**Embassy of India**

**Beijing**

**{Trade & Commerce Wing}**

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**CHINA-COMMERCIAL SNAPSHOT: July 18, 2016 – July 25, 2016**

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1. **External**

**High-level meeting on Intellectual Property Rights along One belt-one-road**

On July 21, high level meeting on one belt one road was held, where State Councilor Wang Yong attended the opening ceremony and delivered a speech. Wang Yong pointed out that over the years, the Chinese government has continued to implement the national intellectual property strategy, and will put in efforts to deepen the reform of key areas of intellectual property rights, to protect intellectual property rights, and vigorously promote the creation of intellectual property creation, accelerate the development of intellectual property rights.

Wang Yong said the Chinese government is willing to work with all the countries along the one belt one road, in a larger, higher level, deeper level of Intellectual Property Cooperation. ***Wang Yong proposed that, countries should improve the level of the use of intellectual property to create a full range of social innovation and entrepreneurship, strengthen intellectual property protection, jointly fight against intellectual property crimes, to build a fair competitive business environment, Establish normal cooperation mechanism, strengthen strategic coordination, legal coordination and policy docking, the establishment of a fair and reasonable international intellectual property rules.***

**China urges BRICS bank to strongly support infrastructure construction**

Chinese Vice Premier Zhang Gaoli on July 20, 2016 urged the New Development Bank (NDB) established by the BRICS nations to provide strong support to infrastructure improvement in developing countries. While addressing the annual meeting of the bank's board of directors held in Shanghai, Zhang said he hopes the bank will strive to create new financing models and attract more capital into infrastructure.

**Britain's steel city signs $1.3b investment deal with Chengdu**

Leaders of the Yorkshire city of Sheffield, famed for its steel industry, announced on July 21, 2016 a 60­year partnership with Sichuan Guodong Construction Group, one of the largest companies in China's Sichuan province. The city council officially announced the deal on its website July 21, 2016 following the return to the city of the council leader and deputy leader from a visit to Chengdu, Sheffield's sister city.

**US expands challenge to China's restraints on raw material export at WTO**

The United States on July 19, 2016 expanded its challenge at the World Trade Organization (WTO) to China's export restraints on key raw materials. It requested consultation with China on the country's export duties on chromium, as well as China's export quotas on antimony, indium, magnesia, talc and tin, said the Office of the US Trade Representative (USTR). The European Union also launched a legal challenge at the WTO to China's duty and quota requirements on the export of 11 raw materials, including graphite, cobalt, copper, lead, chromium, magnesium, talcum, tantalum, tin, antimony and indium.

**China urges EU to end old anti­dumping probe method**

China's Ministry of Commerce (MOC) has urged the European Union (EU) to terminate an old practice in anti­dumping investigations of Chinese products by the end of this year. The "surrogate system" adopted by the EU is set to expire in December, according to a protocol of the World Trade Organization (WTO) on China's accession 15 years ago, an MOC statement said on July 21, 2016.

# **Trade between China, ASEAN dips during Jan­May**

China­ASEAN trade rose to $472.16 billion in 2015 from $7.96 billion in 1991, with an annual growth rate of 18.5 percent, Vice Commerce Minister Gao Yan said at a news conference. During the Jan­May period, however, bilateral trade fell 7.1 percent year on year to $173.57 billion. The two sides are trying their best to "get bilateral­trade growth back on track as soon as possible", Gao said.

I. **Internal**

**Advisors discuss industrial upgrading in NE China**

Political advisors called for reform of State­owned enterprises (SOEs) in a high­level consultation on industrial upgrading in Northeast China's Liaoning, Jilin and Heilongjiang provinces. The conference was presided over by Yu Zhengsheng, chairman of the Chinese People's Political Consultative Conference National Committee and attended by Vice Premier Zhang Gaoli. The advisors suggested that SOE corporate governance should be overhauled, social security be improved, and overstaffed companies be downsized properly, according to a statement released after the meeting.

**China relaxes visa rules for Guangdong free trade zone**

The Ministry of Public Security has promised a series of favorable policies for skilled foreign workers in the pilot free trade zone in South China's Guangdong province. Among the 16 measures are simplified permanent residence application procedures and fast­track approvals for skilled foreign workers in the zone, support for foreign students' start­ups, accelerated visas and residency application channels for overseas Chinese and lower thresholds for investors in the zone to apply for permanent residency, according to a ministry statement released on July 19, 2016.

**China unveils plan to boost rail network**

The top economic planner issued China's latest national railway plan July 20, 2016, with the target to operate a 175,000 km rail network by 2025. China expects to have 38,000 km of high speed railway (HSR) by 2025, according to the plan issued by the National Development and Reform Commission (NDRC). By 2020, China will have a 150,000 km railway network, of which about 30,000 km will be HSR, covering over 80 percent of major cities nationwide, said the NDRC.

