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Hong Kong & China **FEATURE**



Marco Polo Hotels

Away from the comforts of home on a business trip - you might as well enjoy the comforts of one of Hong Kong's most elite hotels **p2**



Hong Kong Sevens

Choose the timing of your business trip and take in one of the world's most thrilling sports events **p4**



Oasis Hong Kong

Buy one get one free is the amazing offer on Business Class flights from Oasis Hong Kong Airlines **p8**

"Hong Kong is an excellent base from which UK companies can enter the mainland China market."

Ian Bailey, Trade Commissioner, British Consulate General Hong Kong

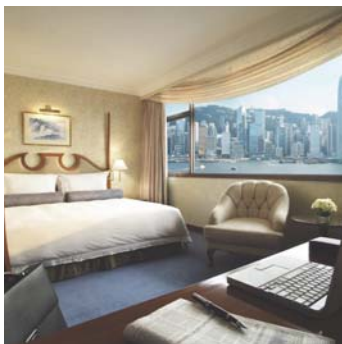


Marco Polo Hotels



Situated on the waterfront overlooking Victoria Harbour, the Marco Polo Hongkong Hotel has without doubt one of the best views in the world. During the day it is so relaxing to watch the ferries, boats and ships passing and by night the lights across the harbour on Hong Kong Island are simply fascinating.

Designed for the pleasure and comfort of the modern business and holiday traveller, there are



three Marco Polo hotels to suit all tastes and budgets: the Hongkong, Gateway and Prince.

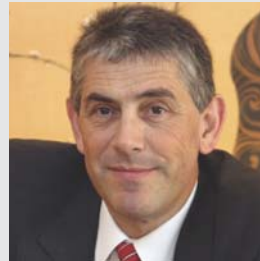
The three hotels are all adjacent to each other starting at the waterfront and featuring throughout Harbour City, Hong Kong's largest shopping, entertainment and commercial centre.

Marco Polo Hotels are easily accessible by all modes of transport. The pleasant ride on the Star Ferry to Hong Kong Island's central business district takes only seven minutes and the MTR (Mass Transit Railway) stations and bus stations to the airport or mainland are all nearby.

www.marcopolohotels.com



Who is Who

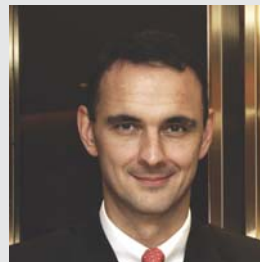


John A. Girard, General Manager of Marco Polo Hongkong Hotel and Area Director of Marco Polo's three hotels in Hong Kong, has lived in Hong Kong since 1987.

Maltese-born John joined the Marco Polo Hotel Group in 1992 as General Manager of Marco Polo Hongkong Hotel. In 1998, he was appointed as General Manager of all three hotels, giving him the distinction of having the largest room inventory (1,500 rooms) of any hotel GM in Hong Kong!



John has carved something of a reputation for himself for his unwavering enthusiasm for the hotels under his care, personally endorsing the hotels by appearing in countless promotions and PR activities such as posing as the in-house poolside model for a summer promotion. He has been both a snowman and Santa Claus in winter promotions, and even donned his pyjamas for a photo shoot to promote the hotel's wide range of different pillows! John's latest 'costume' appearance was at the Hong Kong 7's, where he was promoting the latest Marco Polo headgear.



Edward E. Snoeks, the General Manager of Prince Hotel, joined the Marco Polo Group in 2003. Edward started as Resident Manager of Marco Polo Hongkong Hotel and by August 2006 had been promoted to General Manager of Prince Hotel. He is a recent graduate of the Cornell University Hotel School's prestigious General Manager Program.

No hotel is complete without a good Concierge, and the Marco Polo Hongkong and Prince Hotels have two of the world's best.....**Tony Lo** (below left) has been at the Hongkong for 20 years and **Lewis Li** (below right) at the Prince for 23 years. Next time you are staying at their hotel, stop by for a chat with these icons of the hotel industry - their depth of knowledge about Hong Kong will amaze you!



