



ECFA Newsletter

www.europeanchinafriendshipassociation.nl

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Preface

Dear members,

In this issue you can read about current affairs in and about China. Our website has been updated by the company of our partner, DIMITRI WOEL, which is an independent operator, but is capable of working for governments and big companies. (currently ENNIA).

The board of directors will be renewed to provide new impulses to the ECFA. More on this matter can be found on our website. If you are looking for a volunteer job, please write us a letter. Tell us what kind of job you would like.

ECFA regularly receives requests from China, on one hand looking to couple twin cities (the last request was from the city of Zhangye) and on the other hand to look for innovative technical developments and help them to enter the Chinese market. So we must now go in search of high-quality metal companies that have a location search in China to make their products or we must start a joint venture to enter into the Chinese market with a Chinese company.

We found Mr. Boudewijn Poldermans, who prepared this on behalf of the ECFA to do so on the basis of a win-win agreement. A man who has already had 40 years of experience. In both China and the Netherlands he is known as a reliable partner.

The annual ECFA-trip to BEIJING is on October 20th. The ECFA is happy to announce a tour next year, **including a cruise** down the Jiang Tse Kiang river, offered to all members. These are cost price trips including international tickets! Only birds fly cheaper! In preparation for a business trip to China, we have organised a conference on Monday the 26th of November at 19:00: Doing Business with China. MKB- members in Amsterdam are invited.

See all of you soon!

Roy Ho Ten Soeng
Chairman ECFA





Celebrating China's 70th Birthday in 2019

All members of the ECFA have the opportunity to celebrate 70th birthday of China in Beijing on the 1st of October 2019. The price is ONLY € 995,- per person including ticket, hotel, breakfast and excursions. Only the ECFA has such an offer available. There is only space for 30 people! Sign up is on a first come, first serve basis. Sign up by sending us a copy of your passport and confirm your application by making a deposit of €500,- to the ECFA.

Registration is available via: hotensoeng@multiweb.nl



The ECFA during the Embassy festival on the 1st of September





Belt And Road Initiative Unique Opportunity For Ethiopia, Africa: Scholar

The China-proposed Belt and Road Initiative brings positive impetus for Ethiopia and other African countries in terms of both its financing and the geographical area it covers, an Ethiopian scholar said on Thursday.

Costantinos Bt. Costantinos, who served as an economic advisor to the African Union (AU) and the United Nations Economic Commission for Africa (ECA), told Xinhua on Thursday that "more than any other nation in Africa, Ethiopia is the first beneficiary of the initiative through the Addis Ababa-Djibouti rail link."

The scholar said that the initiative has emphasized infrastructure projects such as railways, highways, and airways, adding that it has brought various opportunities for Africa's infrastructure development over the past few years.

Costantinos, also professor of public policy at the Addis Ababa University in Ethiopia, further lauded the initiative for its target to economically integrate the countries through connectivity projects.

The expert also indicated that, in order to further strengthen the Belt and Road initiative's potential for African countries' development, the upcoming Beijing Summit of the Forum on China-Africa Cooperation (FOCAC) must include various key factors.

According to him, such factors include industrial and agricultural technology and knowledge transfer initiatives for structural transformation in Africa, as well as how African countries can better utilize natural resources for the continent's development.

He also advised the pan African bloc, the African Union (AU), to use the upcoming FOCAC Summit to assemble the resolve to streamline business relations with China, so as to assist its member countries' development.

Ethiopia - as one of the countries cooperating with China in the implementation of the initiative - had in fact years ago accomplished the 500-million-dollar Addis Ababa-Adama expressway that has become the first expressway in Ethiopia and East Africa.

The 85-km expressway, which was inaugurated in May 2014, was funded partly by the Export-Import Bank of China and built by China Communications Construction Company using Chinese technology and standards.

Speaking to Xinhua, Meles Alem, Spokesperson of the Ethiopian Ministry of Foreign Affairs, also affirmed last week the east African country's strong commitment to further strengthen engagement with China, mainly with the help of the upcoming FOCAC summit, which he said "will be a good showcase of the South-South Cooperation."

