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# Business

10/2019

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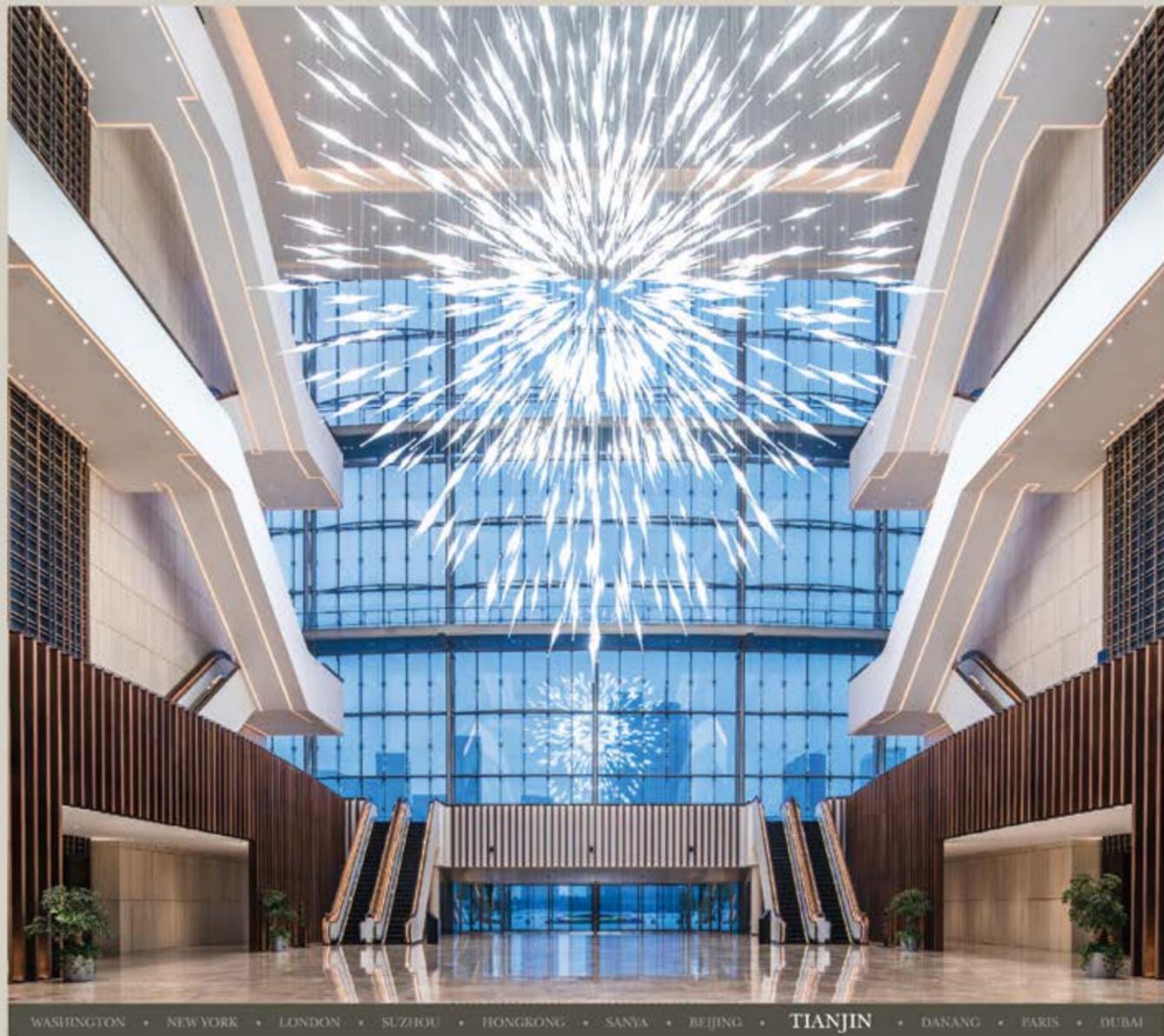
## WELLINGTON COLLEGE CHINA 10<sup>th</sup> Anniversary Celebration



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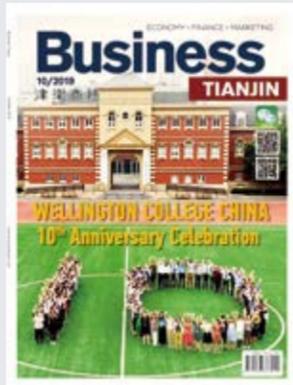
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Dear Readers,

Since its foundation Wellington College China has established schools and kindergartens in Tianjin, Shanghai and Hangzhou to provide education for children aged three to eighteen, and is recognised as one of the most influential international education groups in China and beyond.