How Hong Kong can help companies in their strategy for the China market

Hong Kong is one of the major centres for business in Asia and an increasingly integral part of the mainland China economy. It is an important market in its own right (third largest export destination in Asia after Japan and China) as well as being an excellent base for British businesses looking to extend their activities into the Chinese mainland, and also into the wider Asian region. Hong Kong was returned to China in 1997, having become one of the leading financial centres in Asia. Concern that Chinese control would affect its position was largely unfounded, as Hong Kong retains a high degree of autonomy over its own affairs, including setting its own taxes, fiscal policy and laws. It is only in the fields of defence and foreign policy that China has full control.

Hong Kong's benefits

Geographical location

- Ideally placed on the doorstep of the Pearl River Delta, centrally located in East Asia
- Excellent communication and transport links
- Hong Kong International Airport is the world's leading

cargo airport, handling 3.4 million tonnes in 2005, and has hundreds of international passenger flights each day

- Its container port handled 22.6 million container units (TEU) of cargo in 2005

Stable government and rule of law

- Hong Kong is politically stable, with an independent judiciary and an effective civil service
- Intellectual property rights law and enforcement is robust
- There is transparency in regulation, a low level of corruption and a level playing field for business

Availability of business services and workforce

- There is a very well-developed market for financial, IT and business support services
- Also a skilled, productive labour force
- Cantonese, English and Putonghua are all widely spoken

Hong Kong was already a major investor in China when it was handed back in 1997. Hong Kong companies took advantage of a

more open Chinese mainland economy to shift manufacturing from Hong Kong to the Pearl River Delta region, helping to drive China's remarkable recent economic growth. It is estimated that over 60,000 Hong Kong companies employ over 10 million people in the Pearl River Delta.

In response to this movement of manufacturing industry, Hong Kong took on higher value-added roles, developing expertise in management and business services. This concentration of expertise close to mainland China is a great resource for businesses wishing to access the mainland market and Asia more widely. Hong Kong's characteristics have led to over 1,200 global companies choosing it as the location for their Asian regional headquarters.

Hong Kong's companies also have extensive relationships with their counterparts in mainland China. By forming partnerships with Hong Kong firms, overseas companies can make use of these links which would otherwise take a long time to build, easing the route to doing business in the mainland.



Despite moves towards improving the rule of law and developing a more business-friendly environment, mainland China remains a potential risk for any business investment. Hong Kong's legal system and pool of experience in dealing with the mainland makes it an option for companies who want to mitigate this risk. Hong Kong's laws on intellectual property and the effectiveness of their enforcement are attractive for companies with high-value intellectual property.

The special characteristics of Hong Kong's business environment provide valuable resources and opportunities that should be considered in any business strategy to expand into Asia, and especially into the mainland Chinese market.



Ian Bailey, Trade Commissioner, British Consulate General Hong Kong

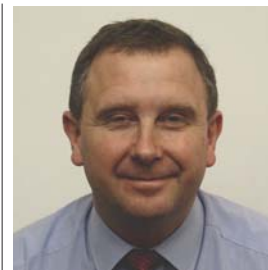
Ian was recently appointed Trade Commissioner at the British Consulate General in Hong Kong having spent eight years at the Foreign Office. His previous postings include Seoul and Oman.

ian.bailey@fco.gov.uk



It is now nearly ten years since Hong Kong was handed back to China under what is known as the "One Country, Two Systems" arrangement. This allows Hong Kong to have a high degree of autonomy in all areas apart from foreign affairs and defence. Hong Kong therefore has retained its capitalist system and has a separate Government from the mainland. It has its own currency, passport, customs regime and legal system, the latter still based on UK Common Law. People from mainland China need a visa to enter Hong Kong.

