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AmCham China Leadership

AmCham China’s success is rooted in the vision, hard work, and dedication of its members. Through their efforts, these volunteer leaders make it possible to provide the information and intelligence, business services, networking opportunities, and events that benefit all members and the advocacy initiatives that help shape the business environment in China. At AmCham China’s national level, the chairman, two vice chairs, and 10 governors comprise the organization’s Board of Governors. Additionally, AmCham China’s three Chapters each have their own local executive committee to ensure they are responsive to the needs of local AmCham China members.

AmCham China Board of Governors

<table>
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<tr>
<th>CHAIRMAN</th>
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The AmCham China Corporate Partner Program provides exclusive visibility in chamber activities and communications across our numerous platforms. The current partners are:
We are fast approaching the most momentous US Presidential Election in memory, and one in which the US-China relationship sits squarely at the center. It is natural to think about what lies in wait around the corner in a year that has already thrown up too many surprises.

AmCham China is an independent, non-governmental organization focused on commerce – we don’t engage in political matters. Instead, we stick resolutely to our area of expertise – commerce, which has long been the foundation for US-China relations and, as such, can hopefully rebuild trust and hope between our two great nations.

There are very significant areas of contention in the US-China relationship, some of which appear to have no near-term prospect for reconciliation. Let us define those areas, put them aside, and focus on what remains. Next, let us choose a few areas of global benefit to humankind and demonstrate an ability to work together in these areas. Better public health, broad wellness initiatives, environmental protection, and more are all issues on which we have broad agreement and where there remains significant opportunity for cooperation.

These challenges can provide learning and opportunity for all of us. Companies involved in these efforts will gain experience, insight, product development, and data that can be applied both to further domestic China initiatives and inform efforts that could be expanded to additional global markets.

These ideas are some of the guiding principles for AmCham China’s Social Impact Initiative (SII), which we launched earlier this year. Focused on the twin tracks of public health reform and the revitalization of small- and medium-sized enterprises in light of the pandemic’s devastating impact, the SII’s aim is to bring together decision makers and industry leaders to develop public-private partnerships that address pressing social issues, and you can read more on pages 40-41.

In pursuit of efforts like these, I have convened member meetings on several occasions with China’s preeminent infectious disease expert Prof. Zhang Wenhong, with a view to exploring a platform for broader US-China cooperation in public health and welfare coupled with social responsibility initiatives. Many elements of our membership could benefit from this platform, certainly including healthcare, technology, services, systems tech, and specialty manufacturing.

The benefits that bilateral trade and cooperation brings to the United States are many and varied. Its economy, innovation, practices, competitiveness, corporate revenues, and employment all benefit from American corporate involvement in China. Much of the benefits of US-China engagement have become obscured in the wars of words both between the two countries and between the two political parties in Washington’s politicized environment.

All attention in the short term remains on the US Presidential Election and the consequent implications for the bilateral relationship (previewed by Ambassador Max Baucus on pages 24-27). But, irrespective of what happens in November, let us concentrate on longer term goals. Let us use our commercial expertise to see where the US and China can best work together, and stay focused on cooperation, not division.

Greg Gilligan
AmCham China Chairman
After months of advocacy efforts from across the Chamber, AmCham China successfully organized a Charter Flight from San Francisco to Beijing, returning members who had been stranded outside of the country back to their homes in China.


Far Left: Flight Ambassador Colm Rafferty onboard with the United Airlines crew.

Left: The goodie bags prepared for each passenger in quarantine.

Photos courtesy of AmCham China
AmCham China made history on Sunday September 13, 2020, as the Chamber’s Back to Work Charter Flight became the first such flight from the US to fly directly into Beijing since the pandemic began, as well as the first multi-company charter flight from any country to fly directly into the capital. 87 passengers made the trip from San Francisco to Beijing. The charter flight – a United Airlines Boeing 787-9 aircraft – was months in the making since China first effectively closed its borders to foreign nationals at the end of March. Since that moment, the Chamber led extensive efforts to bring member executives and their families back to China, first through surveying the wider membership to find out where the most members were located, and then through lengthy negotiations with key stakeholders, most notably the Beijing government, who gave the green light for this charter flight at the end of August.

“We are thrilled to support so many members’ journey back to China, so that they can resume their work and lives here,” commented AmCham China President Alan Beebe. “This charter is the culmination of tireless efforts from across the Chamber and our partners, not least the many productive meetings with Chinese government officials at which we continually stressed the importance of getting our members and their families back home to in China, as well as the major efforts from many of our staff in overcoming the immense challenges to make this flight a reality. We are also proud that the Beijing government chose our flight as the first charter to fly directly into the capital.”

The passengers, who ranged in age from 0 to 81, posed to take a group photo at the boarding gate in San Francisco International Airport, before taking off shortly after 9am local time on Saturday September 12 for an 10.5-hour flight to Narita International Airport to allow for a planned crew change. The passengers stayed on board in Tokyo, before the same aircraft completed the final leg of the journey, arriving into Beijing International Capital Airport at 3:09pm on Sunday September 13. WiFi was provided complimentary by United for the duration of the flight to all passengers, who were all either AmCham China members or their extended families.

“I want to thank AmCham China for choosing United to be their partner for this special project,” said Nancy Lyu, Northern China Regional Sales Director at United Airlines. “This was our first passenger flight to land at Beijing airport in seven months. It was a tremendous amount of work, and we were very proud to be part of it. We started the preparation in early June, hosting several conference calls and webinars to introduce the project to AmCham China members. From ensuring the aircraft was available, and handling crew issues, to fulfilling government testing requirements, and coping with delayed visas, it was like a giant jigsaw puzzle – even one little piece could have resulted in the charter’s cancelation. Finally, our airport operations team worked with the authorities at Beijing airport to ensure the landing process was very smooth, and all the passengers left the airport within two hours.”

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**Passenger Testimonials**

I am beside myself with emotion right now. 48 hours ago, we were still hoping and praying that we would get on this flight. Thank you, thank you, thank you from the happy couple in row 19! :)

Thank you, AmCham China team! We recognize an incredible amount of work went in to make this happen.

Can’t agree more! Thank you AmCham China! You have no idea what it means to the business at this special time of being! We really appreciate you organizing this charter flight!

Thank you, AmCham team, for turning impossibility into reality. I thought my earliest time to be back would be after the Chinese New Year.

I still cannot believe – and frankly I’m amazed – that I was able to make my way back to Beijing to reunite with my staff and get ready for the new school year. The AmCham China team has done a terrific job. It was almost Mission Impossible to not only help us secure a return visa, but also to arrange for the Charter Flight and take care of our quarantine while in a Beijing hotel, working tirelessly across time zones, dealing with local government authorities, travel agencies, the airline, and so on. The team has been truly amazing, incredible, and I really appreciate your help. Thank you Breeze, Mark, Sijie, Zhou Yue, and everybody involved. Thank you AmCham China!
After successfully completing their health checks and smoothly passing through an efficient customs and arrival process, the passengers were transported in seven buses, and provided with a police escort, to a designated hotel in Beijing, where they spent two weeks in quarantine, as mandated by Beijing government rules. The Beijing government confirmed that all passengers tested negative for COVID-19 on arrival. Each passenger received a goodie bag, containing gifts from AmCham China, Coca-Cola, Mars, and Oasis Hospital.

AmCham China’s Back to Work Charter Flight was the result of months of planning, which began with four monthly Flash Surveys on the business impact of COVID-19, which repeatedly emphasized that global travel restrictions were a key challenge among member companies. Further surveys painted a picture of Chamber members stranded all around the world – not just in the US – and of those in the US, members were spread out across the country. Based on that data, San Francisco was then selected as the departure city, and a date was confirmed. Since that point, the Chamber stayed active in completing numerous logistical challenges, as well as facilitating the visa process for several passengers through coordination with various Chinese Embassies and Consulates.

Additionally, the Chamber submitted a letter to several key Chinese ministries in April advocating for the safe return of executives, and helped close to 80 members successfully receive invitation letters, known as PU letters, in the first wave of issuance in July. The Chamber also circulated guidance among its members as to how to apply for PU letters, which were necessary for foreign nationals to apply for a re-entry visa, and had continually lobbied the government for the importance of allowing crucial support staff, such as teachers, to return to China, alongside company executives. With this important milestone now completed, the Chamber hopes all remaining members still outside the country can return to China as soon as possible.

One member who was on the charter flight, Joseph Lemire, runs a chain of gyms in Hainan and is an avid runner. During the quarantine period, he achieved a fairly remarkable feat, as he writes below.

My HR Director, Cindy Liu, had ordered a bigger room at the Yitel Hotel – the designated quarantine hotel for all charter flight passengers in Beijing. I was Room #439, which is a two-room suite, therefore the space allowed for me to mark off a 65-meter running track in the room.

Accordingly, each day over the two weeks of quarantine, I ran on what I called the “Yitel Hotel Quarantine Running Track” as follows:

<table>
<thead>
<tr>
<th>Distance</th>
<th>Description</th>
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<tbody>
<tr>
<td>11</td>
<td>Half Marathons (13.1 miles / 21.1 kms)</td>
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<tr>
<td>3</td>
<td>Full Marathons (26.2 m / 42.2 kms)</td>
</tr>
<tr>
<td>1</td>
<td>Super Marathon (39.3 m / 63.3 kms)</td>
</tr>
</tbody>
</table>

That was a total of approximately 260 miles (or 420 kilometers) over the 14 days we were in quarantine. I chose September 25 to run the Super Marathon, because it was my birthday!

I am a marathon runner, and also own the Mojo Fitness Clubs in Hainan, so it could not have worked out better. There was also space to set up a weight room with “water weights” – normal barbells that you fill with water when you travel – in one of the rooms, which allowed me to continue my weight lifting on alternate days.

However, I want to thank your team for creating this opportunity. What AmCham China did was amazing in such a short time – from the informational webinar on June 11 to the charter flight itself on September 12 getting us all back home. That is the real story!
2020 is destined to be a year like no other. The pandemic has inevitably changed our world, and has had a huge impact on everyone, including customers, our partners, and even our employees. From the market's perspective, unprecedented challenges have pushed the world into a new era. Digital transformation at the enterprise level is facing huge challenges, and the pandemic has only accelerated the process. The importance of technology and innovation is clearer than ever before, not only for industries such as healthcare, retail, and education, but also for organizations across all verticals, including governments. At HPE, we have always been at the forefront of using technology and innovation to drive digital transformation.

The lingering impact of the pandemic is causing rapid and dramatic changes in today's business environment and human behavior. According to data released by the World Economic Forum's CEO Leaders Working Group, which is led by HPE CEO Antonio Neri, the size of the global telemedicine market is estimated to be growing at an annual rate of 20% by 2024. Meanwhile, by 2023, China's online education market is expected to have grown more than three times compared to 2019, and be worth nearly 100 billion US dollars. For consumers, employees, and business partners, the change in daily behavior is also apparent. Since the outbreak, internet use has increased by 70%; more than 25% of

Michael Zhu is Global Vice President and Managing Director of China for Hewlett Packard Enterprise. In this role, he leads the HPE country management teams, representing HPE's China entities with overall responsibility of country P&L. Prior to his current role, he served as Vice President of Product Marketing at Western Digital China leading the strategy and execution of its regional business functions of product marketing and go-to-market operations.

Zhu has previously held various global leadership roles over a decade at HP and 3Com leading global product management teams, managing corporate strategic alliances, and industry ecosystems. His global corporate experiences also include driving M&A and start-up investment initiatives for corporate development and managing post joint venture Go-to-market integrations. He holds a Bachelor of Science in Industrial Engineering from Beihang University in China and earned an MBA from Carnegie Mellon University in the US.
consumers use mobile devices to shop at least once a week; and 48% of employees have adopted remote work methods, compared to only 30% before the outbreak.

Reflect, Reimagine, and Realign

Long before the pandemic, companies had already begun to accelerate the move toward digital technology to transform their businesses and services. But the pandemic has brought this “future” that has long been talked about to the fore. The worry of failing to keep up with the times is more relevant than ever before. We need to keep track of the new measures we need to implement so that this crisis will not be in vain. It offers a rare opportunity for us to reflect, reimagine, and realign, so that we emerge out of the current situation better and stronger.

In this digital-first world, the rules for business success have changed. We are more reliant on the power of digital models to create new values and new experiences. Companies must adopt digital models to survive and compete. Digital transformation is not a new endeavor, but a lot of past attempts have failed to realize their full potential. Using Fortune 500 companies as an example, back in the mid-20th century their average life span was 75 years. Today, that average life span is 15 years. During the pandemic, society has come up with new requirements for companies to be technologically innovative; while accelerating digital transformation, companies are also required to listen to the voices of stakeholders. Successful efforts will lead to structural shifts within a company, and go beyond incremental changes to fundamentally transform a business and how it operates. In May 2020, a survey by Fortune found that about half of CEOs believed that the crisis would accelerate the pace of companies moving from a “shareholder value model” to a “stakeholder value model,” where customers, employees, partners, suppliers, and communities are all part of the value ecosystem.