Alem emphasized that the upcoming FOCAC summit comes at a time of rapidly growing economic, political and educational ties between the African continent and China.





On September the 5th - in the late afternoon- a seminar has been organized with representatives of the city of DEZHOU in China as guests of the ONE BELT ONE ROAD organization, to focus on the area of the Technological developments in various fields.

The ECFA has been there with the company ALLROUNDV in the field of agriculture innovations. Also representatives of air filtration systems and water purification were present. DEZHOU signed agreements with the ONE BELT ONE ROAD ORGANISATION AND invite the ECFA too for a visit in this city.





China To Lift 30 Million More People Out Of Poverty

China will lift an additional 30 million people out of poverty in the next three years as part of its efforts to eradicate poverty by 2020, a latest guideline read.

Experts said a harsh natural environment and lack of awareness among rural people to "help themselves" are the biggest challenges.

China released a guideline on Sunday on winning the battle against poverty. It is an arduous task to lift an additional 30 million people out of poverty in the next three years, said the guideline released by the Communist Party of China Central Committee and the State Council, China's cabinet.

The guideline reiterated the country's target of lifting all rural poor and impoverished counties out of poverty and eliminating absolute poverty by 2020 to build a moderately prosperous society, the Xinhua News Agency reported on Sunday.

Poor people should be guaranteed food and clothing, and children from poor families should be guaranteed the nine-year compulsory education. And their basic medical needs and living conditions should also be guaranteed, the guideline said.

The guideline explained that poverty relief work should be focused on areas where abject poverty exists, such as Southwest China's Tibet Autonomous Region, Liangshan Yi Autonomous Prefecture in Southwest China's Sichuan Province and Nujiang Lisu Autonomous Prefecture in Southwest China's Yunnan Province.

The guideline highlighted fostering distinctive industries, supporting employment, advancing relocation, ecological restoration and strengthening education. It also listed other poverty alleviation measures, including accelerating infrastructure development in poor regions, increasing fiscal and financial support, social mobilization, and strengthening and improving Party leadership in poverty reduction.

Yu Shaoxiang, an expert on social security and poverty relief legislation at the Chinese Academy of Social Sciences, told the Global Times on Monday that "it will be difficult to accomplish the task as the 30 million people live in a poor natural environment and insufficient infrastructure."

Unlike social maintenance measures, the task of poverty alleviation not only aims to provide them with subsidies but also to teach them to help themselves, Yu said.

He noted that the biggest challenge is not about how much money the central government will provide, but how to improve their awareness.

More than 68 million people have been lifted out of poverty, including 8.3 million who were relocated from inhospitable areas, with the poverty ratio dropping from 10.2 to 3.1 percent, according to this year's Government Work Report.

To make full use of the "Internet Plus" to attract greater involvement in helping the poor, the State Council set up an online platform in July 2017 named Social Participation in Poverty Alleviation and Development.

Online services have gradually played a bigger role in reducing poverty by promoting agricultural goods produced by poor





people and by bringing high-quality education closer to more children in remote mountainous regions through the internet.

"In the past two years, e-businesses in Northwest China's Xinjiang Autonomous Region have rapidly developed and many local residents have benefited from poverty relief measures with the help of internet," Huang Changhui, director of the Yuli county e-business association told the Global Times on Monday. Yuli county is 520 kilometres to the regional capital Urumqi.





China Can Overcome A Trade War

The tariff war the United States has launched against China shows no sign of abating, as the Donald Trump administration made good its threat to impose 25 percent tariff on another \$16 billion worth of Chinese imports on Thursday. Instead, since the US has threatened to slap tariffs on \$500 billion worth of Chinese goods, or on almost all Chinese imports, the trade conflict seems set to intensify.

Thanks to its national strength and moral righteousness, as well as its objective assessment that the US' tariff war will have a limited impact on the Chinese economy, China is confident and capable of safeguarding the core interests of the country and its people. The trade dispute, however, will affect on three areas — foreign trade, investment (including overseas investment) and the macro-economy. But the impact is likely to be limited and manageable.