With its autonomy in trade and financial matters, Hong Kong is free to set up its own treaties and agreements in these areas (it is a member of the WTO in its own right). People who think that Hong Kong is now just another Chinese city are badly mistaken. Hong Kong has maintained all the attributes that have made it successful, including the rule of law, free movement of people and goods, and freedom of expression. It is an excellent base from which UK companies can enter the mainland China market.



Tony Collingridge, Head of the Asia Pacific and Africa Team, Inward Investment Group UK Trade & Investment

Tony Collingridge has had more than 12 years experience of working with companies in the Asia Pacific Region, first working with UK companies looking to do business in Australia and New Zealand, and more recently, as Head of the Asia Pacific &

Africa Team in London, managing the effort to attract inward investment from the Region. He was recently appointed as Head of the UK Trade & Investment Asia Pacific Regional Team based in Hong Kong, where his responsibilities now include regional trade opportunities for UK companies, as well as inward investment.

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Hong Kong Sevens



In one of the most bizarre Cup finals ever seen in the history of the Hong Kong Sevens, Samoa scored five first half tries, three by an awesome Mikaele Peasamino, and then somehow managed to hold off tournament favourites Fiji during the second half for a much deserved 27-22 win.

The Cathay Pacific/Credit Suisse Hong Kong Sevens are a "must attend" event of the global sporting calendar. Book early if you are thinking of

joining the fun in 2008 as the 40,000 tickets sell out in no time, a true testimony to the popularity of this amazing event that Hong Kong showcases so magnificently to the rest of the world.



Marco Polo Hotels is the official hotel group for the Cathay Pacific/Credit Suisse Hong Kong Sevens.

Heinz Oertli, the Swiss-born executive chef at the Marco Polo Hongkong Hotel, has served meals for all 24 hungry teams for the last three Sevens tournaments. With the teams, the coaches and officials, that's about 400 guests to cater for - three meals a day, for a whole week. Plus of course, the gala dinner on the Sunday for 700 guests!

Fit, healthy rugby players come with healthy appetites. The big meals are breakfast and dinner, with a bit less 'intake' for lunch. There are no special requests from any team, so a balanced spread of dishes to suit all nationalities is prepared. Players prefer energy providing food with minimal oil and fats and so popular dishes include pasta, French bread, steamed rice, lean meat, skinless poultry, egg white omelettes and a lot of fruit. Cream and cheese are generally avoided.

Heinz wishes he had time to get to the Sevens, but he is so dedicated to his catering team at the Marco Polo Hongkong Hotel that he has yet to make it to a match. Maybe one year he'll get there!



Heinz Oertli, Executive Chef, Marco Polo Hongkong Hotel

www.marcopolohotels.com

CIFIT



Another great event that attracts global media coverage is CIFIT, the China International Fair for Investment and Trade. Held annually in Xiamen, 8-11 September, this event attracts an incredible 10,000 foreign visitors and more than 50,000 Chinese participants.

CIFIT is sponsored by China's Ministry of Commerce and focuses on investment negotiation and investment, policy promotion, national and regional economic coordinated development and economic and trade exchanges.

The Fair has three major components: an investment www.chinafair.org.cn



Marco Polo Shenzhen is one of the finest hotels in Shenzhen. Located in the heart of the new Futian Central Business District with close proximity to the Shenzhen Government Offices, the new Shenzhen International Convention and Exhibition Centre and the subway station. It is only 20 minutes to Lowu train station, 25 minutes each to Shekou Ferry Terminal and Shenzhen Bao An Airport, and 5 minutes to Huanggang border.

The 391 guest rooms and suites are equipped with broadband Internet access, luxurious bathrooms, in-room safe, state-of-the-art communications and entertainment facilities. Recreational facilities include an outdoor swimming pool, health & fitness centre and the internationally-renowned Mandara Spa.

The Marco Polo Shenzhen has 6 restaurants, including a 600 seat Chinese restaurant, a bar, a ballroom and 30 multi-functional rooms including an auditorium which can accommodate up to 3,000 people, providing an ideal venue for meetings, conventions, seminars and social events.