There is no doubt that this pandemic is a catalyst for rapid change, yet has created challenging obstacles to the digital transformation of enterprises. Now, with a renewed purpose, before we begin the transformation journey, we have to first understand the very important context for this entire new era we are entering.

Welcome to the Age of Insight

In the recently published report Our New World 2020, venture capitalist Mary Meeker made a striking observation at the height of the pandemic. She said that we are awash in data, but lacking connectivity and insight. In today’s world, most people do not realize that 70% of applications are still outside of the public cloud, and 75% of data is generated outside of any data center and the cloud. However, due to data gravity, latency, application entanglement, and compliance issues, most applications and data are still restricted to data centers and computer rooms. Therefore, how to effectively collect data and release corresponding insights is a huge challenge for companies.

In this regard, HPE CEO Antonio Neri puts forward a new vision: “Today, we are entering the age of insight, a new era defined by insight and discovery, which will benefit and improve the well-being of everyone on Earth.”

During this age of insight, the shift to digital technologies must be structural and go beyond efficiency improvement. Companies will have to bid farewell to the model of focusing on generating and collecting data, and rather transform to derive new insights and ideas from what is collected. To achieve this, companies need to be able to gain insights from the edge to the cloud. Companies will no longer focus on where data and applications are generated and collected, but instead on whether the insights gained can provide a better decision-making experience. Digital transformation will inevitably require a universal platform that connects all solutions and architecture from the edge to the cloud. Therefore, enterprises need a platform that can connect, protect, and analyze all data so that they can act.

Digital Transformation in the Age of Insight

Digital transformation has to be structural for a company to survive and develop, but it is also a journey. It leads
“Today, we are entering the age of insight, a new era defined by insight and discovery, which will benefit and improve the well-being of everyone on Earth.”

not only to improvements in efficiency, but also to the optimization of operational processes and the transformation of business models. The pandemic has forced companies to not only redefine their operating model and value delivered to customers, but also to redefine their business model and its impact on cost and revenue structures.

Transforming your business model is essential to move to a "digital core model," which needs to be based on four important principles: adaptability, data-driven, asset-light, and services-based (ADAS). Companies must open up digital platforms and market channels instead of expanding their old models and channels.

Let’s take HPE as an example. In order to respond to changing customer needs, including operating IT in-house, using IT in an "as-a-service" form, and having daily technical support, HPE has undergone a strategic transformation since the pandemic started, becoming an edge-to-cloud, platform-as-a-service company. HPE is committed to providing an overall product portfolio through a customized, pay-per-use, and consumption-driven as-a-service product model by 2022, so that customers can freely choose based on their needs.

At the same time, HPE will continue to provide software and hardware products in the form of its original fixed-asset and licensing model, leaving the final choice to customers.

Cloud Service
Experience Everywhere

Our latest as-a-service model solution, HPE GreenLake, is designed for the age of insight. It is helping companies enhance their information-processing capabilities with unique advantages, giving them new opportunities and insights, and helping them to achieve a hybrid architecture faster, to truly unleash and utilize the value of data.

To do this, we reevaluated the entire customer experience process, enabling HPE GreenLake to create solutions with commercial value while truly combining fast and simple operations, and to present them to all companies that need IT transformation and a new generation of cloud services. No matter where the applications and data are located, this allows you to get a free experience in the cloud. In the process of acquiring cloud services, there is no need to spend extra time or effort, or bear extra costs and risks to move data and refactor applications. Companies can perform IT operations and maintenance without having to worry about deployment, purchasing, waste of resources, compliance, data security, and a whole host of other issues, thereby greatly improve financial flexibility, and freeing up human resources to further accelerate business development.

The resulting product provides a pay-per-use service experience that combines the agility and lower costs of the public cloud with the security and high performance of internal IT. It has cloud advantages such as rapid deployment, scalability, and a pay-as-you-go model. It accelerates a company’s digital transformation process, and is carried out within the controllable range of its internal environment. HPE GreenLake supports fast learning, a flexible experience, convenient procurement, fast deployment, and simple operations, enabling enterprises to have the fastest IT operations deployment, fastest value realization, and fastest speed of contributing returns in the age of insight.

As one of our fastest growing businesses, HPE GreenLake currently has a total contract value of more than four billion US dollars. It has more than 850 corporate customers worldwide and more than 700 partners participating in cooperative sales. In our Q3 financial report released in August, service orders for HPE GreenLake hit a new high, an increase of 82% over the same period last year.

In the age of insight, there are probably few industries more insight-driven than autonomous vehicles. Autonomous driving technology research requires huge levels of data storage, and the process of data collection, return, and calculation extends from the edge to the cloud. Therefore, Zenuity, a leading developer of autonomous driving under Volvo, chose HPE to provide the key artificial intelligence (AI) and high-performance computing (HPC) infrastructure required for next-generation autonomous driving systems. HPE delivered satisfactory answers in an as-a-service manner through the GreenLake solution.

Future Digital Results

Entering the age of insight, the results of future digital transformation will be revealed one by one. Different insights can be integrated with each other and existing thinking will be merged with new ideas, bringing unprecedented opportunities to global enterprises. The digital transformation now is different from before. It relies on the four basic principles contained in the "digital core model," based on a data platform that runs from the edge to the cloud, to plan the future direction of the enterprise. As a result, companies centered on shareholder value will slowly transform into a broader stakeholder value system.

In the age of insight, HPE will continue to uphold the "HP Way" spirit and help global enterprises achieve digital transformation with the new HPE GreenLake as-a-service solution, and work hand-in-hand with all sectors of society to make greater contributions to society’s progress.

Michael Zhu is Global VP and Managing Director of China for HPE, an AmCham China Chairman’s Circle member.
License to Operate: ConocoPhillips China’s Vision for Social Responsibility

Having worked for ConocoPhillips during an accomplished 34-year career, ConocoPhillips China (COPC) President Bill Arnold has served in a variety of roles across the world, with stints in multiple locations in the US, the UK, Norway, and the UAE. Now based in Beijing, Arnold brings his rich industry experience and global perspectives to the company’s extensive operations in China, which cover oil and gas exploration and production, LNG supply, and other relevant business services. In part due to his unique personal background, Arnold believes companies earn a license to operate only when they focus on serving local communities.

Learning the Importance of Community Service

Arnold grew up on a farm near Tulsa, Oklahoma. In the late 1970s, his parents became the first state-certified foster parents allowed to adopt a foster child in the state, and over a 42-year span, they fostered more than 200 children. Arnold says it was like growing up with 200 siblings because his parents were deeply committed to treating each of the foster children as their own. Foster care can be...
difficult for many children, but Arnold’s parents worked tirelessly to provide the children under their care with a safe and nurturing environment until they could find a permanent home. To this day, his foster siblings regularly bring their own families back to the farm for large reunions.

“My parents shaped my views about the importance of philanthropy, especially the importance of helping children in need,” says Arnold. “They never expected anything in return for their efforts and simply wanted to help children who had a difficult start to their lives. They are the reason why I feel a joy and a strong commitment to philanthropy.”

The lessons of his parents also shaped Arnold’s views of CSR. While many companies view CSR as an investment that can reap returns through reputational and marketing gains, government support, or talent acquisition, Arnold believes that companies should also be selfless and prioritize serving their communities.

“I am lucky to be at a company whose culture aligns with my personal values,” Arnold says. “At ConocoPhillips, we are guided by the SPIRIT Values: Safety, People, Integrity, Responsibility, Innovation, and Teamwork. We proudly serve as responsible corporate citizens in the communities where we operate.”

“We’re not doing CSR activity just to gain business value from an investment,” he adds. “We’re visitors in the places we go to explore and develop oil and natural gas. If we don’t have people’s stamp of approval, we have failed. We need to secure a license to operate from communities.”

Creating Shared Value: COPC’s CSR Strategy

An extension of ConocoPhillips’ global CSR mission, COPC aims to develop energy responsibly while creating shared value for all stakeholders in China, in line with China’s evolving sustainable development agenda and community needs.

As a committed partner in China since the early 1980s, COPC has applied this value in four focus areas: conservation, education, health, and disaster relief. COPC has built signature programs around these four themes, covering vegetation restoration, public eco-education, crane and wetland conservation, education for underprivileged children, youth innovation in oil and gas, and congenital heart disease. Since 1997, COPC has spent more than RMB 74 million on CSR initiatives through donations and programming, which has benefited countless people and families throughout China.

Light and Love

Since 2005, COPC has been supporting the Light and Love School, a private charitable school for orphaned, homeless, and migrant children in Beijing and Anhui province, helping tackle a range of challenges in the students’ daily lives and studies. In total, COPC has donated over RMB 6.5 million to the school, benefiting over 1,600 children. The first students that COPC supported have already become young adults, with some attending college. A few have even returned to the school to work as teachers.

In addition to financial support, COPC employees regularly volunteer at the school to spend time with the students, which Arnold views as a highlight of his job. COPC has hosted Christmas parties at the school for 14 consecutive years, where employees and their families visit the school to play games with the students and deliver gifts. Last summer, they visited the school to help renovate the school’s facilities, and to bring some fun and games – and smiles – to the children.

Bill Arnold is president, China for ConocoPhillips. Arnold joined Phillips Petroleum Company in Lafayette, La., in 1986. His early career involved multiple US work locations and various engineering roles for assets located offshore in the Gulf of Mexico, Texas, New Mexico, offshore California, and North Slope Alaska. He has since worked in the UK, the UAE, where he served as president of Dubai Petroleum Company, and was the general manager for Norway operations from 2015 to 2018.

Arnold earned a bachelor’s degree in petroleum engineering from the University of Tulsa. He is a registered professional engineer and a member of the Society of Petroleum Engineers (SPE). Arnold has also authored and published The Little Black Book on Safety and multiple SPE papers and has secured a US patent on a specialized well stimulation technique.
“The little ones at the Light and Love School have a special place in my heart,” says Arnold. “Our team helped install new beds in the school dormitory, and the children were so excited to have comfortable new beds. Their eyes lit up when they saw them. It was great.”

Heart for Heart

Since 2008, COPC has also cooperated with the TEDA International Cardiovascular Hospital (TICH) in Tianjin to develop the Heart for Heart Project, which funds heart surgery for children with congenital heart diseases. This disease is one of the most dangerous birth defects in China, especially in remote, high-altitude areas, but many infant patients are unable to undergo timely treatment because of poverty.

Through the project, COPC has donated more than RMB 11 million to fund treatment and surgery for more than 500 children born with congenital heart disease from across the country. In 2017, COPC also donated a screening van to TICH that tours remote areas and provides free screening, to ensure that infant patients receive timely diagnoses. Separately, COPC works with Children’s HeartLink to run the Creating Hope for Heart Project, which improves pediatric cardiac treatment capacities through overseas training for medical professionals.

“This project is so special to me. It has saved the lives of more than 500 children suffering from congenital heart disease. We are delighted to find that our CSR programs are making an enormous and measurable impact on people in need,” comments Arnold.

As with the Light and Love School project, COPC employees regularly visit TICH and other partner hospitals to spend time with children undergoing treatment, play games with them, and bring them gifts. “The smiles on the faces of the recovered children and their family members are all we need in return,” says Arnold.

Conservation and Biodiversity

COPC is also committed to nature conservation and biodiversity stewardship. Since 2000, COPC has been the exclusive sponsor of the Badaling International Friendship Forest (BIFF), a sprawling 1.3 million square meter forest near the Great Wall that absorbs 47,450 tons of carbon dioxide every year. COPC’s funding has assisted with restoring forest vegetation, as well as helping BIFF become an eco-education center for the public to learn about biodiversity in the Beijing area. Since 2012, COPC has supported the International Crane Foundation to conserve cranes and their wetland habitats in China. COPC has simultaneously cooperated with Jane Goodall’s Roots and Shoots organization to spark the interest of more young people in environmental protection.

As Arnold points out, many of the company’s CSR programs do not have a direct or clear relationship to the oil and gas industry. “We approach our programs from the perspective of truly helping people and the earth for the sake of it,” he says.

Providing Support for Disaster-Affected Communities

As a long-term partner in China, COPC views it as a responsibility to provide help and relief in the wake of disasters. Besides donations, one of ConocoPhillips’ most important efforts has been the development of a Disaster Assessment System to assist industry peers in
ensuring a quick response to future disasters that are difficult to predict.

“When the COVID-19 pandemic expanded in China, in two days we immediately decided to donate RMB 2 million to support hospitals in Hubei province,” Arnold adds. “We just think it is the right thing to do as a responsible corporate citizen in China.”