Foreign trade will feel limited impact

As for foreign trade, if the US slaps 25 percent tariff on \$50 billion of Chinese imports, the growth of China's exports to the US would decline by 3.39 percent, but its total export growth would reduce by a mere 0.75 percent. If the US imposes 10 percent tariff on \$200 billion worth of Chinese goods, China's export growth to the US would decline by 9.26 percent and overall export growth by 2.06 percent. And if the US slaps 25 percent tariff on \$200 billion of Chinese goods as it has threatened, China's export growth would drop by 18.07 percent and total export growth by 4.02 percent.

In the most extreme scenario, that is, if the US impose 25 percent tariff on all Chinese imports, China's export growth to the US would fall by 37 percent and its overall export growth by 8.24 percent.

As far as China's imports are concerned, the growth of US imports to China would drop by 9.84 percent and the total import growth by a mere 0.7 percent if China imposes 25 percent retaliatory tariff on \$50 billion worth of US goods. And the growth of US imports to China would fall by 25.75 percent and its overall import growth by 1.82 percent if China takes more countermeasures and imposes 25 percent tariff on all US imports.

It goes without saying, though, that China's exports would bear the brunt of a trade war, as Chinese exports to the US account for 22.27 percent of its total exports.

But even under the most extreme circumstance — the US imposing 25 percent tariff on all Chinese imports — China's export growth would drop by only 8.24 percent while its negative growth would be merely 0.34 percentage points, which China can jolly well withstand. After all, China's export growth was minus 16.01 percent at the height of the global financial crisis in 2009, while it was minus 2.94 percent and minus 7.73 percent in 2015 and 2016, respectively. Given that China has not only survived those extremely difficult times but also emerged stronger, it is capable of withstanding the potential battle ahead.

Influence on investment can be controlled

In terms of investment, foreign-invested enterprises in China would become the biggest victims of the Trump administration's trade policies as their products account for 43.19 percent of China's total exports and 70 of the top 100 exporting companies to the US are foreign-invested companies. Therefore, foreign companies in China would feel the acute pain of a trade war, and could lose some confidence in China's investment climate.

But until now foreign investment in China has not been affected. In fact, its actual use of foreign investment increased 4.07 percent in the first half of this year, compared with 3.99 percent last year. Moreover, the number of foreign direct investment projects approved by China has risen 96.6 percent year-on-year, a large increase from 27.8 percent in 2017.

Of course, China's investment in the US will be significantly lower as the US has threatened to put further restrictions on Chinese companies' investment in the Section 301 report. As a matter of fact, if that were to happen, Trump administration's plan to bring American enterprises back to the US and attract more





foreign investment would be jeopardized, which in turn would interfere with the US government's goal to create more jobs in America.

The reform of the US Committee on Foreign Investment that the Trump administration has pushed through might impose more restrictions on China's investment in the US in the first half of 2018 slumped more than 90 percent year-on-year to merely \$1.8 billion.

No great impact on macro-economy

At the macroeconomic level, China's GDP would reduce by only 0.398 percent even if the US slaps 40 percent tariff on all Chinese imports, which would not significantly alter China's employment outlook. It is estimated that a trade war would not greatly influence China's price level or the yuan's exchange rate as there is no reason for its long term depreciation.

More important, the Chinese government is fully capable of managing and reducing the impact of a trade war by taking the following measures.

To begin with, the government can take necessary measures to stabilize and expand exports, an area in which it has gained valuable experience.

In the first half of this year, the authorities have already announced many measures to reduce import tariffs, which are expected to take effect in the second half. Besides, the first China International Import Expo, to be held in Shanghai in November, will certainly help promote imports. And China can improve its investment environment to attract more foreign investment and diversify its overseas investment to minimize the effects of a trade war. In short, China can and will overcome a trade war with the US, although it is opposed to any trade wars.