James McStay Ong, General Manager, Marco Polo Shenzhen

and trade exhibition, the International Investment Forum, and serial seminars on hot investment opportunities.

Dozens of investment promotion agencies from around the globe also feature at CIFIT as it offers an optimum opportunity for business people within China and abroad to get a bird's-eye view on the investment climates in China and beyond. CIFIT has become a one-stop arena for all involved in international investment and is poised to become the world's most prestigious international investment exposition.

Elite Enterprises Conference



The Elite Enterprises Conference in Shenzhen on 30 March was attended by over 500 delegates, including 97 of the top 100 companies and organisations in Shenzhen and numerous local and regional government representatives.

Organised by the Shenzhen Special Zone daily newspaper, this event typifies the scale and importance of business networking events taking place in Shenzhen and throughout China.

The media coverage at this event and the profile for all involved is enormous. Five TV crews from local, regional & national TV stations and dozens of newspaper reporters provided extensive media coverage.



Yingchun Chen, Vice-Mayor of Shenzhen and Jeff Tucker, Publisher of International Trade Focus



The numbers of readers and viewers runs into hundreds of millions. To put this into context, national TV coverage in China extends to 1.3 billion people. Sure, not

all of them will be watching at once, but a fair percentage will be!

www.szdaily.com.cn

Top Science and Technology Show



China Hi-Tech Fair (CHTF) is the largest and most influential hi-tech trade show in China. CHTF has been staged successfully for 8 consecutive years and benefits from distinct state-level, international, high standard, large-scale,

practical, professional and all-year-round identities. With a total exhibition area of 105,000 square metres, it has 6 key components: Commercialisation of Technological Innovation, Specialised Shows, World Technology & Economy Forum, super-SUPER

Special Events, Hi-Tech Human and Intellectual Resources Exchange and a year-round fair. CHTF 2007 will be held in Shenzhen Convention & Exhibition Center (SZCEC) from 12-17 October 2007.

www.chtf.com

Visit by the Lord Mayor of London



(L-R) Li Lin, Director General of Shenzhen Financial Service Office, Simon Culhane, CEO, Securities & Investment Institute, Li Hongyang, Vice Dean, Nankai University Shenzhen Financial Engineering School and Alderman John Stuttard, The Rt Hon Lord Mayor of London

The Lord Mayor has made Education Training Qualifications (ETQ) the main theme of his Mayoralty under the banner City of London - City of Learning. Seminars on these themes were held in Chongqing and Shenzhen and were well attended, which confirmed the

views heard from UK-based financial and business services companies with operations in China that the recruitment of qualified staff is the major restraint on growth for those companies in China.

The second major theme of the visit was to promote

London as a centre for raising capital. CBBC ran "Going Global" seminars in Chongqing and Guangzhou and a roundtable in Shenzhen. The Lord Mayor also visited a CDM project at Chongqing Iron & Steel, which offered the opportunity to promote London's strengths as the leading centre of

expertise on global climate change.

The London-based Securities and Investment Institute (SII) signed a Memorandum of Understanding with the Shenzhen Financial Engineering School at Nankai University as a further step to build on the excellent relationship between the City of London and the city of Shenzhen.

In Guangzhou the Lord Mayor opened a seminar on Best Practice in Worldwide Healthcare Insurance (sponsored by BUPA), where he lobbied for even faster opening up of the financial and

business services sector and welcomed the news of Standard Chartered receiving their permission to start operating RMB accounts.

The Lord Mayor also met with the Vice-Mayor of Shenzhen and discussed their deepening cooperation now that the City of London has its representative in place and also discussed the prospect of the Financial Services training centre and continued opening up of the financial and business services market.

For more information, e-mail crystal.zou@fco.gov.uk or hilary.chai@sii.org.uk

Investment opportunity



Fujian Nan'an Yourway Stone Co. Ltd is a leading supplier of natural stone (granite, marble, limestone, sandstone, slate, etc) with excellent technical knowledge and superb aftersales service. It is seeking inward

investment in order to become the No 1 supplier of natural stone in China.