We interact this month with Peter Randall, Director of Marketing and Admissions of Wellington College International Tianjin, and congratulate him for the recent celebration of the 10th anniversary of Wellington College China, and ask him about the most remarkable memories of these past 10 years.

Wellington College is one of the most highly regarded schools in the United Kingdom and also one of its greatest educational institutions, providing pioneering, innovative and transforming education for girls and boys. This vibrant and popular co-educational day and boarding school has reached new heights in today's rapidly changing and interconnected world.

In 2013, Schlote Group opened their first production site outside Europe in Tianjin, a modern and innovative production site for transmission components. Schlote Automotive Parts (Tianjin) Co., Ltd. currently employs almost 300 people, and has several important, such as BMW, Volkswagen and ZF AG. On 3<sup>rd</sup> of September, 2019, was successfully held the opening ceremony of Phase II & R&D Centre, and Business Tianjin Magazine was honoured to interview Mr Jürgen Schlote, CEO of Schlote Group, on the topic of Schlote Group's development strategy in China.

External pressures are mounting against the Chinese economy. Those are mainly represented by the trade war and global growth slowdown. Future growth in the Chinese economy will depend on how much the economy can move from being exports-driven to self-reliant. The government is trying to stem the decline. You can get more details in our economy column.

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Mary Smith

Managing Editor | Business Tianjin Magazine  
managingeditor@businesstianjin.com

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## ◀ COVER STORY

### Wellington College China 10<sup>th</sup> Anniversary Celebration

Joy Qiao, Founder and Chair of Governors of Wellington College China (WCC), addressed all staff on 10th Anniversary celebrations stating:  
*"International education and bilingual education have developed prosperously in China in the last decade from 2009 till 2019. From the first year to the tenth year, our original intention and aspiration that we are going to provide the best quality education have never changed!"*

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## ▲ DIALOGUE

### Clear Targets, Clear Vision and Clear Strategy

Schlote Automotive Parts (Tianjin) Co., Ltd. (SCT) was built in a time span of only 2 years and currently employs 300 people. They produce transmission housings using completely automated machining lines to assure optimal quality standards with a corresponding process capability for their customers.

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## ▲ HR

### Are Companies Facing Skills Shortages Today?

Businesses are quite concerned about skills shortage worldwide, and it is for a very good reason. As it becomes more and tougher for them to assess their future needs, they tend to find a serious gap in skills shortage. This is gravely affecting the quality and efficiency of their workforce and productivity.

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**Tianjin News**

**NHS INDUCTION CEREMONY @ TEDA GLOBAL ACADEMY**



Teda Global Academy students earned prestigious awards for their hard work on Thursday, September 5th, during the school's National Honour Society induction ceremony. Students took part in the annual event held in the school's activity room. The TGA Chapter welcomed 6 new members this year, only one senior. The evening began with NHS member and emcee, Rebecca Pare, delivering introductory remarks. She said National Honour Society members were proud of the chapter's history of community service and academic success. Followed by headmaster, Mr Timothy Warren. Mr Warren's remarks warmed hearts, as he congratulated the inductees on their accomplishment.

**STARBUCKS OPENS RESERVE LOCATION IN TIANJIN**



Starbucks opened a flagship Reserve store in Tianjin, which was built inside a Renaissance-era heritage building dating back to 1921. The Starbucks Reserve Riverside 66 Tianjin flagship store combines history with an entirely modern 'third-place experience' for the brand's customers. The new store marks the first in the city to feature a Starbucks Bar Mixato and Starbucks Teavana tea bar, in addition to its

Starbucks Reserve offer. The building, located on the city's main commercial street, was designed by Shen Liyuan, who was among the first Chinese architects to study overseas. It housed the Zhejiang Xinye Bank until the early 1950s, a symbol of the city's economic prosperity and development.

