
British Columbia's Special Representative in Asia

Annual Report

APRIL 1, 2014 – MARCH 31, 2015

Overview

The mandate of British Columbia's Special Representative in Asia (BCSRA) is as follows:

- Act as the official Province of British Columbia on-the-ground representative in Asia;
- Represent and promote the Province of British Columbia in meetings with other governments, business and stakeholders, including acting as host where appropriate;
- Represent and promote the Province of British Columbia at events and activities to advance the Asia Pacific Trade and Investment Strategy and key government priorities;
- Establish regular meetings/calls with senior management within the Ministry of International Trade, the Major Investment Office and other relevant ministries to advance key strategic accounts/files.

In the context of this mandate, this report outlines the accomplishments of the BCSRA for the period of April 1, 2014 to March 31, 2015. During this period, the BCSRA strengthened government-to-government relations by meeting with high-level government officials in China, Japan and South Korea and representing the province at key events focused on promoting investment and export development in all economic sectors outlined in the BC Jobs Plan. The BCSRA built relations with key East Asian companies interested in investing in or doing business with BC's liquefied natural gas (LNG), agrifoods, forestry, mining, technology and finance sectors. He also worked to forge ties between BC industry associations and their counterparts in Asia, including AdvantageBC, the BC Cattlemen's Association, BC Council for International Education, the BC Wine Institute, Canada Wood, Creative BC, Destination BC, BC Forest Investment Innovation, and agrifoods producer groups including cherry and blueberry growers.

In all of these activities, the BCSRA supported the work of the Province's network of Trade and Investment Representative Offices in China, South Korea and Japan. While contracted trade and investment representatives are specifically accountable for closing trade and investment opportunities that will benefit British Columbia, government relations play a significant role in winning

business in East Asia. It is here that the presence of an on-the-ground Minister-level official added value to overall trade and investment goals by making it possible for BC companies to meet with higher-level officials from governments, state-owned enterprises and private companies than they otherwise would have been able to access. This facilitation role of the Special Representative sends a strong signal of British Columbia's commitment to continuing to build government and commercial ties in a region that is essential for the Province's continued prosperity.

During the past year, British Columbia's trade and investment representatives in East Asia – working closely with the BC Special Representative – were successful in attracting close to \$3 billion in new investment, trade and strategic partnerships with East Asia. During the past year, the BCSRA held over 125 meetings with high-level government officials and corporate executives, participated in over 20 missions and major trade events, and gave over 50 speeches and presentations to East Asian audiences on the advantages and opportunities of doing business with British Columbia. Highlights of the BCSRA's accomplishments in the past year are featured in this report.

GOVERNMENT-TO-GOVERNMENT AGREEMENTS

- The BCSRA's engagement with the National Energy Administration of China led to the signing of a new partnership agreement on natural gas cooperation between British Columbia and China. The memorandum of understanding helps to facilitate Chinese partnership in the development of the LNG industry in British Columbia and promotes the exchange of energy-related information and networking opportunities for business leaders, researchers and government agencies between BC and China.
- Working in partnership with Advantage BC, the BCSRA played an important role in supporting the Government of Canada's pursuit of the establishment of an RMB Settlement Centre in Canada, a development which the Canadian Chamber of Commerce estimates will bring more than \$30 billion in direct trade benefits to Canadian exporters over the next 10 years.

TRADE DEALS FACILITATED

- The BCSRA supported meetings between BC cherry and blueberry producers and their Chinese buyers in both Guangzhou and Hong Kong, resulting in new, multimillion dollar sales of product in these markets.
- Also in southern China, the BCSRA met with municipal leaders to

promote and highlight BC's clean technology industry leaders, resulting in new sales of fuel cell modules for urban transit systems.

- In South Korea, the BCSRA's promotion of BC wood products with the Governor of BC's sister province, Gyeonggi, and related housing authorities resulted in new wood product sales in this important market.