On February 8, COPC donated approximately RMB 2 million to three county-level COVID-19 treatment hospitals in Hubei province. The hospitals – located in Xishui county in Huanggang, Danjiangkou in Shiyan city, and Qianjiang – faced acute resource shortages, but were receiving relatively less public attention and charitable support. COPC’s donation allowed them to procure critical medical supplies and provide funds to support the work of front-line medical workers.

For Arnold, employee involvement is an important aspect of CSR. Shortly after the first donation, the company organized an employee donation drive with a promise to match all employee proceeds. On March 5, COPC announced a second donation of approximately RMB 140,000 to help Zhongshan Hospital in Wuhan procure PPE, half of which came from employees. “I am proud that the majority of our employees contributed donations to support coronavirus relief efforts,” Arnold says.

In addition to supporting front-line hospitals, COPC responded to the unique needs of its young friends at the Light and Love School. In late March, COPC provided food supplies to the school, which was facing a severe food shortage amid the economic and social disruptions of COVID-19.

To date, ConocoPhillips has donated more than $1.3 million (approximately RMB 9.1 million) globally for COVID-19 relief.

**Giving Back to Communities**

Having worked with ConocoPhillips and its heritage companies since 1986, Arnold says the company has a “built-in DNA” to give back to the communities where it operates. Before arriving in China, his involvement with company CSR initiatives and activities have ranged from cleaning beaches in Norway, to helping migrant workers in Dubai, to refurbishing the homes of needy families in Houston, to helping save a sick newborn baby’s life in Alaska. “The commitment to local communities permeates the entire company,” he says.

In addition to building long-term goodwill with communities, Arnold believes that ConocoPhillips’ unique approach to CSR has other benefits. Its emphasis on volunteerism gives employees an avenue for making a difference in their communities, and group volunteer outings increase employee engagement and team cohesion. “Some of my favorite moments at the company are when employees have rolled up their sleeves and done work for different groups or people. They become like teambuilding events, and they are among my fondest memories. You’re doing something good for the community and having fun at the same time. Giving back to communities, becoming a true partner of communities, is our license to operate.”
2020 has been a year of unprecedented difficulty for the airline industry as the coronavirus pandemic has brought international travel to a standstill. Passenger traffic for the year is forecast to decline 66%, according to the International Air Transport Association (IATA).

Yet for United Airlines, there are many reasons for a sanguine long-term outlook, especially when it comes to US-China routes. For one thing, air travel between the US and China, which had been completely suspended between early February and June, is gradually resuming. In July, United resumed China flights with a twice-weekly San Francisco to Shanghai service, including a stop in Seoul for a crew change. On October 21, United resumed non-stop service between San Francisco and Shanghai, operating four times a week.

“It’s really an unprecedented situation with flights being suspended for months on end,” says Walter Dias, Managing Director of Greater China and Korea – Sales for United Airlines. “And now we’re starting to see some reopening of the flights and through the regulatory bodies starting the flights back up.”

Since United is operating at roughly just 5 to 6% of 2019’s capacity between the US and China, the situation is unusually challenging. However, strong business, tourism, and cultural links between the US and China, as well as United’s longstanding presence in the China market, provide the Chicago-based airline with a strong foundation from which to build as the air travel market slowly recovers.

Prior to the pandemic, United had the largest China network in the marketplace with roughly 90 weekly flights. Those included four different gateways from Beijing into the United States, including San Francisco, Chicago, Newark/New York, and Washington DC. United was the first airline to offer the Washington connection as well as non-Tier 1 city service in China with the launch of its Chengdu-San Francisco flight in 2014.

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One bright spot for United amid the pandemic has been its cargo flights to China. United was one of the first airlines to begin operating US-China cargo charters by using passenger airplanes. There are currently 33 such cargo flights a week from the US to Beijing, Shanghai, and Chengdu. Previously, United operated no cargo-only flights.

“People don’t realize a lot of cargo travels below the seats, so all that capacity went away” as passenger demand plummeted amid the pandemic, Dias notes. “So, there
was the unique situation of cargo getting stuck in China or the US.”

“We’ve been very happy to be able to take our passenger aircrafts and convert them to cargo-only charters at this time,” Dias says. “That’s also helped the industry to lower the amount of cash burn that the airlines are experiencing.”

A ’China-centric’ Approach

United has built up its China presence over many years, beginning with a Hong Kong-Seattle flight in 1983. The airline has “a fabulous team in China with decades and decades of experience” that covers the entire country and has built robust relationships with corporate customers, travel agencies, and tourism offices in the United States, Dias says. That has helped United to develop close relationships with the US destinations that have a link to China.

Air China, United’s Star Alliance partner, is one of the US airline’s most important relations in China. United and Air China work together to develop reciprocal frequent flier program initiatives and offerings within the marketplace.

Sports-related travel from China to the US is an important niche market for United, says Nancy Lyu, the company’s Director of Sales for Beijing and North China. United and its travel agents offer itineraries that include at least one NBA or golf game (United is a PGA sponsor). Some tours are dedicated to golf. Younger Chinese are also interested in baseball and American football.

Because of Yao Ming’s success as a star player for the Houston Rockets, United saw demand for flights from China to Houston – one of United’s US hubs – pick up in the mid-2000s. “We were very close with Yao Ming when he was a Rocket, and that would drive a lot of traffic amazingly, for people to go watch basketball games,” creating new passengers and even boosting demand among current customers, Dias says.

Winter sports are another reason Chinese tourists visit the US. With Beijing hosting the 2022 Winter Olympics, more Chinese are taking an interest in skiing. China had just 5 million skiers in 2017, but hopes to see that number grow exponentially over the next decade.

Large ski resorts like Vail and Aspen in Colorado are attracting a growing number of Chinese skiers. Vail sells a season pass that is popular with Chinese skiers, says Lyu. “And also, we bring media and travel trade partners to Colorado and let them experience winter sports and share their experiences with Chinese consumers.”

At the same time, United has refined its in-flight offerings to suit the needs and tastes of Chinese customers. “We have to be China-centric when we’re operating in the China-US market,” Dias says. In practice, that includes everything from having Chinese-speaking flight attendants and Chinese-language in-flight entertainment to offering meals appetizing to a Chinese palate.

United has also developed a WeChat promotional channel to stay connected with its Chinese customers on China’s preeminent super app. WeChat has about 1.2 billion monthly active users, the vast majority in China.

Above: Walter Dias stands to the right of Chinese NBA star Yao Ming, along with other colleagues from United Airlines.

Left: A 777-300ER aircraft taking off from San Francisco International Airport for Shanghai on October 21 as the first resumed nonstop flight from the US to China after the pandemic.

Photo courtesy of United Airlines

“They do see the travel market in China being much more mobile centric than other markets. And so, you have to really pay attention to your mobile offerings,” Dias says.

Prioritizing Passenger Health and Safety

Amid the worst pandemic in a century and the first to strike in the era of modern aviation, the airline industry is investing heavily in disinfection and other disease control measures. United has been a leader among US airlines in these areas. It was the first US airline to require flight attendants to wear masks, soon following with all customers and employees. United was also among the first US carriers to announce it would refuse service to customers who did not wear a face mask. United was also the first US airline to launch touchless check-in for customers with bags, and the first to require passengers take an online health assessment before traveling.

United Airlines introduced a new policy called UnitedCleanPlus in May focused on offering an industry-leading cleanliness standard. UnitedCleanPlus represents a collaborative effort among United Airlines, top medical experts at the Cleveland Clinic and the surface disinfection brand Clorox.

“From our perspective going forward, this is an unprecedented challenge for the entire travel industry with the COVID-19 outbreak, so one of the things that we all have to do over the next 12-24 months is make people feel safe and comfortable about getting on airplanes again,” Dias says.
“As the public begins to adjust to a world that’s been altered by the COVID-19 pandemic, health and safety is of the utmost importance,” Tomislav Mihaljevic, MD, Cleveland Clinic CEO and President, said in a statement. “It’s important for everyone to take precautions as we enter this new phase of COVID-19 response.”

As part of the UnitedClean Plus policy, in airport lobbies, United is temporarily shutting down self-service kiosks and replacing them with touchless kiosks that allow customers to print bag tags by scanning a QR code, promoting social distancing to reduce contact between agents and customers, and deploying sneeze guards at key interaction points.

At the gate, United is boarding fewer customers at a time to allow for more distance during the boarding process, asking customers to self-scan their boarding passes at gate readers, and providing employees disinfecting products to be used on high-touch areas like armrests and handrails.

Onboard the aircraft, United is enhancing cabin sanitization. In June, it began using electrostatic spraying before every flight. All employees and passengers onboard must wear a mask or face covering. As they board, customers receive individually wrapped hand sanitizer wipes to customers as they board. Additionally, customers are offered alternative flights when United expects a flight to operate at more than 70% capacity. Further, United is implementing employee temperature checks before the start of their workday.

Returning to the Skies

As of October, China and some other countries in the Asia-Pacific region have managed to get the pandemic under control, but elsewhere in the world infection rates are still ticking upwards. The implacable nature of the virus makes forecasting an end to the pandemic – and a revival of international air travel – difficult, to say the least.

China’s experience may be instructive though. “China is ahead of the curve on this piece of the recovery, because China was the first one into the crisis and the first one out of it,” Dias says. He notes that China’s domestic aviation sector has recovered swiftly, reaching 80% of its 2019 capacity by September and is expected to be back to 100% capacity and volume by year-end.

“That’s very encouraging, because I’d use China as a proxy for how the US market will react once the outbreak is under control in the US,” he adds.

In April, China surpassed the US to become the world’s largest aviation market, fulfilling a long-anticipated prediction earlier than expected. IATA had forecast China would become the world’s top aviation market by seats in 2024. The US may still recover the top spot temporarily once the pandemic ebbs, but likely not for long.

Regardless, together the US and China will be the world’s two largest aviation markets for the foreseeable future. For United Airlines, based in the US and with a large presence in China, that presents a plethora of opportunities.

In 2019, 2.83 million Chinese visited the United States, making China the US’s fifth-largest source of foreign visitors. Chinese visitors to America spend on average US$6,700 during their stay, well above the US$4,200 spent by the typical visitor from overseas.

China’s vast size means that there is plenty of room for growth. “Nearly three million visitors from China to the US – for any other market that would be considered mature. But, we’re still scratching the surface, I believe,” Dias says.

United is also well positioned for a recovery in air travel demand because its pilots agreed to reduced pay to preserve all their jobs through June 2021. That arrangement will allow United to rebound more swiftly than if it had to rehire and retrain its pilots.

Additionally, since the pandemic began, United has raised more than US$22 billion, and the company’s total available liquidity at the end of the third quarter 2020 was approximately US$19.4 billion.

As long-haul air travel gradually returns, United Airlines will be looking to capitalize on the unique strengths of the Boeing 787, of which United was the launch customer in North America. That aircraft “really broke the chain between big and long, and now you can fly small and long with the 787,” Dias says. As a result, routes like Chengdu-San Francisco non-stop are now feasible.

And that’s just the tip of the iceberg. China has 16 secondary (“New Tier 1”) cities including Chengdu. Dias expects that as China’s aviation market continues to grow, there will be more nonstop service from its secondary cities to destinations worldwide.

He also believes that the US will remain a destination of enduring attraction for Chinese customers. “The unique thing about having the United sales team in China is that we’re out there selling United Airlines. But at the same time, we’re also ambassadors for the US, and really promoting these destinations or experiences that are unique to the US.”

He concludes: “And that’s one of the reasons I’m still optimistic that the numbers will continue to grow in the long term despite the fact that the industry is facing tough challenges right now, just because there are so many unique things that America has to offer.”
AmCham China’s Exclusive Discount Program (EDP)!

Annual Fees to Join the EDP:

<table>
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<tr>
<th>Category</th>
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<td>Large Corporation (China revenue above US $50m)</td>
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<td>Small Corporation (China revenue between US $1m-50m)</td>
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Once you have joined the EDP program, we will create an individual page to promote your products and services, with your company logo featured on our EDP landing page.

Then, your products, services, and company logo will be shared in our:

- Monthly EDP WeChat post
- Monthly promotional email to over 10K recipients
- EDP partner list sent out with President’s letter and membership card to Members
- Quarterly magazine

More than that, you will also get:

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- Participation in AmCham China events at Member rates
- Opportunities to connect and interact with AmCham China’s 900 corporate members and 4,000 cardholders
- More opportunities to promote your brand, products, and services
There have been so many areas of concern for the China bears to highlight over the years, but the bubble still hasn’t popped. Why is that? And will the bears continue to be disappointed?

**Tom Orlik:** The China bears – among the grisliest in the global markets – have got it right on the problems. China has borrowed too much. A lot of the borrowers are low quality – hulking state-owned industrial firms, real estate developers building ghost towns in the desert, and local governments building roads to nowhere.

