



Report to: Development Committee
Subject: International Relations, China
Date: 20 August 2013
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1	Relevant Background Information
1.1	Members will have already considered today the overall Council's International Relations Framework within which China features as a key market destination for Belfast City Council (BCC) and its stakeholders. The purpose of this report is to provide an update on international marketing opportunities that have been identified there. Key future actions are outlined for consideration and approval.
1.2	The implementation of our Investment Programme and commitment to develop an International Relations Framework provided the impetus to explore international marketing opportunities in China. This included a review of our Sister City relationship with the city of Hefei which BCC signed a Sister Cities Agreement with in 2005.
1.3	This agreement committed our two cities to a number of actions in relation to business development and investment, education and training. BCC's outward visits to Hefei provided local companies with opportunities to link up with counterparts there and a cultural delegation also participated in Chinese New Year celebrations.
1.4	Visits from Hefei to Belfast included student delegations and visits from officials who have been interested in learning about infrastructural developments such as Titanic Quarter and North Foreshore, the Waterfront, our cultural tourism offer and care for the elderly. The last visit from Hefei officials took place in September 2012.
1.5	However, our relationship with Hefei has not yielded anticipated results. Research and exploration of international marketing opportunities in China have identified other more beneficial activity for our city to engage in. Findings to date are detailed in the following section.

2	Key Issues
2.1	Over the past 8 months relationships have been developed with a number of key stakeholders (see appendix 1) who have provided advice and guidance on international marketing activity and who have helped identify potential opportunities for our city. Stakeholders have advised that China is a very political country and that 'Guanxi' must develop to build relationships and this can only be done over time. There are no quick wins in China and a 5 year strategic plan has been recommended with a reasonable budget. Branding and communication also need to be considered with Belfast as the economic driver of the region. A plan of proposed actions has been developed with stakeholders.
2.2	Stakeholders have also highlighted the importance of understanding culture, language and customs. Support for cultural learning has been offered by the University of Ulster's Confucius Institute. The Institute can provide workshops for staff and Councillors as well as an opportunity for one or two people to take part in a study visit to Shanghai or Beijing. A Shanghai based company headed by Stephen McCartney (originally from Northern Ireland) has also offered a week long placement with his company to support cultural learning as well as the opportunity to develop contacts. Both organisations offer financial support to cover costs.
2.3	Support is also welcome for local activity promoting Chinese culture such as Chinese New Year. We have worked closely with the Chinese Welfare Association (CWA) and Chinese Chamber of Commerce to help co-ordinate a very successful Chinese New Year in 2013. Support and guidance has already been given to help with plans for 2014 and the CWA will present outline ideas to BCC for the 2014 Chinese New Year Celebrations by the end of September.
2.4	The Northern Ireland Tourist Board (NITB) has shared recent reports concerning the unprecedented growth of outbound travel from China and the potential for our city and region to attract Chinese visitors. It is recommended that this should be a focus of our international marketing activity for the 2014 Chinese New Year programme.
2.5	In relation to Hefei, it has been recommended that we retain our Sister City relationship. An invitation has been received for 1 – 3 representatives to attend a Sister Cities Seminar from 28 October to 2 November. All expenses in Hefei will be covered including seminar attendance, hotel, meals, local transportation and a tour of the city. Flight costs need to be paid by ourselves. In 2014 our link with Hefei can be maintained by providing relevant contacts for local artists who have been invited to hold an exhibition in the city's art museum. However, the extent of our involvement with this city needs to be balanced to reflect other opportunities that are opening up for Belfast and the level of resources required.
2.6	Opportunities have been identified to strengthen and consolidate the relationship between Belfast and the city of Shenyang (see appendix 1). Both Queens University Belfast (QUB) and Bombardier have long established relationships with this city at political business and education sector levels. Negotiations are currently underway for QUB to establish a medical campus there.
2.7	Last month Councillor Reynolds had the opportunity to visit the Foreign Affairs Office and Mofcome in Shenyang. A number of similarities between our cities were identified. Shenyang is expanding its public sector work in areas of

	<p>tourism, finance, care for the elderly and education, and the city is open to technical co-operation with potential UK companies. A number of actions were proposed:</p> <ul style="list-style-type: none"> - The Lord Mayor of Shenyang could visit Belfast during his UK visit in September/October and is interested in meeting relevant Belfast businesses. - Companies from Belfast are invited to participate in an IPR conference in Shenyang to be held on 25 and 26 September. - Co-operation and joint project working between creative design companies is welcome.
2.8	<p>The China Britain Business Council (CBBC) helped to facilitate meetings in Shenyang for Councillor Reynolds. CBBC provides an excellent service to organisations wishing to build relationships and do business in China and have requested that BCC joins as a member. The cost of joining is normally £3,100 plus VAT per year; however CBBC has offered access to their services for 15 months for the same fee with the opportunity to agree specific objectives and deliverables with them.</p>
2.9	<p>A productive relationship has also been built with Stephen McCartney, Chief Executive of SIP Engineering based in Shanghai who is keen to work with us to promote business and other opportunities between Belfast and China. Stephen has committed to bring together a group of business associates in Shanghai who are originally from NI and who are keen to lend support. He has offered to provide links to relevant contacts in Shanghai and to help with a financial contribution for this. We have made links for Stephen with the newly formed NI Connections.</p>
2.10	<p>The International China Investment Forum (ICIF) is also interested in carrying out a site visit to Belfast to assess the potential for our city to host a future meeting of the Forum. ICIF's objective is to assist Chinese companies to invest abroad, to create business and trade opportunities for host countries.</p>
2.11	<p>It has also been recommended that BCC plays a part in welcoming and receiving visitors from China to help profile our city. Staff from QUB recently accompanied a delegation of students from the university of Jilin (one of China's top ten universities) to visit the Lord Mayor. Feedback has been extremely positive and students will return to their city as ambassadors for Belfast which will help to promote our city as a place to live, work and study.</p>
2.12	<p>The Northern Ireland Chamber of Commerce is also interested in working with us on export related activities, and opportunities for joint working are now being explored for the Chinese market.</p>

3	Resource Implications
3.1	Deirdre Ferguson from the European Unit has been leading on work on the International Relations Framework relating to China.
3.2	Funding to support actions will come from the agreed international budget.

BCC - Belfast City Council
CWA - Chinese Welfare Association
NITB - Northern Ireland Tourist Board
QUB - Queens University Belfast
CBBC - China Britain Business Council
ICIF - International China Investment Forum