For more details, visit www.yourwaystone.com

IEF International Entrepreneurship Forum

August 30th - 31st 2007, Shanghai, China

Asian Entrepreneurship: New Asian Ventures in the Global Community of Enterprise and Innovation. E-mail zhangs@essex.ac.uk

China Import and Export Fair

The China Import and Export Fair, also called Canton Fair, celebrates its 50th year in 2007. Held twice a year, in Spring and Autumn, it is China's

largest and most diverse trade fair and is of great international importance.

www.cantonfair.org.cn

Chinese women in business



Seen here arriving for a meeting at the Marco Polo Xiamen, July Wu is a successful Xiamen career business woman. July was sponsored by the Chinese government to complete her education in the UK where she gained a Distinction in her Masters degree in Mass Communications.

July Wu is the Media Manager at the Xiamen Daily newspaper and holds regular meetings with senior international business people and senior government officials at the Marco Polo Hotel in Xiamen.

Why does July use the Marco Polo?

"Because it has superb meetings & events facilities and excellent restaurants with the best service in town! The lobby lounge has a great business atmosphere and is a true focal point for local and international business people to meet."

www.marcopolohotels.com

Xiamen University

Xiamen University has world-class postgraduate programmes, including Chinese culture, Chinese civil & commercial law and the Chinese economy, taught in English.

The six schools and colleges involved in the international programmes are all top schools and colleges of Xiamen University and are proud of their superb learning and working environment, highly skilled and well-motivated members and the productive partnerships they have created with organisations and universities worldwide.

The staff teaching on the international programmes are the leading academics in their colleges who have benefited from extensive study overseas, research or working experience at major universities,



research institutes or government departments in many countries and regions including the UK, Europe and beyond.

Library, Xiamen University

visit www.admissions.xmu.edu.cn for further information.

Mind your manners

Simon Groves, Brand Manager, Atradius UK and Ireland

Trading with an overseas market that's new to you can be daunting. You'll need to understand the laws of that country, the banking system, customary payment practices... And just as important, the way people conduct business in that country – the business etiquette.

Why is business etiquette so important? Conducting yourself in a way that's expected and that puts your prospective customer at ease can be the crucial factor that wins you the contract. In China, the business etiquette is in many respects different to what you may be used to, so the first rule is...

...do your homework.

Chinese business culture is based on the concept of Guanxi, a network of relationships built on mutual respect, trust and obligation. Developing these relationships can be time consuming but is well worth the effort, as a valuable relationship established with one customer can soon lead to an introduction to others.

Yes can mean no – and often does

Chinese business people are polite and charming, and really don't like to say 'no'. So if your host says 'Maybe' or 'I'll think about it', don't get your hopes up.

Don't let this deter you. Finding a way into the Chinese market isn't easy and may require a joint venture with a local agent. Of course, Hong Kong forms the bridge between the West and China. So finding a partner there may be a start.

Do your homework, understand the culture and learn what gifts, if any, are acceptable and most of all, make it happen.

For more information, contact Eric-Jan den Boogert, Atradius Hong Kong: eric.jan.denboogert@atradius.com or Martin Jones, Atradius Shanghai: martin.jones@atradius.com

IN BRIEF

Xiamen, on the southeastern coast of China, to the west of the Taiwan Strait, covers a total area of 1,565 square kilometres and has a permanent population of 2.19 million.

Dubbed "China's cosiest city", Xiamen has a pleasant climate, picturesque views and a clean and tidy environment. In 2002, Xiamen received the Gold Medal at the "International Nations in Bloom" competition. Domestic awards have included "National Garden City", "National Model City for Environmental Protection", "National Excellence in Tourism" and "National Top 10 Most Livable Cities".

Xiamen is one of the most competitive cities in China. It ranks fifth in the "List of the Most Competitive Cities in China" published by the Economic Daily and has become one of the most important ports in China for international trade and cross-Straits trade with Taiwan, making it a hot destination for foreign investment.