INVESTMENTS FACILITATED

- The direct intervention of the BCSRA with China's Guangdong Province Foreign Affairs Office served to promote BC as the ideal location for the province's first Canadian Trade and Representative Office. Guangdong opened its first office in Vancouver during a visit of the Governor in September 2014.
- GF Investments opened an office in Richmond after the BCSRA promoted the opportunities available in BC during a high-level meeting with the company in Hong Kong. An office was ultimately opened under the name GF Securities (Canada).
- During a meeting with Cheung Khong Holdings in Hong Kong, the BCSRA encouraged the company to look at investment opportunities in BC. Working with BC's Trade and Investment Office in Hong Kong, the company subsequently announced their acquisition of the Vancouver assets of Park N'Fly.

DEVELOPING STRATEGIC PARTNERSHIPS

- The BCSRA witnessed the signing of an agreement between China Eastern Flight Training Center and Pelesys Learning Systems of Richmond on using the latter's courseware for pilot training at China Eastern's facilities. The occasion provided an opportunity to discuss continued collaboration between BC's aerospace industry and China Eastern.

Additional Highlights:

1. FOSTERING AND STRENGTHENING GOVERNMENT-TO-GOVERNMENT RELATIONS.

- The BCSRA supported BC Minister of International Trade Teresa Wat during a bilateral meeting with the Vice Governor of Gyeonggi Province, BC's sister province in South Korea.
- The BCSRA supported BC Forest Lands and Natural Resource Operations Minister Thompson in a meeting with the Chinese Ministry

of Housing and Urban-Rural Development (MOHURD) on renewing a cooperation agreement on wood frame construction.

- The BCSRA supported BC Agriculture Minister Norm Letnick during meetings with the Jiangsu Provincial Government in order to raise the profile of BC agrifoods products and create new opportunities for BC exporters in this important East China province.
- The BCSRA supported Advanced Education Minister Andrew Wilkinson during meetings with the Beijing Municipal Education Commission, the Chinese Service Center for Scholarly Exchange and the China Scholarship Council to promote further expansion of bilateral cooperation and exchange in education between BC and China.
- The BCSRA supported the UBC China Council during meetings with the Zhejiang Provincial Government focused on developing further ties between UBC and Zhejiang on international education and advanced technology cooperation.
- The BCSRA met with the Pudong Vice Governor and participated in a roundtable hosted by BC Forest Investment Innovation (BCFII) and the Shanghai Pudong Ministry of Construction to promote wood-frame construction.
- The BCSRA met with the mayor of Foshan City in Guangdong Province in support of a BC clean energy company's bid for a major urban infrastructure project.
- The BCSRA met with the Governor of Sichuan province and attended a business event with major corporate investors to explore new opportunities for collaboration with Sichuan Province.
- The BCSRA held meetings with trade and investment promotion officials from Sichuan and Guangdong Provinces and Chongqing Municipality to advance economic partnership agreements with BC.
- The BCSRA met with the Governor of Gyeonggi Province to advance sister-province relations to promote BC forestry products and provide an update on LNG projects in BC.
- The BCSRA met with senior officials within South Korea's Ministry of Foreign Affairs to discuss opportunities to strengthen trade relations and promoted BC's clean energy sector.
- The BCSRA met with the Shanghai Municipal Commission of Economy and Informatization to sign an action plan and discuss opportunities for future cooperation between BC and Shanghai industry.
- In Tokyo, the BCSRA conducted meetings with the Ministries of Foreign Affairs and Economy, Trade and Industry to promote investment in LNG and to expand trade and investment relations in other sectors. to promote government relations.
- The BCSRA met with the Department of Industry within the Chinese

National Development and Reform Commission (NDRC) on two occasions to promote bilateral cooperation in the BC mining sector.

