falkirk covers a diverse and exciting experience for visitors and residents alike. The Falkirk area. Yours to discover.

4.0 FINANCIAL IMPLICATIONS

4.1 The delegation trip was funded through a combination of contributions from Falkirk Council, Yueqing Municipal Government (who provided hospitality during the stay in Yueqing), the elected members and businesses involved. Four officers accompanied members and businesses on the trip.

4.2 Expenses incurred by Falkirk Council in funding this trip amounted to £28,580 comprising; travel, accommodation and transfers, China Britain Business Council (CBBC) Overseas Market Introduction Service and delegation adviser, attendance at inward investment and education events; promotional materials including design and shipping, delegation exchange gifts and translation services.

5.0 CONCLUSION

5.1 The delegation convened a meeting shortly after its return to Falkirk and all its members concluded that the visit was very valuable in understanding the opportunities which China offers and the practicalities of doing business in China.

5.2 The delegation was very appreciative of the hospitality and assistance provided by the Mayor of Yueqing and many other officials and businesses in Yueqing, Shanghai and Hangzhou. The delegation felt that the connection with Yueqing is beneficial to Falkirk and could be more so as discussions continue on ideas and projects. At the same time, the connections made in Hangzhou and Shanghai showed clearly that there were opportunities to follow up in these areas. Individual members of the delegation are now active in different areas and projects.

- 5.3 The City of Yueqing is expected to make a further visit to Falkirk later this year and this will be an opportunity to continue to build trusted relationships. Having made the visit to China, the Falkirk representatives are now in a much better position to assess and anticipate the requirements of Yueqing and to prepare for delivery of projects which will result in business, educational and cultural benefits.
- 5.4 It may be noted that amongst the areas for development of joint links is the connection of Robert Dollar with China. This was highlighted to several contacts who expressed enthusiasm for further joint work on the history of the relationship and the philanthropic works he conducted throughout China.
- 5.5 The trip highlighted specific opportunities in the development of business, educational and cultural links. These opportunities are being examined and investigated further, with an intention to progress these for subsequent consideration by the Council.

6.0 RECOMMENDATION

It is recommended that the Executive note the terms of this report

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Director of Development Services

Date: 7 August 2014

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