Li: Accelerate Western Development



Premier Li Keqiang presides over a meeting of the State Council leading group for promoting western development on Aug 21, 2018

Advance infrastructure, industry upgrades for region, premier urges

number of major projects, including the Sichuan-Tibet and Chongqing-Yunnan railways, should be accelerated in the western regions of China to help prioritize economic structure and expand domestic consumption, Premier Li Keqiang said.

These projects should focus on western China's shortcomings and also be in line with national planning, Li said when presiding over a meeting of the State Council leading group for promoting western development on Tuesday.

The strategy for western development has aimed for balanced regional growth in China for about two decades. It benefits 12 provincial regions, including Chongqing, the provinces of Yunnan and Sichuan, and China's five autonomous regions, such as Tibet.

The premier said western regions have made enormous achievements in their social and economic development in the past five years. But they still need to rely on reform and

opening-up to increase development momentum and realize industrial upgrading and improvement of people's livelihoods.

The central government will offer support, and western regions should actively encourage the participation of private capital in those major projects, Li said. Some key water diversion projects in the provinces of Yunnan, Qinghai and Gansu and the Guangxi Zhuang autonomous region should be promoted, he said.

Li called for faster infrastructure construction to dispose of wastewater and trash under an innovative mechanism of investment and management to promote a new-type urbanization.

Consumption potential should be tapped by encouraging emerging online shopping and consumption in cultural and healthcare sectors, he said.

The western regions should reduce institutional costs and improve the competitiveness of their industries, targeting key issues that hamper the development of enterprises and the public welfare, Li said.





In addition, Li urged winning the battle of poverty alleviation in the west and improving public services such as education, healthcare and employment by using new means such as the internet, especially for remote and poverty-stricken areas.

The leading group was reshuffled last month, following the new lineup of the State Council, China's Cabinet, in March. The leading group has promoted the strategy of western development since 2000. Li became head of the leading group in 2013 after he assumed office.

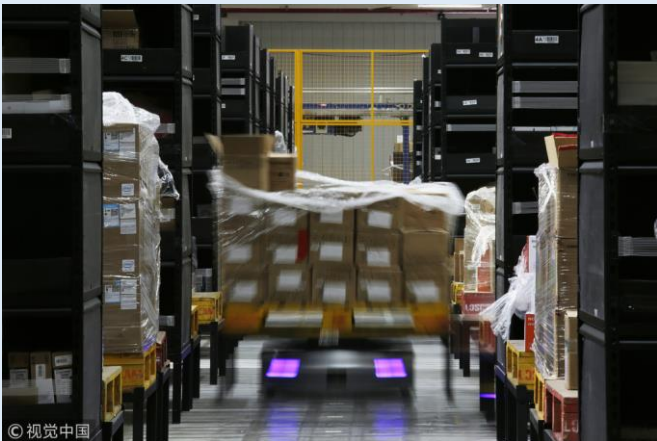




Top 10 Most Promising Fields Using Robots

The Chinese Institute of Electronics issued a report on the most promising fields using robots after the 2018 World Robot Conference kicked off in Beijing on August the 15th.

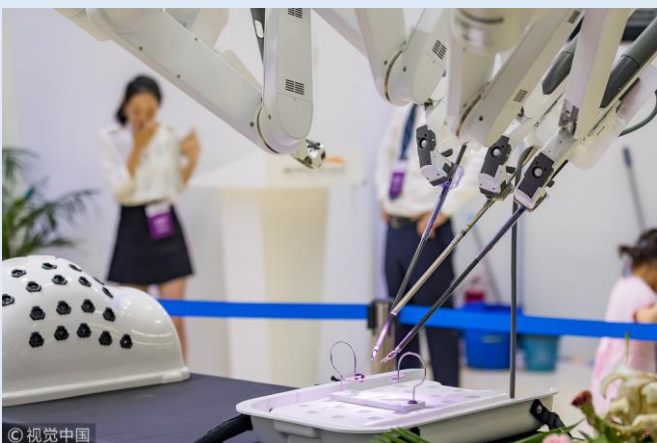
Here are the 10 fields making the best use of our robotic friends.