- The BCSRA met with the Center for Environmental Education and Communication of the Chinese Ministry of Environmental Protection to outline BC's experience in reducing carbon emissions and to discuss opportunities for educational and commercial cooperation.
- The BCSRA met with the vice mayor of Ningbo in Zhejiang Province, China to promote market access for BC's agrifoods and forestry sectors.
- The BCSRA has built relations with high-level retired and active Chinese officials and discussed opportunities to work together to promote BC-China trade and investment ties.
- The BCSRA met on several occasions with Canada's ambassador to China to coordinate efforts to advance BC's trade and investment interests in the Chinese market, including in natural resources, technology, and agrifood sectors.

2. REPRESENTING AND PROMOTING THE PROVINCE AT KEY EVENTS AND ACTIVITIES.

- The BCSRA delivered the keynote address at an Invest in Canada seminar at the Chinese Enterprises Outbound Investment Conference and met with representatives of the Canada-China Business Council.
- The BCSRA represented the Province at a major promotional event organized by Destination BC and Aboriginal Tourism BC in Shanghai promoting BC tourism.
- The BCSRA participated in a special event at the residence of the Canadian ambassador in Tokyo and met with prominent members of the Japanese business community with ties to BC.
- The BCSRA met with the vice president of Ningbo Port Co. in Zhejiang Province in order to gain insights into its cooperation agreement with the Port of Prince Rupert and to identify opportunities to expand bilateral trade.
- The BCSRA delivered remarks on BC policies toward environment and sustainability at an event held at the Canadian Embassy in Beijing which also featured Teck Resources CEO Donald Lindsay.
- The BCSRA delivered remarks at the opening reception for the new BC Trade and Investment Office in Beijing to an audience of businesses and government stakeholders.
- The BCSRA made remarks at BC Alumni networking events organized by the BC Council for International Education in Beijing and Shanghai.
- The BCSRA delivered the keynote speech during a panel session on Opportunities in Natural Gas, Shale and LNG at the 10th Annual

Canada-China Energy & Environment Forum in Beijing.

- The BCSRA participated in an Asia Pacific Economic Cooperation (APEC) session in Beijing that was also attended by Canadian Prime Minister Stephen Harper and federal ministers Gerry Ritz, John Baird and Ed Fast.
- The BCSRA participated at an LNG Producer- Consumer Conference in Tokyo organized by the Japan Ministry of Economy Trade and Industry. During the visit, the BCSRA also participated in a Canada-Japan Dialogue organized by the Canadian Chamber of Commerce (CCC) and the Japan Chamber of Commerce & Industry (JCCI).
- The BCSRA made remarks during “A Taste of BC” events in Beijing, Shanghai, Guangzhou and Hong Kong, organized by Destination BC, the Vancouver Airport Authority and the BC Wine Institute, aimed at promoting the Province’s agrifoods products, wine and tourism industry.

3. BUILDING RELATIONS WITH KEY COMPANIES INTERESTED IN INVESTING IN BC.

- Along with the Vice President of AdvantageBC, the BCSRA participated in meetings with senior representatives of four Chinese banks to discuss Vancouver as a location for their core operations in North America and the establishment of an RMB settlement centre.
- The BCSRA met with major Japanese companies including ANA, Nippon Cable, Chubu Electric and others in Tokyo, Kasugai, and Nagoya to discuss tourism, LNG and resort development in BC.
- The BCSRA discussed LNG in BC and the advantages of building with wood with R&F, one of China’s 10 largest construction companies.
- The BCSRA met with Daewoo International and Korea Zinc to discuss opportunities to invest in BC’s mining sector.
- Also in South Korea, the BCSRA supported Minister Wat during key corporate calls with existing and prospective investors including POSCO, KOGAS, GS Global and Daewoo E&C.
- The BCSRA met with executives of the Qinhuangdao Special Economic Zone in Hebei Province, China to discuss their ongoing operations to develop an industrial park in Terrace, BC.
- The BCSRA supported Minister Thompson during meetings with Paper Excellence regarding its operations in BC.
- The BCSRA met with JOGMEC in Tokyo to discuss BC’s recently announced LNG tax framework.
- The BCSRA accompanied BC Finance Minister Mike DeJong on the occasion of the announcement in Hong Kong of a second bond in the Chinese renminbi (CNH) market, raising RMB 3 billion. He also participated in meetings with the Hong Kong Stock Exchange, the Hong

Kong Monetary Authority as well as with key Hong Kong investors who participated in BC's RMB Bond issue.