What they get wrong is underestimating China’s resources for resilience. A high savings rate means China’s banks are well funded, and banks that are well funded don’t fall over. Average incomes a third of the level in the US mean China still has room to grow out of its problems. And, in contrast to the US ahead of the 2008 financial crisis, China’s policymakers have identified the risks and taken steps to contain them. The bears may have to stay in their cave a while longer.


**Orlik:** COVID-19 is a human tragedy. It’s also a stress test for economic and financial systems. So far, China’s is holding up better than most. With the banks well funded, they could afford to give lockdown-affected borrowers a break on repayments. That meant they could ride out the crisis without worrying about defaulting on their loans. It also meant financial stress was contained, and – once the virus was under control – China’s economy was primed for a rapid recovery.

Why haven’t we seen massive stimulus this year, as we saw after the financial crisis? Is that still waiting in the wings?

**Orlik:** Premier Wen Jiabao’s famous four trillion yuan stimulus saved China from the 2008 crisis. It also brought problems of its own. A stimulus that ran too far for too long left China with a legacy of debt. And a lot of the benefits of stimulus spilled overseas – helping Australian iron ore miners as much as it did local workers. This time, with less space to act, and determination not to repeat past missteps, China has run a stimulus that is smaller in size but targeted more effectively.

China’s economic recovery appears to be happening much more quickly than elsewhere. What are the global implications of this?

**Orlik:** China’s rapid recovery is good news for the rest of the world. Foreign multinationals may see revenue rebounding in China before it comes back at home, for example. At the same time, as the trade surplus touches fresh highs, some of the old concerns about China gaining more from exports than it gives back in imports are returning.

With the US and Europe struggling to recover, will that result in reduced demand for China’s exports? How significant a concern is this, particularly with regards to China’s employment situation?

**Orlik:** One of the strange features of the COVID-19 crisis is that global demand has been crushed, but China’s exports remain buoyant. There are a couple of factors at work. First, China...
is a big producer of medical equipment and pharmaceuticals. Second, in some countries the virus lockdown has put domestic firms out of action, thereby reducing the competition.

**China has taken some steps to reduce its debt burden and has had some success in deleveraging. How were they able to do that, and has it been enough?**

**Orlik:** Back in 2016, when Beijing kicked off its deleveraging campaign, the conventional wisdom was that the government faced an impossible task. In fact, they got a lot done. The debt to GDP level went from rapid increase to stabilization. Shadow banking – the riskiest part of the system – was effectively turned off. And because they were a bit tighter in the good times, they could afford to allow lending to rise a bit higher when they needed it during the COVID-19 crisis.

We saw some bank bailouts last year – the first ones in a long, long time – and this year, some of the smaller ones have being merged. Is this a smart strategy? What other policy moves do you expect to happen in the future?

**Orlik:** China’s small banks are a key fault line in the system. Many have a shaky funding base. Some are sitting on a lot of hidden bad loans. We saw with the collapse of Baoshang Bank how that can be a toxic combination. A lot of the deleveraging campaign was about tackling those problems. The big question is whether small bank stress could ever add up to a system shaking shock. So far, the answer has been no.

“Dual circulation” appears to be the new buzzword phrase in Beijing these days. Is it simply rebalancing dressed up in a new way, or is there more to it than that?

**Orlik:** One of the big mistakes that Washington DC makes is assuming that only the US gets to decide how the bilateral relationship looks. In fact, Beijing is deciding as well. The trade war and COVID-19 shock make a pretty convincing case that they should reduce dependence, be more self-reliant. The dual circulation economy is part of that. I guess you could say it’s a buzz word, or a campaign slogan, but there’s substance there as well.

**Just how important is foreign direct investment (FDI) to China? Does the country’s emphasis on FDI hamper or conflict with its efforts in dealing with the US on disputed trade issues?**

**Orlik:** FDI can be important for two reasons – as a source of funds and as a conduit for technology and expertise. On the first, because of its high savings rate, China doesn’t really need any foreign funds. On the second, it’s still important, but as China gets better at innovating at home, it’s less important than it was.

**What are the biggest challenges and opportunities you see for foreign companies in China over the next year or more?**

**Orlik:** The development of China’s financial system is a real opportunity. You’ve got the biggest pool of savings in the world, all the potential that comes from the massive e-payment system, and a market that’s opening wider to foreign investors and institutions. Of course, there are risks as well, including talk of financial decoupling. But it’s one of those areas where combining foreign and local expertise could generate some real wins.

US-China frictions have seen reduced cooperation in several areas, including the scrapping of almost all mechanisms for economic dialogue. How much of an effect has that had, and do you see any channels for economic communication reopening in the future?

**Orlik:** Tariffs on billions of dollars of goods, sanctions on technology companies, consulates closed – this is clearly not a great moment for US-China relations. At the same time, from financial reforms to climate change, there are a lot of areas where there is an opportunity – indeed, an urgency – to work together. Let’s see if the months ahead provide an opportunity for a reset.

Since moving to the US from China last year, what has struck you about the relationship that perhaps you weren’t previously fully aware of?

**Orlik:** There’s this strange view of China you often encounter here in the West. On the one hand, there’s a fear that China is too powerful and they’re going to take over the world. On the other, there’s an assumption that China’s financial system is broken, they have too much debt, and they’re going to collapse. Those views can’t both be true at the same time. In my book, I call it Sinophrenia. It’s a real problem, and I think that unrealistic view of China makes it harder to have a constructive relationship.
Walking a Tightrope

The result of the US Presidential Election – now just days away – could have far-reaching implications for the fate of the world’s most important bilateral relationship. AmCham China President Alan Beebe sat down with former US Ambassador to China Max Baucus to get his thoughts on the Election, the future of the relationship, how to carry out effective diplomacy in China – and haircuts.

Alan Beebe: Ambassador Baucus, what are some of your favorite memories from Beijing?

Ambassador Baucus: I have several recollections of the Great Wall, including when President Clinton visited China. Another time, I got lost on the Wall. My driver dropped me off, and I said I’d be back by 3pm. I saw several Chinese guys, and I got talking to them. We ventured out past the end of the restored part of the Wall and, my God, it was arduous. At some parts, these guys had to pull me up over this cliff and onwards. It was getting dark and the Embassy even called my wife in the States, thinking I was lost! Finally, I found my way back to another location and it worked out okay.

Beebe: Using the Wall as an analogy, what are your current thoughts on the US-China relationship? It’s certainly had its ups and downs.

Baucus: It has, but I think that, not too far down the road, it’s going to stabilize a little bit, because it has to. We need each other. Cooler heads will prevail. It will be difficult, clearly, but I think some of the histrionics – at least from the American side – are going to subside, and we’ll get down to the hard work of figuring out how to manage it. Cyber, tech, and human rights are all huge issues, but I do think it’s going to stabilize a little bit.

Beebe: You were, and are, always an optimist! But I think that comes within the context of your long experience in the Senate and US government as Ambassador here. So, we take heart in your comments. I remember when you were serving as Ambassador here, the repeated call for a more comprehensive China strategy.
AmCham China Quarterly 25

Baucus: It really struck me that we did not have anything close to a sufficient long-term China strategy. It was very ad hoc, very reactive. I could understand that a large part of this flaw was because China had grown so much over the years. I think we’ve slipped backwards under the current administration. Its policy is driven so much by the President. On trade, Lighthizer and Mnuchin have tried to bring some stability, but I don’t think there’s anything close to a strategic plan.

Beebe: If you look at it from the Chinese perspective, they have their five-year plans and arguably take the longer view. From your many interactions with senior Chinese government and party leaders, how do they view the US, and how would you summarize their strategy?

Baucus: As you know, it’s so opaque, there’s just so little transparency. One of my disappointments was that I thought that the government friendships I had developed earlier were ones I could build upon when I began to serve in Beijing. For example, during my time in the Senate, I’d invite China’s US Ambassadors to come to my home state of Montana. I hosted several of them including Yang Jiechi and Zhang Yesui. So when I arrived in Beijing, I thought “This is great, I know some of these pretty important people in the Chinese government.” But it was very difficult. My wife developed a close relationship with the wife of one of the officials, but, once I started probing, trying to determine Chinese thinking – it was very difficult.

We’re not declining, but we’re certainly being challenged, and the stature of the US is declining overseas in some respects, which the Chinese are taking advantage of. I do hear the Chinese prefer Biden over Trump, because I think they feel like at least they know what they’re dealing with.

Beebe: Sometimes you’ll hear that in Beijing they prefer Biden and in other cases prefer Trump. But the advantage for China with Trump, despite the unpredictability, is that there are more opportunities globally, given the bilateral approach.

Baucus: When I was serving, I found the Chinese kind of conflicted whether they wanted Hillary or whether they wanted Obama. Full disclosure, I’ve been helping the Biden team on China. I don’t know that he personally knows China near as well, as he knows, say, the EU, the Baltic, Russian issues, or the Middle East. But Biden clearly knows that China is critical.

Beebe: That’s one of the dilemmas and challenges – that the US-China relationship is so critical, but it’s not necessarily easy to understand, because it’s so complex.

Baucus: I really do counsel American business to stay the course as much as possible. If you can, think about maybe reshoring, or changing course. Don’t jump too quickly, because the climate might get a little better.

Beebe: It goes without saying these are choppy waters here for American business in China. I would say that companies, largely speaking, feel that they’re slowly getting squeezed, whether it be in the tech sector or otherwise. So, I think there was a sort of a mixed view here, at least among our membership, as to the Trump administration’s approach towards China. Phase One was a sigh of relief, partly just because there was some stability, but also because there were some tangible outcomes as part of that agreement.

But I’m curious on your view of Phase One. From our perspective, we see the Chinese government continuing to want to stick to the Phase One agreement, and it seems to be one of the few things holding the relationship together right now.

Baucus: That’s very much my view, too, that it’s about the only thing holding the relationship together right now. The optics are important for both countries to continue. American farmers want to sell soybeans and corn, and manufacturing and energy products to China. It doesn’t really address some of the structural issues as much as we’d like, but it’s a start.

Beebe: We’ve been called in quite a number of times this year by the Ministry of Finance, the Ministry of Commerce, the NDRC, and others, just wanting to talk about Phase One in the spirit of trying to move things forward. That doesn’t happen very often; we’re usually the ones making

Max Baucus served as US Ambassador to China from February 2014 until January 2017. Ambassador Baucus formerly served as the senior US Senator from Montana. He served in the US Senate from 1978 to 2014 and was Montana’s longest serving Senator, as well as the third longest tenure among those serving in the Senate. While in the Senate, Ambassador Baucus was Chairman and Ranking Member of the powerful Senate Committee on Finance. While Chairman, he was the chief architect of the Affordable Health Care Act (ACA) which was signed by President Obama into law in March 2009. Ambassador Baucus has extensive experience in international trade. He also was deeply involved in orchestrating the congressional approval of permanent normal trade relations with China in 2000 and in facilitating China’s entrance into the World Trade Organization in 2001. Ambassador Baucus earned a bachelor’s and law degree from Stanford University. He currently lives in Bozeman, Montana, where he and his wife, Melodee Hanes, have formed a consulting firm, Baucus Group LLC.
the call, and if we do get called, it’s not necessarily going to be a positive meeting!

**Baucus:** That’s good to hear. When I was serving there, I developed what I called my three P’s in dealing with the Chinese – you’ve got to be patient, positive, and persistent. Stick with it, but in a positive, upbeat way. The real goal here is to get respect. We want the Chinese to respect us, not push us around or bully us, and there were lots of times where we would stand up and they did back down. But a lot of that was low key. It enabled both sides to save face, have more maneuvering room, and not to let the nationalists get a head of steam.

**Beebe:** At AmCham China, we just have to keep plugging away, even though the ground is shifting on us pretty frequently. Given all the provincial outreach you did – I think you visited every single province and region – do you have any reflections on that?

**Baucus:** It was important for me to get up from behind the desk, get out, and see what’s going on. You can learn a bit from reading memos from your staff, but it’s so important just to get out and smell different parts, taste, and talk to people. I would talk to government officials and American businesses wherever I went.

But, my goal was just to ask constructive questions – not accusatory or difficult personal questions – and go out of my way to show that I wasn’t being superior or condescending. In the fifth or sixth month after I began to serve, I met with a Chinese general. I had my talking points, he had his talking points, and we just kept going back and forth. So, I just interrupted him mid-sentence – quite rudely, from an American perspective – but constructively asked him to provide concrete examples. He really liked it, because he didn’t have to stick to his talking points.