1. Logistics and storage



2. Manufacturing



3. Medicine



4. Companionship





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5. Indoor Delivery



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6. Cleaning



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7. Security



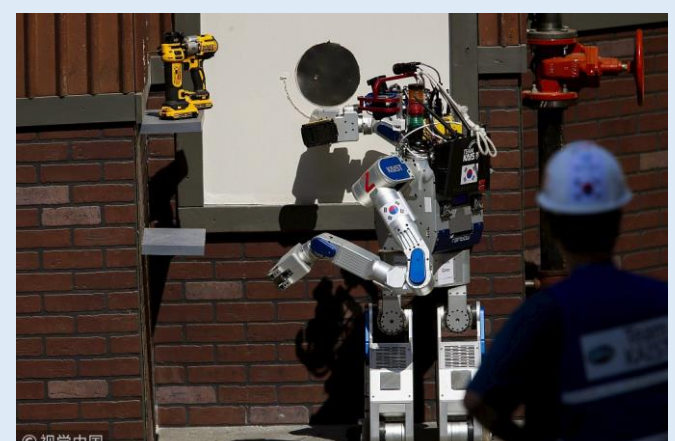
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8. Filmmaking



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9. Energy



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10. National Defense





Why Young Chinese Women Won't Be Rushed Into Marriage

To mark the festival of Qixi, also known as Chinese Valentine's Day, a veteran Beijing matchmaker describes how the landscape has shifted in the four decades he has been helping couples tie the knot

Flicking through the files he keeps on dozens of Chinese singles Zhu Fang, one of Beijing's leading matchmakers, points to an alarming trend he has noticed in recent years: he now has far more single women on his books than men.

While the men on his books usually get snapped up relatively quickly, the 74-year-old says it can be harder to women to find a suitable match. Zhu, whose flat is lined with photos of young singles, says he currently has files for 70 single women, but only 27 men.

"Finding partners is getting more difficult for these young women even though it is easier to get to meet people these days," Zhu said.

"It was easier before because people cared more about the other's moral standards and less about what they did for a living."

His observations, honed over four decades of playing Yuelao, the Chinese god of marriage, highlight the growing trend for increasingly educated and career-focused urban women to defer marriage, or not to bother at all, despite the strong social pressure to marry and have children that persists in many areas of Chinese society but alongside this trend has come an increasing stigmatisation of women in their late twenties and early thirties as "sheng nu" or leftover women, who are castigated for being too spoilt or irresponsible to settle down.

However, he warned that sometimes young singles have unrealistic expectations and are holding out for someone who is perfect in every way – for his female clients that would be the stereotype of a tall, handsome and rich man – rather than accepting some degree of imperfection.

"If you are a five-star woman, you could try to accept a four-star man," Zhu said. "It's unrealistic to expect every woman to find their perfect man."

The traditional role of the matchmaker is deep-rooted in Chinese culture and the demands for Zhu's services remain strong – he has been forced to put up a sign on his door warning prospective clients that he can only see them on Tuesday and Thursdays to avoid being overwhelmed by visitors.