**"GIANT COPPER POT" OPENS ON OCTOBER 1<sup>ST</sup>**



After the stunning architecture of the new Binhai Library in Tianjin hit global social media last year, another eye-catching new structure, the Binhai Science and Technology Museum, nicknamed the "giant copper pot", opens on October 1st and is expected to become another landmark in the coastal city. The museum itself is 32,000 square metres, while the exhibition area will include 17,000 square metres. As the museum was built on the site of an old factory, it imparts a strong flavour of the post-industrial era. The museum will provide state-of-the-art technology exhibitions, enabling them to be "immersed" in a mysterious "cosmos". Driven by advanced artificial intelligence technologies, the 4D cinema will give visitors the feeling that they are entering another planet.

**BINHAI NEW AREA TO HAVE FULL 5G NETWORK COVERAGE BY 2020**



The Binhai New Area in Tianjin is expected to basically achieve full 5G network coverage by 2020, with 2,400 5G base stations in operation.

The area is expected to have quality 5G network coverage with 4,500 base stations by 2022. The Sino-Singapore Tianjin Eco-City, located in the area, has been rapidly developing in the application and promotion of 5G technology and is expected to be fully covered by the 5G network by the end of this year. Binhai New area will boost the industry application and is expected to have more than 20 demonstration application scenarios of 5G technology by 2020 and over 50 by 2022, according to sources with local authorities.

**Finance**

**U.S. IMPOSSIBLE FOODS EYES CHINESE DINING TABLE FOR FAUX MEATS**



U.S. plant-based meat producer, Impossible Foods Inc., is seeking to bring its alternative meat product to dining tables in China, but regulatory hurdles will pose the biggest uncertainty of its journey. Impossible Foods, which produces synthetic meat products using soy and other plants, is in talks with several China companies for a potential partnership to tap the world's largest meat-consuming market, according to company founder and CEO, Patrick Brown. The ambitious company has the backing of heavy hitters, including Bill Gates and Li Ka-shing. Impossible Foods plans to set up China production facilities to supply the country and bring the whole business chain to China, Brown said.

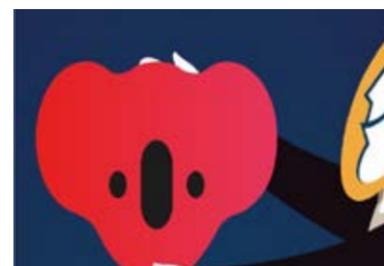
**APPLE, FOXCONN BROKE A CHINESE LABOUR LAW TO BUILD LATEST IPHONES**

Apple Inc. and manufacturing partner, Foxconn, violated a Chinese labour



rule by using too many temporary staff in the world's largest iPhone factory, the companies confirmed following a report that also alleged harsh working conditions. The claims came from China Labour Watch, the non-profit advocacy group investigates conditions in Chinese factories, and says it has uncovered other alleged labour rights violations by Apple partners in the past. For its latest report, CLW said undercover investigators worked in Foxconn's Zhengzhou plant in China, including one who was employed there for four years. One of the main findings: Temporary staff, known as dispatch workers, made up about 50% of the workforce in August. Chinese labour law stipulates a maximum of 10%, CLW noted.

**ALIBABA BUYS E-COMMERCE BUSINESS NETEASEKAOLA FOR \$2 BILLION**



Alibaba said it will acquire a cross-border e-commerce business unit, Kaola, from the Nasdaq-listed Chinese internet company NetEase for about \$2 billion. Kaola sells imported products in China that include clothes, consumer electronics, and sports accessories. It is one of the biggest Chinese e-commerce sites focused on selling imported goods in the country, alongside Alibaba's Tmall Global and JD.com's JD Worldwide. Alibaba said it

plans for Kaola to continue operating independently under its current brand, but it will have a new leader at the helm. Tmall Import and Export General Manager, Alvin Liu, will take over as CEO. With Tmall Global and Kaola, Alibaba will have a massive market presence in the cross-border e-commerce sector.