That’s the approach I took from then on. I would do my very best to not be too scripted, but try to get a sense of the situation and move the ball farther than might otherwise have been the case. I even did that with Americans coming over – American officials who I thought were too intimidated, or a little bit too polite talking with the Chinese government, and also with American CEOs who were new and didn’t have a lot of experience in China. I would tell them: “Get into it constructively, and, honestly, time is short. Take advantage of this opportunity.”

There was another time when Secretary Pritzker brought over a delegation. Across the table was Liu He, and some others. Not a lot was being accomplished. By the time it came down to me, I realized I was the only one in this room of about 150 people from either the Chinese or the American side who had ever run for public office. I spoke up and said, “I’ve run for office 18 times, and faced umpteen number of voters. Sometimes they like what I’m doing and sometimes they give me a hard time. But I’ve learned two things in all those years: the same issues that concern American voters are the same basic concerns the Chinese people have. Number one, they want to have food on the table, and be able to take care of their family, with education, clean air, clean water, and decent healthcare. And second, people are pretty smart. After a while, they get it. It may take a while, but they get what’s going on. And so, when we’re talking about this negotiation here, this tiny detail, let’s keep in mind who we’re representing, and why we’re here”.

After I said all this, there was simultaneous applause. One of the Chinese officials told me his boss thought it was the best speech he’d heard in a long time. Afterwards, I kept asking myself, what caused that reaction? I couldn’t figure it out.

**Beebe:** I wasn’t there, but my guess is that because it was authentic and spontaneous, and that’s not how Chinese can operate. Everything is so scripted. You have to take your notes and report back and you’re told what to say and how to say it.

**Baucus:** That’s what I took away from it, too, that it was just mutual respect, and being honest in an equal way. The idea that we are all here together, so let’s find a commonality.

**Beebe:** What advice did you give Ambassador Branstad when you went to visit him in Iowa for a couple of days before he arrived here?
Baucus: I just told him to be straight, above board, honest, and engaged. I mentioned I visited all the provinces, and I encouraged him to do the same. Get around, talk to people, ask questions. I've had two fantastic jobs. Representing Montana is one, but also representing the US in China was a super job. It's such an opportunity, so rewarding. You have near vertical learning curves and so many different issues, but that's stimulating, too.

Beebe: Without a doubt. If there's one thing I never hear from people, it's "I came to China and I was just bored stiff!" So, when could we reasonably expect a new Ambassador in China? And what advice might you have for him or her?

Baucus: Well, I would expect about a half year. It's a long process, with the selection, the vetting, and the training from State Department. I would give the same advice to this person I gave to Branstad, and to remember you represent the President, not the State Department. We had 50 agencies in the Embassy – everything from energy to CDC – and each is going its own direction. Talk to the White House and make sure that these agencies are working together. More than that, get direct access to the President. Getting that access is really important, because that will enhance your position with the Chinese government. The more they know that you are talking to the President, that will help very significantly.

Beebe: Looking forward, would things change fundamentally as far as the US-China relationship is concerned, depending on who wins the Election?

Baucus: I really don’t want to be political here, but I do think that, at a certain level, things are not going to change a lot. Because the tectonic plates are shifting, with a rising power and an established power, it’s inevitable that there will be tension between the two largest economies. If Biden gets elected, there will be a change. Not so much substantively at first, but there would be a considerable process change. President Biden will not tweet two to three times a day. He's been in public service his whole life, and is so involved in traditional US government organizations and processes, so he will continue that. He will want to work together with the WTO, the Paris Accord, Iran – all issues that China cares about.

The first goal is to get the coronavirus under more control. Second, infrastructure spending in the US is going to bring jobs back. There would be a lot of spending to address climate change, and renewable energy industries. He's a foreign relations guy, it’s in his blood. So, he’s going to try to coordinate American policy with all our allies.

China will keep growing. They’ll keep rolling along until they’re checked, either internally or externally. We can’t do much about the internal, but we can do something about the external. That’s not to stop China’s rise, but interact in a way where competition is respectful. That takes time, and trust, as we build relationships. It won’t be immediate, but as long as we keep the faith, then we have some prospect of success.

Beebe: We represent the American business community in China, and we do our best to stay down the middle, but, as you can imagine, it’s not easy. What advice do you have for AmCham China in these turbulent times?

Baucus: Strictly from a business perspective, I think we’re in a low point that’s going to get better. This too shall pass. It will get better, because it has to. China needs us, we need China. That means stay the course, and keep building those relationships. Chinese businesspeople want to work with the US too, and a lot of them agree with a lot of what you say.

Beebe: On a personal note, I was out in Dali in Yunnan a few weeks ago, and I went to the Linden Centre, which is run by an American guy, Brian. If I recall correctly, you said that you visited twice: you went once, then, during your final days here, you enjoyed it so much, you went back.

Baucus: I like Brian, I really take my hat off to him. What he’s done with that architecture, that structure there, it’s wonderful. I got my cheapest ever haircut in Dali. I think it was about RMB 10 or something like that. But it was a good haircut, too, I might add!
AmCham China, USCBC, and USITO jointly hosted a meaningful Farewell Program with U.S. Ambassador to China Terry Branstad on September 24. Following a closed-door roundtable discussion, Ambassador Branstad joined the luncheon with executives and members from the three organizations.

Wishing the Ambassador and his wife the very best on their return to the US, AmCham Chairman Greg Gilligan said, “Thinking about how best to express our deep respect and appreciation for Ambassador and Mrs. Branstad, I kept coming back to the ideas of community and service. These two words embody so well an understanding of the Ambassador’s brilliant career and life of public service.”

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By Yaxian Xiong
Gilligan noted that Ambassador Branstad has not only graced the American community in China, but has also done the same in his relations with the Chinese people, through tremendous skill, hard work, palpable warmth, empathy, and charm throughout a tenure that has in fact been longer than each of his three predecessors. Gilligan also expressed his gratitude for the needed leadership from Ambassador Branstad through the challenging past few years, firstly through trade tensions and now because of the global pandemic.

“The Embassy is always terrific about supporting us. It was also clear that your personal support for our community drove that service to new heights, and helped us get through some very tough times,” Gilligan said. “One great example of that support came when the American community rallied first to help the people of Hubei and Wuhan, and then again when we sought to help the Embassy offer assistance to US entities in dealing with the COVID-19 challenges and sourcing PPE, in particular.”

Ambassador Branstad then expressed his appreciation to the three host organizations for their dedication to the bilateral relationship and to American prosperity, as well as to his colleagues at the U.S. Embassy in China for making his work as productive and as memorable as possible during his tenure.

As he closed his remarks, Ambassador Branstad showed his sincere appreciation to the Chinese people, recognizing the tremendous changes that happened over the past few decades in China. “I am leaving this country just as committed as I was when I started this job,” he said.
Winning with Our Members in China and for China

When this year’s unprecedented public health crisis struck, it was multinational companies deeply rooted in China whose global supply chain centers were first hit. However, China has staged a remarkable recovery. Through working with local authorities to combat COVID-19, helping to source PPE, donating funds to emergency medical operations, and striving to reopen factories and offices, AmCham China and its members have demonstrated what “in China, for China” truly means.

By Henri Tan

As restarting the economy became a priority equally important to disease control, AmCham China’s work with provinces and municipalities played important roles in developing company-specific work resumption solutions, bringing expat executives back to China, and communicating the regulatory issues needed for rebuilding market confidence.

AmCham China leaders went on the road as soon as travel restrictions lifted to deliver a series of thoughtful and result-driven engagements with local government leaders, helping our members recover business for 2020, and supporting innovative growth for the future.

Visiting Tianjin

On August 20, AmCham China Chairman Greg Gilligan, in his meeting with Tianjin Vice Mayor Jin Xiangjun, thanked the city for taking tremendous responsibility of serving as a first port-of-entry of inbound international flights, especially for those expats returning to Beijing. More than 40 companies visited Tianjin on this trip, marking it one of AmCham China’s largest trade delegations.

During this trip, Michael Hart, AmCham China’s Tianjin Chapter Chair and senior officials of the Tianjin Municipal Health Security Administration cohosted the third consecutive quarterly dialogue between the agency and members of the Chamber’s Healthcare Industry Forum on a number of regulatory and reform issues concerning Tianjin’s plan to implement one of China’s most important healthcare access agenda, the volume-based procurement policy pilot of medical devices.

In August, AmCham China also announced major partnership agreements with two of China’s top national development areas, including renewing its fourth annual Corporate Partner Program (CPP) agreement with the Tianjin Economic and Technological Development Area (TEDA), and kicking off the first year of the same partnership with the Beijing Economic-Technological Development Area (BDA). These partnership agreements serve as long-term vehicles to facilitate dialogue, help our members advance their local projects, communicate operational issues, and broaden access to services these development areas offer. TEDA and BDA are

Above: An AmCham China delegation meets with Tianjin Vice Mayor Jin Xiangjun during an annual business climate dialogue.

Photo courtesy of AmCham China
key pillars of two of China’s free trade experimental zones in Tianjin and Beijing, respectively.

During a meeting with AmCham China representatives, BDA Party Secretary Wang Shaofeng noted that, “While the economy is global, production is local. With 270,000 employees and 180,000 residents, BDA offered an assuring health record of zero COVID-19 cases throughout the year. This makes BDA a very safe manufacturing hub for the global supply chain.”

Supporting Central China

Hubei is, without doubt, the local market in China that has been hit the hardest by the pandemic. Despite the many challenges, AmCham China’s Central China Chapter Office in Wuhan worked tirelessly to help our member companies both source PPE and resume business. In April, the Chamber held an online meeting with Hubei Vice Governor Zhao Haishan, pledging that AmCham China would help Hubei and Wuhan get back on track as a critical global supply chain center for some of our largest membership clusters. In September, AmCham China President Alan Beebe and Central China Chapter Chair Steve Carpenter held a National Day Reception for members and government contacts in Wuhan to remember their remarkable fight against the pandemic. This event also helped to prepare for a larger membership visit later this year to Hubei to help the province reload its FDI growth and its vibrant market.

Shortly before the National Day vacation, AmCham China Chairman Greg Gilligan met with Shandong Province Party Secretary Liu Jiayi and the province’s newly elected Governor Li Ganjie in Jinan at a public forum held to discuss global economic challenges affecting Shandong as a key supply chain center for American companies in 2020.

The leaders had a very candid exchange about the challenges faced by American businesses with the double hit by the pandemic and the turbulent US-China relationship. Gilligan encouraged Shandong to help ensure that Chinese policymakers have open dialogues with American businesses, allowing the firms to speak to the true problems about their operations in China, and ensuring that the business climate keeps improving. Gilligan emphasized that AmCham China, as an independent business organization that does not represent the view of any government entity in China or the US, looks forward to continuing to play the role of bridge between the two sides through reciprocal learning.

Henri Tan is Senior Director for Member Operations & Chapters at AmCham China.

Top:
Members of the Healthcare Industry Forum meet with the Tianjin Municipal Health Securities Administration.

AmCham China Vice Chair Gloria Xu shakes hands with TEDA Party Secretary Zheng Weiming at the fourth Corporate Partnership Program (CPP) agreement between the two sides.

AmCham China Chairman Greg Gilligan meets with BDA Party Secretary Wang Shaofeng.

AmCham China President Alan Beebe (center) spoke with members, government partners, and staff at a Chinese National Day reception in Wuhan.

AmCham China Chairman Greg Gilligan met with Shandong Party Secretary Liu Jiayi and Governor Li Ganjie in Jinan on September 29.

Photos courtesy of AmCham China
Rebuilding the Economy with Women at the Center

Close to 350 people tuned into the Women’s Economy Summit in October, held online over three half days, with nearly 40 speakers sharing their insights through keynote remarks, panel discussions, and workshops. Ahead of the Summit, two female executives offered their thoughts on how women and girls have been disproportionately impacted by the pandemic.

By Jojo Shieh

Echo Jin, CFO at Microsoft Greater China

"I think there is an expectation that women need to take on more responsibilities when it comes to taking care of the family and the kids. This responsibility poses greater pressure and challenges to female professionals during the pandemic. They need to help their kids with online schooling during the lockdown and prepare meals for the family. This expectation has forced women to work longer hours both for professional and family matters," says Echo Jin, CFO for Microsoft Greater China, and a member of the Women’s Advisory Committee (WAC), which provides support and direction to the programming for AmChina China’s annual Women’s Economy Summit.

Jin’s most important takeaway during the pandemic is a well-known phrase, but still as relevant today as ever: “There is opportunity in every crisis.” Most notably, “There are more sophisticated and flexible ways to use technology, which helps us to not just maintain, but also improve, productivity,” Jin adds, recognizing the learning opportunities that exist amidst the changes that arise from a crisis.

Through her role on the WAC, Jin aims to support women in the workplace as well as women entrepreneurs to grow both personally and professionally. The Council brings together a dedicated group of powerful women and men to support and direction to the programming for AmChina China’s annual Women’s Economy Summit.