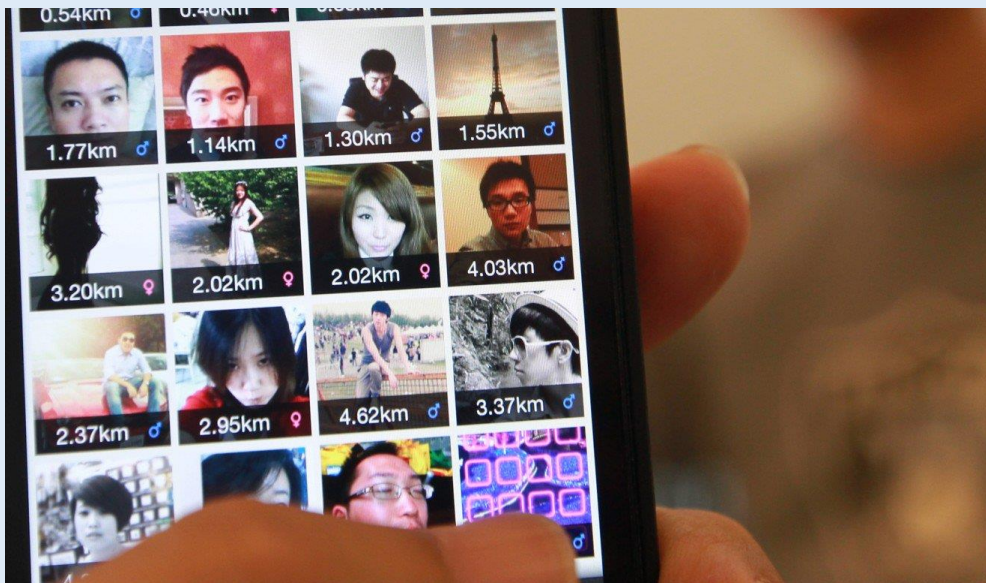
However, in recent years he has noticed that young Chinese people increasingly prefer more modern ways of finding a partner – for instance by meeting people online or going to speed-dating clubs – and the bulk of his business now comes from parents hoping to help their children find a match.

"In the 1990s single men and women came to me directly to seek help. They were sincere and more focused on getting into a relationship," Zhu recalled.

One father who declined to be named said his 36-year-old son was not that bothered about finding a partner because he had a good job and lived comfortably with the family.

"He is not anxious at all, but I am. He is too shy to talk to women and now he's used to living comfortably with us without thinking of making any changes," the father said.





When Zhu started in the matchmaking business in the 1980s he says things were very different back then. In the aftermath of the Cultural Revolution people were less concerned with social status – in fact coming from a poorer rural background could help people “avoid trouble” – and most people were most concerned with their prospective spouse’s moral values rather than their material worth.

He started when he was working as a welder and Zhu, then aged 26 was the only married man in the workshop.

One of his workmates asked if he could help him to find a girlfriend so Zhu decided to approach a young woman in a park and set her up on a date with his friend.

Soon after that he set up two acquaintances – a bus driver and a shop assistant – on a date.

Both the couples involved ended up getting married and, thanks to word of mouth, he began receiving more requests to set up couples.

An early beneficiary was Zhang Yihua, now a 65-year-old grandmother, who was introduced to her husband after she asked Zhu to find her an honest man who would be attentive at home.

He started charging for his services in the 1990s, and currently charges just 200 yuan (US\$29) – no matter how long it takes to find his clients a match. He said some of his clients still prefer the personal touch he offers and, in stark contrast to online dating profiles, ensures that all the singles on his books are who they say they are.

Zhu regularly arranges social events around the city such as a meal at a restaurant or sightseeing tour so the single men and women on his books can get to know each other better. He says he likes to help people discover what their date’s character is like because, in his view, this is far more important than looks when trying to pick a prospective spouse.

Zhu said the problem with some of clients was that they were too specific about what they wanted, citing the example of one poetry-loving young man who insisted that his other half must write poems too.





His advice for clients is that they should decide what the most important qualities in a future spouse are and then compromise in other areas to broaden the number of potential matches.

Sometimes what the parents hope for can conflict with their children's own expectations.

Liu Yu, who came to Zhu to find a suitable husband for her 32-year-old daughter, cited two men who the young woman had rejected.

"Someone who we parents believed was a good husband prospect – we knew the family well – was rejected by my daughter because he made too much noise at the dinner table, but we thought this was not very important," said the mother Liu Yu.

Her daughter also broke up with another man who had ignored her when she was feeling ill because he was busy watching a soccer match. While there is still clearly a demand for matchmakers in modern China, marriage is no longer the be-all and the end-all for some modern woman.

Liu conceded that ultimately her daughter's happiness was the most important thing – and this was not dependant on her finding a husband.

"She says she is fine now, with a good job and takes two overseas trips each year. She has some good friends, who are also single women, to hang out with. I will stop looking if she stops looking. I have my own life. I want to travel, too."