III. **Industry and Companies**

**Regulators warn Vanke, Baoneng**

China's securities and insurance regulators both urged China Vanke Co Ltd's management team and its major shareholder Baoneng Group to resolve the disagreement in an effective and immediate way. "We condemn Vanke's related shareholder and the management team and hope that the two sides will take immediate and effective measures to solve the problem based on laws and regulations," said Deng Ge, a spokesman of the CSRC.

**Samsung pays $449m for stake in BYD**

Samsung Electronics Co Ltd bought a 3 billion yuan ($449 million) stake in Chinese electric­car maker BYD Co Ltd, which is backed by US billionaire investor Warren Buffett's Berkshire Hathaway Inc. Shanghai Samsung Semiconductor purchased 52.26 million BYD shares at 57.4 yuan a share in a private placement that raised 14.5 billion yuan in total.The investment gives the South Korean group a 1.92 percent stake in BYD, making it the ninth biggest investor in the company.

**General Motors 2Q profit sets record**

General Motors (GM) announced on July 21, 2016 that it earned $2.87 billion in profits in the second quarter of this year, more than doubling its earnings in the same period of last year and setting a post­bankruptcy record. Earnings per share of the US automaker came to $1.81, up significantly from the 67 cents a share earned a year ago. As a result, GM has raised its earnings per share expectations for the full year to $5.5 to $6 per share, up from the $5.25 to $5.75 range a share given at the beginning of 2016.

# **China's Dalian Wanda joins Fortune 500, says film, sports revenue to triple**

# China's Dalian Wanda Group said revenue from its cultural division will triple to 150 billion yuan ($22.44 billion) by 2020 as the property developer continues its investments in film, entertainment and sports. According to this year's Fortune 500 list, which was released on July 20, 2016, Wanda made debut on the list and ranked 385 among the world's largest companies.

# **China Film plans $611m Initial Public Offering**

# China Film Co, the nation's largest movie distributor, is planning a 4.09 billion yuan ($611 million) initial public offering in what would be the biggest IPO in the country's entertainment industry. The unit of State­owned China Film Group Corp plans to offer as many as 467 million shares to be listed on the Shanghai Stock Exchange, according to a filing on July 20, 2016.

**Midea increases stake in auto supplier**

Midea Group Co Ltd, China's biggest home appliances maker, has acquired an additional 72.18 percent of shares in Kuka AG, a leading global supplier of intelligent automation solutions, the Chinese company announced on July 20, 2016. The increased shares were tendered on July 15, after the end of the acceptance period for a voluntary public takeover offer from Midea's subsidiary MECCA International Limited, for all Kuka shares.

**Baidu under investigation for advertising gambling**

Chinese search engine giant Baidu is being investigated for allegedly advertising gambling websites, the Cyberspace Administration of China (CAC) confirmed June 19, 2016. The CAC Beijing branch is responsible for the probe, said a spokesperson of the CAC, the country's cyberspace regulator.

IV. **Statistics and Figures**

**Outstanding loans to small businesses up 15.5%**

Outstanding loans by Chinese financial institutions to small and micro businesses stood at 19.31 trillion yuan ($2.8 trillion) by the end of June, up 15.5 percent year on year, central bank data showed on 21 June, 2016. With authorities encouraging loans to small and micro businesses to help shore up the economy, the growth rate of such loans exceeded the growth rate of loans to big­ and mid­sized enterprises by 4.6 and 8.2 percentage points, respectively, said the People's Bank of China (PBOC).

**China's H1 tax revenue up 9.4%**

China collected 6.5 trillion yuan ($985 billion) in taxes in the first half of 2016, up 9.4 percent year on year, data from the State Administration of Taxation (SAT) showed on July 20, 2016. Taxes collected from tertiary industry rose 10.9 percent year on year, accounting for 58.2 percent of the total, said the SAT.

**China SOE profits post milder decline**

Combined profits of China's State­owned enterprises reached 1.13 trillion yuan ($169 billion) in the first half of this year, down 8.5 from one year earlier, official data showed. The pace of decline decelerated from a 9.6 percent slump in the first five months, according to the Ministry of Finance.

# **China's start-up board turnover rises mildly**

Total turnover on the National Equities Exchange and Quotations (NEEQ), an over-the-counter market for Chinese startup companies to raise funds, gained mildly in the past week(July 18 to July 22). From July 18 to 22, transaction volume on the NEEQ increased 1.46 percent from the previous week to 2.59 billion yuan (around 390 million U.S. dollars).

**(J.Rocheus Sukanya)**

**Third Secretary (LT)**

**26.7.2016**