The Xiamen Investment Promotion Agency (XIPA) is a professional investment promotion organisation under the Xiamen Foreign Investment Bureau. Since its establishment in 2001, the Xiamen Investment Promotion Agency (XIPA) has succeeded in bringing in 346 foreign-funded projects with a total contractual foreign investment capital of over US\$1 billion.

www.xipa.com.cn

Founded in 1988, the **China Council for the Promotion of International Trade Xiamen Sub-Council** (CCPIT Xiamen Sub-Council) is the executive agency for foreign trade and investment promotion in Xiamen. It is dedicated to promoting mutual trade, investment, economic cooperation and technology exchange between Xiamen and the rest of the world.

www.ccpitxiamen.org

The Export Marketing Research Scheme is a UKTI-sponsored service that encourages exporters and potential exporters to research projects overseas. Grants of up to 50% for desk and field research are available to eligible companies/projects. Please contact Richard Gilbert for further details.

r.gilbert@britishchambers.org.uk



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Oasis Hong Kong



Since taking off in October 2006, Oasis Hong Kong Airlines has pioneered a fresh approach to give passengers the best choice in low-fare, long distance travel, making long-haul flights accessible to more people.

Travellers can choose to fly non-stop in business class or economy from London to Hong Kong and, from July this year, Hong Kong to Vancouver, with further destinations planned.

Oasis Hong Kong Airlines is set to change air travel as we know it. Its aim is to make long-haul travel between Hong Kong and

the rest of the world more affordable and accessible for all and to contribute to Hong Kong's economy and leading position as Asia's premier aviation hub and the gateway to China.

With fantastic offers like Buy 1 Get 1 FREE on round-trip Business Class fares to Hong Kong from just £1,595 (incl. taxes and charges)*, you can get a bonus ticket* which is transferable and good for travel until 29 March 2008. BusinessOasis includes free lounge access, sleeper seats with 60-inch seat pitch and complimentary inflight meals, beverages and

entertainment.

Oasis also starts to fly to Vancouver on June 28th. For more information and * terms and conditions, visit www.oasishongkong.com



BusinessOasis sleeper seats

Drawing competition celebrates new hotel

The children of the Third Deaf School of Beijing took part in a competition to draw the soon-to-open 5-star Marco Polo Parkside Hotel and the nearby Olympic complex in Beijing.

The winning drawing was printed on the hotel's shopping bag. In addition, all thirteen entries will feature as a set of post cards to be sold at the hotel once it opens in June, with all profits

going to the school.

The children are delighted that their drawings will be printed. The reception and interview with the children was broadcast the next day on Beijing TV, Beijing Radio Station and The Travel Channel.

The Marco Polo Parkside opens on June 20 and advance bookings can now be made by visiting www.marcopolohotels.com



CAITEC

The Chinese Academy of International Trade and Economic Cooperation (CAITEC) is a research and advisory arm affiliated to the Ministry of Commerce with a particular focus on economic and trade issues.

The predecessor of CAITEC is the International Economics Research Institute that was established in Hong Kong in 1948. Its staff of about 200 includes more than 80 researchers who conduct more than 300 studies each year on global macroeconomic issues, China's foreign trade and economic relations, international markets, multinational business, FDI, trade and environmental protection, and development issues.

Dozens of its staff are now working as commercial diplomats dispatched to Chinese embassies and consulates or working at international organisations.

For more information, visit www.caitec.org.cn

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UK Trade & Investment
www.uktradeinvest.gov.uk

China-Britain Business Council
www.cbbc.org

The Government of Hong Kong
Special Administrative Region
Economic & Trade Office (London)
www.hketolondon.gov.hk

Hong Kong General Chamber of Commerce
www.chamber.org.hk

British Chamber of Commerce
in Mainland China
www.britcham.org

British Chamber of Commerce
in Hong Kong
www.britcham.com

Invest Hong Kong
www.investhk.gov.hk

Hong Kong Trade Development Council
www.tdctrade.com