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Through her role on the WAC, Jin aims to support women in the workplace as well as women entrepreneurs to grow both personally and professionally. The Council brings together a dedicated group of powerful women and men to support and sponsor the growth and sustainability of women leaders and entrepreneurs.

When considering progress made with respect to gender equality in the workplace, Jin provides that, “most enterprises now understand the importance of gender equality in the workplace and have started to put measurements and KPIs in place to track their progress. There is a strong emphasis on hiring diverse candidates for different roles.” However, she still believes that there are areas to improve on: “Gender equality at middle or lower management is relatively OK; however, if you move up in the management chain, the female percentage gets lower. Currently, there are only a few women who can reach positions on the Board, or as CEO or Chairman.”

Tze San Koh, President of China Gas Marketing at ExxonMobil, and a keynote speaker at this year’s Women’s Economy Summit, also reflects on lessons learned during the pandemic, a period that was made even more challenging by a critical injury her son faced earlier this year.

“The first thing I learned was to ask for help. But before we can do that, we must have great friends, and a great network from whom we can solicit that help. I had never sought so much help in my whole life before this particular accident. Thankfully, with the network that I have and friendships that I’ve made over the years, we had people that were willing to drive more than five hours to help us to care for our child,” says Jin, who provided her perspectives on how the pandemic has affected her both personally and professionally during Day 1 of the Summit on October 21.

Koh has been at Exxon Mobile since 1992 and has amassed nearly three decades’ worth of global, commercial, and operations experience. She has served in various senior executive roles in the upstream, downstream, chemical and Public & Government Affairs teams at several locations in Canada, the US, and China.

Koh concludes with her final piece of advice: “The whole world is going through lots of changes due to the pandemic and the economic slowdown. For those of us in the professional world, we need to be resilient leaders, because if we are not, we will not be able to jump back and recover from any personal or professional crisis that we may face. Therefore, in my mind, this pandemic has made me stronger and more resilient. My advice to the current cohort of professional women in our community – whether they are my peers, my subordinates, or the broader female population – is that, together, women can make a positive impact, but before we can do that, we must first be resilient ourselves.”

Tze San Koh and close to 40 other senior executives spoke at the Women’s Economy Summit on October 21-23. To watch all the keynote speeches and panel discussions from the Summit, please scan the code on the facing page.
2020 Women’s Economy Summit

If you missed this significant event, AmCham China is offering the chance to rewatch the entire Summit online for just RMB 100

Scan the QR code to watch on demand
Diplomacy and Deadlines: In Conversation with Gloria Xu

Gloria Xu is the Public and Government Affairs General Manager for Dow Greater China, responsible for the company’s policy advocacy, government engagement, and strategic communications in the Greater China region. Prior to joining Dow, she led the China government affairs functions of DuPont and Standard Chartered Bank respectively for over 10 years with rich experiences in policy development and regulatory issues.

Xu served as China Public Relations Manager of Alibaba.com Group and helped build up brand awareness of the company at its start-up stage at the beginning of this century. From 1993 to 2000, she was a political correspondent with China Daily, covering legislative and foreign affairs, military, Hong Kong, Macao, and Taiwan news. She graduated from Nanjing University with a BA in English Language and Literature.

In the latest in the series profiling current Board members, Vice Chair Gloria Xu discusses her role within the AmCham China community, lessons learnt from previous roles, and the changing state of US-China relations.

How did you first get involved with AmCham China? What made you decide you wanted to get more involved and eventually run for the board?

Gloria Xu: I started to get involved back in 2003 or 2004. It didn’t take a lot of time to find out the value of being a member of the community. A few years later, I started to volunteer some of my time to the White Paper, and then later became Vice Chair of the Chinese Government Affairs Committee, and then Chair. When people realize the value of AmCham China and they volunteer a little bit of their time, they can change a lot of things. I suddenly saw myself in bigger shoes, and was able to amplify the impact that I could make to the general business environment. So, I really enjoyed the whole process.

How do you think you have been able to contribute to the Board most effectively?

Gloria Xu: First of all, the US-China relationship has changed quite a bit in that time. Traditionally, a majority of the Board seats were occupied by people from an American background. So, I think I, together with the other Chinese nationals on the Board, helped bring in more local context to the debates and the discussions. I’m very glad that my American colleagues have been very receptive and open minded to different perspectives. I think I can also bring industry knowledge and share what’s happening within the large corporates.

How did you decide to run for the Board?

Gloria Xu: There were a number of people who encouraged me. I think they were looking for experienced people and anyone who wanted to volunteer, because it is a significant commitment. My first year on the Board in 2017 was a learning experience. I’ve been quite lucky, because the AmCham China Board has been an exceptionally collaborative one. Clearly there is a spirit of collaboration and of trying to do more. The Board is also very diverse in terms of background, so there are very different perspectives, and honest debates and discussions.

I benefit a lot from personal relationships with other Board members, as well as from their insights and vision.

In terms of that industry knowledge, such as your current role at Dow, what are some of the issues you have to deal with? What does a typical day look like for you?

Gloria Xu: Normally, I start my day at 8 am and I’ll spend the first 30 minutes reading daily briefings, and then have meetings starting from 8:30 am. For industry and government affairs professionals, we normally have to deal with three sets of issues. One is really at the policy level. The second is at the operational level, because if
you have factories, you may have sales offices, and there are a lot of daily operational items that you need to deal with. Thirdly, there are a lot of internal programs and initiatives that I either sponsor or need to represent. So, I deal with three sets of issues – two are externally focused and one is internally focused.

How is AmCham China able to advocate collectively for an industry or sector, in a different way to individual company advocacy?

Gloria Xu: Companies now increasingly look for AmCham China’s help, because the whole business environment has changed quite a bit, especially the regulatory environment. If companies wanted to invest in China, they would previously talk with government officials and build relationships. Personal relationships still matter, but megatrends have started to play a bigger role in a company’s daily operations. The impact that one individual company can have becomes more limited, and there are also common issues for many companies. AmCham China is a natural advocate on behalf of the whole community. From a government perspective, it is probably more efficient for them to have a focal point when they want to speak with companies. I think AmCham China’s role has become more prominent over time.

What are you most optimistic and most pessimistic about the US-China relationship?

Gloria Xu: I am most optimistic about the resilience of the business community. Despite the efforts by some who are trying to decouple our two economies, we are actually getting stronger by sticking together. I saw some data recently that showed US exports into China actually grew in the first half of 2020. That really shows the resilience of our two economies as one integral part of the supply chain. The pessimistic part is that the two sides have been brutally transparent with each other about the issues they have. So, what else can go wrong?

What’s the most important thing that AmCham China can do for the future of a stable US-China economic relationship?

Gloria Xu: I think just our role as a bridge, because for some time most parts of the two governments are not talking to each other. The business community is probably the main channel left between the two sides. So, we should be even more actively reaching out to both governments, just to tell one what the other is thinking about. We have played this role well and we can continue to do so.

Before Alibaba, you started as a correspondent with China Daily. What lessons did you learn from that particular role that you’ve been able to bring into your corporate life?

Gloria Xu: I discussed this with my ex-boss, who was the Editor-in-Chief of China Daily when I was there. I told him that I had brought two things I learned from China Daily into my corporate work. One is the sense of a deadline. Time management is something that reporters have to deal with every day. The second thing is really to be ready for surprise. After six years of training, nothing could ever surprise me. I was always ready for something new and to deal with situations I had never prepared for.

What kind of lessons do you think Chinese companies can learn from one of your former employers, Alibaba, as an example in their quest to go global?

Gloria Xu: What made Alibaba different from a lot of other local Chinese companies is that it was set up to be an international company in the first place, with its governance structure and leadership team. Jack Ma was open minded enough and probably more internationalized than any of the Chinese entrepreneurs of his generation. The company’s structure was very carefully designed and able to accommodate international expansion from the start. Secondly, Jack was able to assemble an international leadership team very quickly. At the time, he had an office in Silicon Valley and an office in Hong Kong, full of very senior PR, finance, and marketing people. I think when a lot of Chinese companies start, they are not focused on becoming international, or not fully set up to do so.
The Future of Post-COVID Travel

By Albert Ng

The onset of the coronavirus pandemic has delivered an unprecedented crisis to the travel industry. International travel restrictions, halted flight routes, and lockdowns all brought an integral part of modern life to a crashing standstill. But as China moves ahead of many parts of the world in its post-COVID recovery, the country can offer lessons on how to navigate the crisis and provide a meaningful outlook into how the global industry will rebound.

Since the emergence of the pandemic in late January, China has become one of the first countries to control the virus’s spread within its own borders and among the first to see a recovery of its economy – and, subsequently, its tourism sector.

As China journeys into a new “normal”, the country’s experience throughout this crisis illuminates a number of trends for the travel industry’s road to recovery.

Health and Safety

Rebuilding travel demand requires that travelers can be reassured of their health and safety. This has been made possible by efforts from both the government and the travel industry. Government rollout of the health code procedure introduced a standardized approach to nationwide contact tracing for effective disease control. In order to restore consumer confidence, airlines, hotels, and travel companies have had to re-think and restructure the way they operate to ensure the safe travel of their patrons. As the industry rebuilds, companies with stringent hygienic and physical distancing safeguards, along with dedicated “clean” programs that clearly communicate these policies, have gained a competitive advantage.

Private Journeys over Group Tours

Once the preferred way to travel due to convenience and ease, group tours are seeing a major decline among Chinese travelers. Of those polled in a consumer survey by McKinsey, only 10% said they would choose group tours – a fundamental shift from attitudes of a year earlier, by roughly 40%. Consumers are now opting for private journeys, such as self-guided and self-drive tours, out of concern for their safety. For the Labor Day holiday in May, 60% of travelers chose to travel by car, a 10% increase year-on-year.

Renewed Focus on Wellness, Sustainability, and the Outdoors

In other areas, the crisis has boosted certain leisure travel trends. With stay-at-home orders in place for months, travelers are eager to escape the confines of the city and into more remote, rural destinations. As such, travelers are booking wellness-focused holidays, where they can unplug in a luxurious and tranquil getaway.

Meanwhile, sustainable tourism continues to gain steady traction. A growing trend pre-dating the pandemic, this increasingly sought-after way of travel delivers small-scale, socially, and environmentally sustainable experiences. Chinese travel website Mafengwo reported that the keyword search for 乡村游 which translates to “rural tourism” saw a month-on-month growth of 184% since July.
Tangentially, natural tourist attractions, like national parks, saw a rise in bookings which owed their surge in popularity to consumers’ perceived safety from stricter enforcement of safety and hygienic measures, as well as a pent-up demand from city dwellers to escape into nature.

With the government recognizing tourism as a pillar of environmental conservation, these trends’ growing momentum will likely continue to be sustained by incoming investment toward environmental and cultural preservation efforts, including plans to complete 10 new national parks by the end of 2020.

**Domestic Travel at Near Full Recovery**

According to Chinese online travel website Qunar, the country is on track to make a full rebound of domestic air travel compared with pre-COVID times. In August, domestic airline capacity reached 90% of its 2019 levels. The country was expected to hit its travel peak during Golden Week at the start of October, for which some experts forecast travel volume to even exceed that of the year prior.

China’s recovery is due in large part to four main factors. For one, the country was able to bring the virus under control, a critical milestone and precursor to any economic recovery. This made way for the resumption of domestic travel and for students to make pent-up travel plans ahead of the academic year. Finally, lower-priced bookings and incentives – such as “all you can fly” flight deals from Chinese airlines – helped stimulate overall travel demand.

**Younger, Single Travelers to Head Restart**

Given the impact of COVID-19 on older generations, it is unsurprising that younger travelers, namely Millennials and Gen Z, are the first and largest segment of consumers to resume travel this summer. Fueled in large part by social media and e-commerce platforms, like Tik Tok and Xiaohong Shu (“Little Red Book”), the less risk-averse age group and non-family demographic made up roughly 60% of the bookings during Tomb Sweeping Day – the first post-COVID holiday in April.

In China, these travelers’ influence extends beyond just their demographic. Younger travelers have also helped drive travel’s rebound among older travelers, since they largely influence travel decisions for their parents and family. To capitalize on this trend, travel companies should be ready to deploy products and marketing & sales strategies to cater to this younger audience.

**Business Travel Returns Sooner – With a Difference**

In transitioning to virtual workplaces and meetings, companies have been forced to reckon with how they approach business travel. Given the risk and cost that travel brings to this era, employers have set higher restrictions on this type of travel. That said, in-person meetings and client meetings are still critical to businesses and cannot entirely be replaced by teleconferencing technology.

In China, due to higher demand for business travel and with its large market share in the travel sector, this segment of the industry has shown to return sooner than leisure travel. Business travel revenue in Q2 was still down by 47% in comparison to 2019; however, it still rose by 29% from Q1. This stands in stark contrast to leisure travel’s revenue loss in Q2 – a staggering 88% decline year-on-year, and down 75% from the previous quarter.