**CHINA'S DAIRY COMPANY TO BUY AUSTRALIAN BABY FORMULA MAKER BELLAMY'S FOR \$1 BILLION**



One of China's biggest dairy companies is gearing up for a massive takeover of an Australian baby formula maker. Mengniu Dairy has offered 1.5 billion Australian dollars (\$1 billion) to buy infant formula maker Bellamy's Australia, the companies said on Monday. Bellamy's said its board had unanimously recommended shareholders vote to accept the all-cash bid, which represented a 59% premium to the company's closing price on Friday. Earlier this year, China's top economic planning body said it wants domestic production of baby formula to be above 60% within three years. Domestic infant and toddler milk formula accounted for about 44% of the market in 2018, according to data analytics company Nielsen.

**AIRPLANE MARKET RAPIDLY EXPANDS IN CHINA**



Chinese carriers will need 8,090 new airplanes in the next 20 years, worth

nearly \$1.3 trillion, to meet rapidly growing airplane passenger traffic in the country, which is expected to grow by 6 percent annually, US aircraft manufacturer, Boeing Co, said in Beijing on Tuesday. In the next two decades, China, the Boeing's largest market, will need 5,960 new single-aisle airplanes, representing 74 percent of total new deliveries. Demand for wide-body airplanes is 1,780, which will triple the country's current fleet size. In addition, China will need a significant number of regional aircraft and cargo aircraft.

**ABB STARTS BUILDING SHANGHAI ROBOTICS PLANT**



Industrial tech giant, ABB, started construction on its newest robotics plant in Kangqiao, Pudong New Area. The plant will cover 67,000 square metres, and involves a total investment of 1.06 billion yuan (US\$150 million). It is expected to open in early 2021. ABB currently has robotics plants in Sweden and the US. China is the company's second-largest market. Shortages of skilled labour and trends toward customization are expected to create further opportunities in the country, said Sami Atiya, president of ABB's Robotics and Discrete Automation Business.

**SUNING TO OPEN CARREFOUR MINI STORES**



Suning is opening home appliance mini stores inside existing Carrefour

outlets, as a step to expand its offline retail channel following its acquisition of an 80 percent stake in Carrefour China. A total of more than 200 mini stores will be operational by the end of this month. Carrefour has opened 210 hypermarkets in 22 provinces since entering China in 1995, but consumer sentiment has weakened recently with the popularization of online delivery services for groceries and daily use items.

## LINKEDIN RANKS CHINA'S TOP START-UPS



LinkedIn, the California-based online social network for professionals, announced its inaugural Top Start-ups List in China, hoping to showcase the outstanding performance of local companies and appeal to the country's top talent, providing more career development and opportunities for professionals. Twenty-five domestic companies, led by Beijing Bytedance Technology Co, Didi Chuxing, Bitmain Technologies, YITU Tech and Momena, were ranked in the list. LinkedIn's Top Start-ups Lists have been released simultaneously in different markets around the world for three consecutive years.

## Law & Policy

### PLAYING LOUD MUSIC ON SUBWAY COULD FACE SOCIAL CREDIT DEMERITS

Authorities of Kunming, capital of Yunnan Province, have announced a plan to ban passengers from playing loud music and making other noise on the subway, and those who fail to



adhere will risk staining their personal social credit reports. The transportation bureau of Kunming published a draft regulation on passenger behaviour on August 20th, which said passengers are not allowed to speak loudly inside subway cars or play music out loud on their digital devices. Those who violate the rule will be penalized and demerits may be recorded on their personal social credit reports. The move aims to protect other passengers from noises and keep subway cars quiet, the draft said.

### 'SOCIAL CREDIT' SYSTEM ON FOREIGN COMPANIES



China's new tool to monitor companies will be the most comprehensive system created by any government and could put some companies out of business. The so-called corporate social credit system for companies will use real-time monitoring and processing to collect and interpret data, helping to immediately detect actions that raise or lower a company's score. Keeping on its good side will raise compliance costs and could impact companies' earnings, it said. When the system is fully implemented, a large global company with a significant presence in China has to deal with about 30 different ratings and compliance records based on about 300 requirements.