- The BCSRA met with the Bank of China to discuss the establishment of an RMB settlement centre in Canada and to identify opportunities for further cooperation with BC.
- The BCSRA met with Beijing Hanhai Investment Group to discuss their interest in investing in BC.
- The BCSRA met with Beijing Gas Group and China Huadian Corporation to discuss LNG investment opportunities in BC.

4. DEVELOPING STRATEGIC PARTNERSHIPS WITH BC'S BUSINESS STAKEHOLDERS.

- The BCSRA met with representatives of Destination BC, Canada Wood, BC Wood, and the Canadian Chamber of Commerce in Seoul in order to discuss areas where his mandate can support the activities of these organizations in the Korean market.
- The BCSRA met with the Port of Vancouver's chief representative in Beijing in order to gain insights into trade flows between BC and China and how the Special Representative can advance these flows.
- The BCSRA met with representatives from Beijing University's green building program in order to promote BC's technological capabilities in this sector, both at UBC and within the private sector.
- The BCSRA met with representatives of BC offshore schools in China in order to gain insights into their performance challenges and interests in the China market
- The BCSRA worked with BC Forest Investment Innovation (BC FII) to prepare for Minister Thompson's trip to China in the fall of 2014 and to secure high-value meetings with Chinese counterparts.
- The BCSRA met with senior representatives of the BC Cattleman's Association to learn about their objectives in Asia and identify market access issues where his office can support.
- The BCSRA met with the BC-born secretary general of the European Chamber of Commerce in Beijing to discuss opportunities in the Chinese market and challenges faced by foreign companies.
- The BCSRA discussed opportunities for BC's educational institutions in the evolving Chinese market during a roundtable in Beijing organized by the BC Council for International Education.
- The BCSRA met with Grand Chief Edward John to discuss opportunities for First Nations to benefit from investment relations with China.
- The BCSRA had several meetings with Federal Minister of Agriculture

Gerry Ritz to discuss opportunities to promote Canadian agrifood exports to China.

- The BCSRA met with Chinese private sector executives in Beijing to discuss investment opportunities in BC and the advantages of doing business in the Province.
- The BCSRA met with Partnerships BC, Surrey Fraser Docks, Port Metro Vancouver and the Port Alberni Port Authority as well as Vancouver Airport in order to discuss opportunities to expand exports and attract investment from Asia and the role of BCSRA in supporting these business objectives.

5. MEETING WITH EXPORTERS AND EXPORT-READY COMPANIES.

- The BCSRA led a round-table discussion event in Guangzhou with BC industry stakeholders that are active in China to hear their feedback regarding opportunities and challenges in the Chinese market.
- The BCSRA supported Minister Wat in meetings with BC forestry executives to learn about their priorities for expansion in Asia and how the role of the Special Representative can support their activities.
- The BCSRA participated in a roundtable with 30 representatives of the Province's leading forestry companies during Minister Thompson's mission to China.
- The BCSRA met with Viking Air to discuss its business interests in China. He also met with Cascade Aerospace to discuss priorities in Asia and opportunities for the BC Government to support them.
- The BCSRA met with Ballard Power to discuss opportunities in the Chinese market for fuel cell technology.
- The BCSRA met with a wide range of BC-based clean tech companies in order to discuss opportunities and challenges in Asian markets, their future plans and how the Special Representative and BC's Trade and Investment Representative network can assist their efforts.
- The BCSRA met with representatives of BC-based mining companies that were in Hong Kong for the Canada Resources Forum and Mines & Money.
- The BCSRA met with representatives of BC-based film and entertainment production companies that were in attendance at Hong Kong FilmArt.