In an era where communication is now dominated by virtual conferencing, companies are placing more emphasis on meaningful, in-person experiences for their staff. Over the past months, there have been increasing inquiries from companies to host more sustainable retreats and team-building excursions that escape the city life and explore far-flung destinations around the country.

**Disruption to the Status Quo**

While the impacts of COVID-19 have been devastating to the industry, every crisis can bring opportunity. Companies in the tourism sector have had to
reevaluate their crisis management and resilience planning, while a slowdown in travel has also given them the chance to embark on a digital transformation to improve structural efficiencies and the customer experience.

New trends across the industry – namely in sustainability – present opportunities for companies to diversify their revenue streams and innovate their offerings. At WildChina, we operate across three verticals – leisure, education, and corporate – which helped to secure revenue faster at a critical time. To achieve this, we’ve had to respond quickly to market trends by pivoting to a domestic market. We’ve accelerated our projects in rural counties to revitalize areas into socially responsible travel destinations. For education clients, we developed environmentally themed camps. Our experiences show that companies can capitalize on this momentum not only to stay afloat, but also to trailblaze larger-scale changes for inbound travel, once the pandemic subsides.

**How and When Will Travel Return?**

Experts have varying timelines, but judging from past catastrophic events – including 9/11 and the SARS outbreak – travel will indeed return. While travel recovery will look different in each country, China’s experience pulls into focus certain trends that are expected to emerge across the industry: younger travelers will be part of the first wave to restart travel, domestic travel will, in the short-term, outpace international travel, and, more generally, there is an opportunity for travel companies to innovate.

Many interdependent factors will impact the trajectory of the inbound and outbound tourism sector. While predictions remain fluid and fast-evolving, companies cannot afford to adopt a “wait-and-see” approach. Instead, those that survive will be the ones that adapt best – and employ added ingenuity and proactively re-calibrate their strategy to meet ever-changing travel demands.

Our company has made critical transitions for our own survival, evidenced most significantly by a market re-pivot. Over the past months, we have received a steady increase in bookings, which, for us and the industry as a whole, reflects the pent-up demand for travel and signs of a determined recovery.

Albert Ng is Co-Founder and Executive Director of WildChina

COVID-19 is changing the way businesses work, and also how they offer and market services to clients. This is particularly true for the leisure and tourism industry, which faces an uphill trek back to normal. It has been hit on two fronts: first, would-be tourists are not ready to jump onto a plane and head for foreign shores with the infectious coronavirus still raging – even if countries hadn’t closed their borders or imposed up to two weeks’ quarantine for visitors. Secondly, people’s finances have taken a hit; many can’t splash out on holidays as they would have done before the pandemic hit the global economy.

Travel companies remain mindful of the long-term financial uncertainty, but safety concerns around flying and staying in hotels will likely continue to be the more powerful driver of vacation decisions, according to a report by Deloitte Insights in June.

Companies have therefore had to change their services and marketing to meet this new reality. Household name Club Med, which offers all-inclusive vacations, has been focused on giving customers reassurance that its resorts are clean and safe.

In July, it launched a guest assurance program called Safe Together that aims to address travelers’ concerns about accommodation head-on. It has brought in a series of enhanced hygiene and safety protocols in its Asia-based resorts that have been developed with Minnesota-based Ecolab Inc., which offers water, hygiene, and infection prevention solutions and services.

In an example of how to adapt one’s messaging to the pandemic era, Club Med highlighted characteristics of its resorts that it believes will build confidence around cleanliness and safety as it promoted its new program. It says its resorts are “surrounded by nature” and of “low-density,” giving “plenty of space to practice social distancing.” There is no need to navigate through “highly dense cities to dine or explore” because of its “self-sufficient” facilities in what it calls the “Club Med Cocoon.”

Xavier Desaulles, CEO of Club Med APAC Markets, said that they had launched the Safe Together program “as we progress into the recovery phase of the global pandemic.”

“Together with our guests and partners, we believe that we will be able to overcome the initial travel anxiety and rebuild the confidence in travelers as they start to plan for their next holiday in this new normal,” he added.

There is indeed some room for optimism, according to the Deloitte Insights report that looked at early demand signals for the leisure travel industry. Amid talk of a “new normal,” it’s also important to remember the industry as it existed before COVID-19, when it experienced one of the strongest expansion cycles in its history, the report says.

“In the long run, many of the fundamentals behind that growth – global middle-class formation and a strong demand for travel experiences – are difficult to throw off course.” It concludes: “For travel providers, success ahead will likely be determined by the ability to respond to the health and financial uncertainty ahead.”
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Social Impact Initiative

While COVID-19 has brought significant challenges to our member companies in 2020, AmCham China’s Social Impact Initiative (SII) convenes decision makers and industry leaders to develop public private partnerships that address pressing social issues in China. The goal of the initiative is to provide practical recommendations on public health reform and the revitalization of small-medium enterprises in light of the pandemic’s devastating impact. AmCham China President Alan Beebe spoke recently with Sina Finance New York bureau chief Tianchen Wei on how the Chamber’s member companies are navigating this environment.

Sina Finance: A survey conducted by AmCham China in 2019 showed that before the coronavirus pandemic swept China and the world, foreign companies in China experienced their worst profitability in history last year.

Alan Beebe: This conclusion comes from the annual business environment survey we have conducted for 22 years. Last year’s economic situation, whether in terms of revenue growth or profitability, made for a difficult year for US companies doing business in China. To some extent, this was caused by trade tensions such as tariff hikes. I want to reiterate, however, that most of our member companies are committed to cultivating the Chinese market, and they will try their best to overcome the difficulties. Everyone needs to realize that these challenges are global. Most member companies are also multinational, and their China strategy needs to be in line with the global context. From an investment perspective, certain companies may have excellent investment opportunities in China, but they must also make their investment decisions from a global perspective.

Sina Finance: Is this one of the reasons for AmCham China founding the Social Impact Initiative?

Beebe: For many years, we have been calling on our member companies to do more in the corporate social responsibility (CSR) space. However, today is different. Today’s companies focus on creating a more sustainable impact, rather than just donating to schools or hospitals and other institutions or by making direct donations to charity work.

Sina Finance: Why did you choose these two themes?

Beebe: One of the reasons for choosing these themes is that the Chinese government is focusing on these two areas, especially in the revitalization of small, medium, and micro enterprises. The pandemic has revealed many areas of public health that need improvement. Secondly, our members can provide many services and share best practices in both areas. At this critical moment, choosing these two themes is a logical way to support China.

Sina Finance: How would you describe China’s small and medium-sized enterprises and public health conditions before the pandemic? For example, which areas need improvement most?

Beebe: China’s small, medium, and micro enterprises achieved a certain degree of success before the pandemic, mainly because of strong economic development momentum, strong entrepreneurial spirit and efforts to overcome difficulties. However, the pandemic has made it very difficult for some companies to raise funds. With regard to technology,
these companies must achieve innovation and growth through technological transformation. Another is how small, medium and micro enterprises can expand their domestic and global markets. In these areas, AmCham can provide strong support.

In terms of public health, the situation is more complicated. Before the pandemic, China had major public health reform demand. The government formulated a “Healthy China 2030” plan, which details most of the issues. However, the crux of the problem is how the reform will be implemented. In this regard, our member companies can also provide a lot of support, including providing advanced medical and healthcare technologies, services, and business models to help Chinese people obtain better health services for a long time.

Another thing I want to add is that progress in these two areas requires cooperation between the public and private sectors.

Sina Finance: Can you provide a specific example for each of these two topics to illustrate how member companies can help in these two areas?

Beebe: Many of our member companies have large supply chains and customer networks including small, medium and micro enterprises, so they can effectively offer support for SMEs. We can help them conduct pilot projects and explore innovative ways to collaborate and support small, medium, and micro enterprises within the network. Our members can support their vendors during the pandemic, providing them with innovative financing solutions. For example, after establishing long-term cooperative relationships of up to 5, 10, or even 20 years with our member companies, they can endorse them when seeking financing from banks.

As for the field of public health, this is related to how we look at medical care in a more comprehensive way. This involves studying different models to provide insurance products or services, and how to use technology to reduce the cost of medical care for patients. These are the important issues we are working to solve, going beyond the more isolated and specific methods we have seen in the past, by working together to achieve overall improvements through more broad innovation, not just limited to a certain product or service.

Sina Finance: Can you tell us about the member companies participating in this first phase?

Beebe: I can classify them into three categories. The first category is tech companies. They can introduce innovation and ideas to solve problems. The second category is companies in traditional industries like agriculture or manufacturing, such as Cargill and Honeywell, or other companies with large and long-standing operations in China. They want to use their practical skills and abilities to make contributions in new areas. The third category is healthcare-related companies, including pharmaceutical, medical device, and so on. Many American companies are leaders in the fields of medical or biotechnology innovation.

We are bringing the best people and the best companies together, integrating relevant content, and providing constructive advice for one another. We hope to create a safe environment through this plan where people can propose new ideas, challenge old ways of doing things and develop new innovative models.

Sina Finance: At the moment, this is a half-year plan, isn’t it?

Beebe: Yes. The resolution of any of these problems will actually take several years, but due to the coronavirus pandemic, we decided to set a half-year plan due to the sense of urgency to ensure that a plan is expedited to address pressing social and economic issues. This initiative helps mobilize all parties to act on recommendations that are feasible and practical in real-time. Based on the development of the plan in the first half of the year, we may choose to extend it through 2021 or even longer.

Sina Finance: Will the results of this plan be shared with the United States or elsewhere?

Beebe: We do plan to share the results widely on a global scale. Whether it is the United States or other countries, they can all benefit from some of the things we are doing. Our current focus is still on China.

This article was originally published in Chinese as part of Sina Finance’s ESG Leaders in China series.
China’s Dual Circulation Strategy

China’s dual circulation strategy (DCS) seeks to spur China’s domestic demand while simultaneously developing conditions to facilitate foreign investment and boost production for exports – and foreign investors should take note.

By Zoey Zhang

In May this year, Chinese President Xi Jinping proposed a new economic model, the “dual circulation strategy” (DCS), at a Politburo meeting. It immediately stirred up much discussion among China market watchers due to the absence of concrete details.

The Dual Circulation Strategy Explained

The DCS is a two-pronged development strategy that seeks to spur China’s domestic demand in addition to catering to export markets and will create conditions that allow domestic and foreign markets to boost each other. The strategy is slowly becoming the underlying policy refrain to accompany China’s actions to recoup loss of growth momentum due to the coronavirus outbreak. Some analysts, however, assume that this is a signal that China’s economy will look inward and reduce its exposure to the vagaries of the global economy.

Why China is Pushing DCS Now

Many analysts see China’s DCS as a quick and passive response to the unpredictability in global markets. In fact, the dual circulation strategy also follows China’s long-held goal of rebalancing its economy. Following Deng Xiaoping’s “reform and opening-up policy”, China rode the tide of globalization to become the “world’s factory” – the center of the world’s supply chain for many industries – and achieved what is now referred to in hallowed tones as the continuous rapid growth miracle of the Chinese economy.

The 2008 global financial crisis would soon expose the Chinese fast-growing economy to the fragility of the export-led economic model, prompting Chinese policymakers to rebalance growth towards cultivating and supplying domestic demand. In addition, there was an important realization – the export-oriented trade pattern where Chinese businesses import raw materials to process and then export to foreign markets – had locked China into the middle order of the global value chain.

To achieve sustainable growth and move beyond the limitations holding back its economic expansion, China began rolling out consistent economic reforms over the past decade, including supply-side structural reform in 2015 and its Made in China 2025 strategy, which was announced in 2015. The ultimate goal has been to shift itself from being an “export and investment-led” economy to a “demand and innovation-driven” economy.

China’s economic transformation has not been smooth and faces many problems. But, recent dramatic changes in the global trade environment – promoting economic nationalism over a free market economy, for example – has made the cause more urgent for Beijing. The ongoing COVID-19 pandemic has additionally provoked global concerns on supply chain dependency, as different countries have been forced to rethink their reliance on other countries (especially in strategic industries, such as medical supplies and access to pharmaceutical raw ingredients), which will likely accelerate supply chain shifts out of China.

Growing concerns in the West about the impact of China’s integration into the global trade system are pushing countries, led by the US, but also increasingly by the EU, Australia, and Japan, to weigh their trade ties with China. To make matters worse, COVID-19 and the shutdown measures to contain it, have plunged the global economy into the worst recession since World War II, adding to the woes of the global economic slowdown and resulting in a shrinking export market for China.