## GENERAL

### MICHELIN TO PUBLISH ITS FIRST BEIJING RESTAURANT GUIDE



The Red Guide will launch a new edition dedicated to Beijing, unveiling the Chinese capital's first crop of Michelin-starred restaurants on November 28<sup>th</sup>. Michelin is spreading its empire in the Red Dragon. Beijing will finally get its own Red Guide: "Beijing's cuisine, with its well-chosen ingredients and rich seasonings, is a jewel in the crown of Chinese and global cuisine. We hope that with this new Michelin Guide, more food lovers will come to appreciate Beijing's abundant food culture and experience the wonderful flavours it has to offer," said International Director for the Michelin Guides, Gwendal Poullennec. The very first edition should thus include the full diversity of Chinese culinary culture, but international restaurants, as well.

### SHANGHAI IS CHINESE MAINLAND'S MOST POPULAR AIRBNB CITY



Shanghai has become the most popular city on China's mainland on Airbnb in 2019, as it "meets trendy and diversified tourism demands, especially of those millennial travellers," Airbnb said in a report. Millennial travellers, those aged between 20 and 39, account for the third of China's total population. They pursue different tourism experiences compared

with their parents, according to the 2019 Chinese Millennial Travelers Insights Report jointly released by Airbnb and CBN Data. Shanghai, Beijing, Chengdu, Chongqing and Guangzhou are the top mainland destinations for Airbnb users this year.

## CHINA IN THE WORLD

### SELF-DRIVING CARS TO CARRY PASSENGERS



DiDi Chuxing has received a license to operate a fleet of self-driving cars on a pilot basis in part of the Jiading district in Shanghai. Besides DiDi, SAIC and BMW also received permits at the World Autonomous Vehicle Ecosystem Conference on September 16th. The license will initially allow DiDi to run up to 50 self-driving cars, which can be scaled up after an incident-free first six months. However, a driver will be required to be present in the vehicle. The self-driving car will be able to transport goods, as well as passengers. Volunteers from the public, who will also be insured, will be allowed to ride in these vehicles. These licenses are a significant boost to the autonomous car industry in China. Shanghai aims to expedite the commercial launch of autonomous vehicles, and the issuance of the permits is a step in that direction. According to a McKinsey report, the autonomous vehicle market will account for 66% of total passenger kilometres in China by 2040.

### IN REVERSAL, SHANGHAI DISNEYLAND TO ALLOW OUTSIDE FOOD

Disney's Shanghai theme park is loosening a ban on outside food in the wake of a lawsuit, but the home of Mickey Mouse still won't tolerate visitors taking in instant noodles or



pungent foods, such as durian. A student surnamed Wang filed a lawsuit against Shanghai Disneyland in March after being barred from bringing in her own food, a move that garnered widespread support on Chinese social media. Disney's rules were criticized online, as an example of double standards and discrimination against Asians, since its theme parks in Europe and the United States allow visitors to bring in outside edible items.

### RESTAURANT INSIDE AN OLD LONG MARCH ROCKET OPENS IN HANGZHOU



A restaurant consisting of all the recovered stages of a Long March 2 rocket opens in Hangzhou. This particular Long March 2 was used to carry into space a module for Tiangong-2 space laboratory and the Shenzhou 11 spacecraft with astronauts Jing Haipeng and Chen Dong on board in October, 2016. The fairings for rocket's boosters and other stages are being turned into dining rooms of the new restaurant, according to the post. "Will they serve food eaten in space by astronauts in the restaurant?" a netizen asked. "If so, I am definitely in."

### SPICY CHONGQING HOTPOT LOLLIPOPS WENT VIRAL

Lollipops with a spicy Chongqing hotpot flavour went viral online after



Alibaba founder, Jack Ma, tasted it at a fair in Hangzhou on Sept. 14<sup>th</sup>, 2019. This snack, created by a Chongqing hotpot chain Peijie Hotpot, has three flavours from mild, medium to strong. At 30 yuan per piece, the lollipops quickly sold out at the fair hosted by the Taobao Maker Festival in Hangzhou, East China's Zhejiang Province.