In addition, the widening rift with the US, has triggered a decoupling of sorts between the world’s two biggest economies. The US crackdown on Chinese technology companies like Huawei is pushing China towards self-reliance on key technologies, such as semiconductor technology. Stephen Olson, a research fellow at the Hinrich Foundation, observes that “a new era in trade” is coming, one that is considerably less benign. The DCS is also a signal that the Chinese leadership is prepared for this new reality.

China’s Next Steps Under DCS

The details of China’s dual circulation strategy have not yet been unveiled. What is certain, however, are its desired outcomes. In order to achieve a more sustainable long-term economic growth and hedge against the impact of external shocks, the world’s second largest economy will focus on building an unblocked “internal circulation” of domestic production, distribution, and consumption instead of over dependence on the “external circulation” of the global market. The disclaimer, of course, is that China will not simply forsake the export goose that once laid its golden eggs.

China has pushed domestic reforms for boosting private consumption for
Tensions with the US have exposed the vulnerability of China’s supply chain – China relies on US$300 billion worth of imported semiconductors to meet over 85% of its domestic market demand. Thus, of all sectors, technology is poised to receive the most overt support for achieving self-sufficiency. In fact, this August, China announced corporate income tax breaks for integrated circuit and software companies. In the energy sector, in 2019, almost 85% of China’s oil consumption and over 40% of gas consumption was derived from imports. Although China is less dependent on the US in this sector, compared with technology, recent geopolitical tensions have raised concerns about potential disruption to energy shipments. The key to avoiding this hidden danger is encouraging renewables and diversifying international relations in the energy sector, which could increasingly be pursued under the umbrella of the Belt and Road Initiative (BRI).

In the food sector, there could be a production shortfall of 25 million tons in wheat, corn, and rice by 2025 in China. The possible shortages in food supply would affect food prices and risk social stability. Due to rural labor shortages, lower agricultural productivity, and slow progress in rural land reform, China still relies heavily on imported foods, especially soybeans, imported seeds, and foreign planting and processing technology. Here, US farmers will enjoy some short-term opportunities, derived additionally from the agricultural product purchasing agreement set out under the Phase One trade deal. But, over the longer term, China will be keen to tap into a diversified group of suppliers, which should yield opportunities for farmers in Europe, Latin America, and those who are part of the BRI.

**DCS and China’s Foreign Investment Environment**

China’s DCS is expected to be fleshed out in more detail in the upcoming 14th Five-Year Plan (2021-2025). Given its outsized role in global trade, a minor shift in China’s trading patterns could elicit huge effects. Therefore, foreign investors engaging in this market should stay abreast of the latest developments and assess exposure to possible consequences. China likely sees this as a critical chance to deepen market-oriented reforms. For key sectors tied to national security, such as technology, energy, and agriculture sectors, China’s policymakers are expected to encourage more rapid foreign investment in high-end manufacturing and R&D besides supporting the diversification of global supply chains.

Considering factors, including China’s huge domestic market, comprehensive supply chain network, strong business ecosystem, rising labor costs, and aging population, many foreign investors are adopting “in China, for China” and “China plus one” strategies to tap into China’s market demand growth while also lowering costs, diversifying risks, and accessing new markets. For some investors, however, managing exposure to pressures in home markets will be the overwhelming challenge in the short term, but there is still great opportunity in China and Asia whose economies account for some of the strongest growth engines in the world.

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**Focusing on Strategic Sectors**

The other key element of DCS will be “reducing risks tied to import dependency,” with technology, energy, and food all drawing close attention. Tensions with the US have exposed China’s hyper-sized consumer market, as well as in the upgrading and digitalization of supply chain networks and the e-commerce industry.

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**Share of China’s technology and energy imports of total goods imports, 2019**

<table>
<thead>
<tr>
<th>Category</th>
<th>Share of Imports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electrical machinery and equipment</td>
<td>14.8%</td>
</tr>
<tr>
<td>Mineral fuels</td>
<td>11.5%</td>
</tr>
<tr>
<td>Machinery and mechanical appliances</td>
<td>9.2%</td>
</tr>
<tr>
<td>Ores, slag, and ash</td>
<td>7.9%</td>
</tr>
<tr>
<td>Optical and precision equipment</td>
<td>4.8%</td>
</tr>
<tr>
<td>Vehicles and vehicle parts</td>
<td>3.6%</td>
</tr>
<tr>
<td>Plastics and articles thereof</td>
<td>3.5%</td>
</tr>
<tr>
<td>Precious metals and stones</td>
<td>2.9%</td>
</tr>
<tr>
<td>Organic chemicals</td>
<td>2.8%</td>
</tr>
<tr>
<td>Copper and articles thereof</td>
<td>2.0%</td>
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*Source: ITC Trade Map; The Economist Intelligence Unit*
Implementation and Implications of China’s New Cybersecurity Review Measures

New cybersecurity measures require some companies to assess potential national security risks before procuring network products or services. But which companies are affected, what are their obligations, and what does this mean for suppliers?

On April 27, 2020, the Cyberspace Administration of China (CAC) and another 11 government agencies jointly released the Cybersecurity Review Measures (the “Measures”), which came into effect on June 1, 2020. The Measures are an important regulation that helps to implement the China Cybersecurity Law (CSL) and the National Security Law of China. They also require an operator of critical information infrastructure (CII) to apply to authorities for a security review when procuring network products and services that may impact national security. Since the release of the final text of the Measures, there have been many commentaries focusing on the compliance obligations of a CII operator, but relatively little discussion about how suppliers of network products and services might be affected. This article will discuss both.

Scope of Coverage

The Measures cover “the procurement of network products and services by a CII operator which has an impact or may have an impact on national security.” Its exact scope is linked to three concepts: (i) CII operator, (ii) network products and services, and (iii) impact on national security.

Domestic and foreign-invested businesses should be concerned about whether or not they may be classified as an operator of CII. If they are, they will be subject to more onerous cybersecurity obligations than a network operator under the CSL. At the moment, authorities proactively identify and inform a business if they consider that it falls into the category of a CII operator. It is difficult for businesses to predict with certainty whether they are a CII operator based solely on the broadly couched provisions under the CSL. It will probably become easier when new regulations and additional guidance are released later.

In theory, any network products and services may be involved in certain risks that could threaten the security of a network. However, the Measures also intend to strike a balance between safeguarding cybersecurity and promoting advanced technology. To this end, they carefully define the types of network products and services that are covered.

They list generic names, namely core network equipment, high-performance computers and servers, mass storage equipment, large-scale databases and application software, cybersecurity equipment, cloud computing services, and other network products and services that have a significant impact on the security of CII. More detailed technical specifications are needed to further refine the scope of the products and services.

The substantive assessment needs further discussion, but it is important to note that to meet the “impact on national security” criteria, the severity of the risk and how likely it is to happen need to reach certain thresholds.

By Calvin Chiu
“Do not underestimate the potential drastic consequences of Article 65.”

Review Procedure and Assessment Criteria

The review procedure may be initiated by either a CII operator who procures network products and services or a member or members of the cybersecurity review working mechanism, subject to the approval of the Central Cyberspace Affairs Commission. Cases initiated by member(s) of the cybersecurity review working mechanism will be subject to an additional check and balance from the top regulator. The same review procedure will apply no matter who initiated it.

The following five factors are taken into account: 1) risks that the CII is illegally controlled, interfered with or destroyed, or that important data are stolen, leaked or destroyed; 2) the damage to the CII’s business continuity in the case of suspension of supply or services; 3) the safety, openness, transparency, diversity of sources of the products or services, the reliability of supply channels, and the risks of supply interruption due to political, diplomatic, trade and other factors; 4) compliance with the PRC laws and regulations by the provider of products and services; 5) other factors that may endanger the CII’s security and national security.

The first factor mainly focuses on the functions of the CII and data that the CII controls. The second implies that authorities would consider the effect of a suspension on upstream and downstream (including end users) stakeholders. The third factor goes even further to consider the potential effects on the security and stability of the supply chain. Criteria for compliance with PRC laws and regulations may include whether a license or permit for a specific business activity has been obtained. The last factor is an all-encompassing provision.

Violations

Violations may be subject to the penalties set out in Article 65 of the CSL. Fines are one to ten times the amount of the procurement, so the higher the procurement amount, the heavier the penalty. In addition, a fine of RMB 10,000 to 100,000 may be imposed on the person directly in charge and on others held to be directly liable. The difference in delegation of powers and organizational structures of businesses would probably lead to different ways of allocating liability. One should not underestimate the potential drastic consequences of Article 65, since the competent authority will issue an order preventing the CII operator from using the network product and service that is being penalized. This will likely trigger a series of contractual consequences, including the supplier seeking damages for the contract termination. The above penalties are cumulative.

Impact on CII Operator

The procurer will need to collect enough information to determine whether a review is required. In the first place, the procurer will likely do so by requesting additional documentation from the supplier that demonstrates the compliance of its products and services. The procurer may carry out a more complete analysis, and likely use technical means to verify and audit the products and services. How far the CII operator should go to demonstrate it has fulfilled the obligations in the Measures is not yet clear, but it is quite certain that simply relying on the contractual undertakings of the supplier would hardly suffice.

If the CII operator considers that it should file an application for review, it will then need to leave enough time to complete this process and add clauses to the procurement contract to ensure that risks and uncertainties are shared between the parties. Of course, the CII operator has to be prepared to find an alternative supplier of services and products in case the review finds there is a national security risk. Furthermore, the CII operator should not neglect to bind the supplier in the procurement contract to cooperate and provide supplementary materials as requested by the Cybersecurity Review Office.

Impact on Supplier of Network Products and Services

To what extent will a supplier need to cooperate with the CII operator to address its security concerns? The issue is complicated because CII operators tend to impose two types of obligations in contracts: compliance and contractual obligations. The first generally reflects the statutory obligations on the CII operator, which he then passes onto the supplier. More problematic is the second type of obligation, as the CII operator naturally tends to extract as much as he can from the supplier. For example, sometimes procurers can include a clause in sweeping language that allows them to audit the product and any associated systems or networks. The supplier may need to consider if it is better to negotiate and deal with the two types of obligations together in light of the Measures.

The Measures contain provisions relating to the protection of trade secrets and intellectual property rights, and emphasize that institutions and people involved in the review process must respect confidentiality. Echoing the principles in the Foreign Investment Law of China, the Measures aim to create a level-playing field for both domestic and foreign firms.

Looking Ahead

The Measures are intended to enhance the security of network products and services procured by CII operators. Its successful implementation will depend on how well a balance can be achieved among security, efficiency, and commercial certainty. For a sound regulatory system, there will need to be a public register of CII operators, a transparent and streamlined review procedure, timely announcements of review outcomes, and efficient inter-agency collaboration.

The author works at Dentons Law Firm and contributed this article on behalf of Lexis Nexis, both of which are AmCham China member companies.
AmCham China's 2020 Technology & Innovation Summit

Top:
Jimmy Goodrich, Vice President of Global Policy at the Semiconductor Industry Association (SIA), delivers a speech on navigating bilateral tensions.

Far left:
Michael Zhu, VP and Managing Director for China at HPE, gives a keynote on entering a new age of insight.

Left:
Jian Lu, President at LinkedIn China, talks about preparing for the future of work in the digital era.

Bottom:
A panel discussion on 5G and digital infrastructure, featuring speakers from PwC, Intel, Microsoft, and 36KR.

Photos by Jin Peng
Top:
Oliver Jones, Chief Executive at Chayora, talks about the implications of COVID-19 for future data center developments in China.

Right:
Jerry Li, Director of Innovation, Incubation, and Investment at Merck’s China Innovation Hub, shares his thoughts on building next generation businesses.

Below left:
AmCham China President Alan Beebe on stage at the 2020 Technology and Innovation Summit in Beijing.

Below right:
A panel discussion on data governance, featuring speakers from USITO, PwC, Covington & Burling, Engie China, and DXC.

Photos by Jin Peng
AmCham China Forums and Committees

AmCham China's Forums and Committees are the lifeblood of our advocacy, industry relations, and community development. We have Forums and Committees focusing on industry sectors, corporate functions, and special issue-based interests that well represent American businesses operating in China as well as the active membership of our community. Forums and Committees allow members to:

- Use AmCham China as a platform to drive foreign companies and industry-based advocacy efforts
- Hold dialogues with regulators and industry stakeholders to influence the business environment
- Share information and ideas specific to their industries
- Meet like-minded people for professional development
- Generate contacts for business development

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Owen Ma, Cargill Investment

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* In transformation
** Vacant
AmCham China’s 21st Annual HR Conference

Top: The C-Suite Dialogue panel at the HR Conference.

Left: (clockwise from top left) A company visit at Beijing ETown; AmCham China Vice Chair Gloria Xu speaks on stage; another company visit during the afternoon session; wide shot of the HR Conference at YiCheng Fortune Center in Beijing.

Photos courtesy of AmCham China
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