### 'ICE' PANDA MASCOT TO PROMOTE 2022 WINTER GAMES



Beijing has released its mascot for the 2022 Olympic Winter Games -- a smiling giant panda wearing a suit made to resemble ice. The panda is named Bing Dwen Dwen -- in Mandarin, "bing" means ice and "dwen dwen" means robust and lively. The mascot also looks like an astronaut, which was no accident, according to a statement from the International Olympic Committee (IOC). Beijing also revealed the mascot for the Paralympics, a lantern child called "Shuey Rhon Rhon" whose name represents "warmth, friendship, courage and perseverance."



# PRESSURES ARE INCREASING

By Morgan Brady

President Trump delayed tariffs on some Chinese goods by two weeks. This meant that Chinese officials could celebrate their national day on the 1st of October without a fresh escalation. China welcomed the move and reciprocated it by adding around 16 agricultural goods from the US, including soybeans and pork to the list of exempted goods. Those goods would not have additional tariffs imposed on them until September, 2020. The agricultural goods are an issue of crucial importance to the US administration as the votes from the farmers are important for the re-election of president Trump for a new term.

Markets were exuberant on the news and equities soared. Those somewhat conciliatory actions came shortly before the planned talks would take place in next month (October). Mid-level teams from the two countries are scheduled to meet soon, before high-level talks afterwards. In its approach, China wants to separate non-trade issues, such as geopolitical threats and national security from trade talks. China prefers those issues to be discussed by another team.

While those developments are positive, the trade war is still far from over. The trade war is having a negative effect on both economies. Around 65 of Chief Financial officers of US companies said that they expect the US trade policy to have negative implications for their businesses in the next two quarters. None of them said that they expected a positive effect.



## EXPORTS ARE SUFFERING

The trade war has taken its toll on the Chinese economy, as well. Although the numbers fluctuate, the effects can still be seen. The exports from China to the US fell surprisingly in August by 16% on a year-on-year basis. Imports from the US to China, on the other hand, declined by 22.4%.

## FACTORY ACTIVITY

Domestically in China, The Caixin/Markit factory Purchasing Managers' Index (PMI) printed a reading of 50.4 in August, which is higher than the 49.8 reading expected by analysts polled by Reuters. The Caixin/Markit manufacturing PMI was 49.9 in July. The August reading shows that the sector is back to growth from contraction, as it came above the growth/contraction 50 points benchmark.

The new orders sub-index showed a lower reading in August than in

July. However, it remained in growth territory. The new export orders remained in contraction territory and reached a record low this year in August, reflecting the impact of the US-China trade war.

Analysts say the improvement in the main index in August was a result of increased production activity, but it does not reflect long-term concerns. The picture is not very rosy.

## CONSUMER PRICES

According to data from the Statistics Bureau of China, consumer prices increased by 2.8% in August on a year-on-year basis, the same increase that took place in July, and higher than the increase that took place in the previous months in 2019. On a month-on-month basis, consumer prices increased by 0.7% in August, higher than the increase of 0.4% achieved in July.

The year-on-year increase was 2.8% in urban areas and 3.1% in rural ones. The food prices increased by 10%, and the non-food prices grew by 1.1%. The prices of consumer goods increased by 3.6% and the prices of services went up by 1.6%. From January to August, on average, the overall consumer prices were up by 2.4% from the same period of the previous year.

The consumer price data show that domestic demand is still healthy, especially when considering rural areas and looking at food prices. Consumer prices for education and culture grew by 2.1% on a year-on-year basis in August, those for health care grew by 2.3%, those for clothing grew by 1.6%, those for residence grew by 1 percentage point, those for household articles and activities grew by 0.7%, and those for transportation and communication shrank by -2.3%. Other articles and activities grew by 4.7%.

## PRODUCER PRICES FOR THE INDUSTRIAL SECTOR

The producer price index released by the Statistics Bureau of China showed a decline of -0.8% on a year-on-year basis in August. This index has been declining for four months. On a month-on-month basis, the index showed a decline of -0.1% from July.

## CONCLUSION

External pressures are mounting against the Chinese economy. Those are mainly represented by the trade war and global growth slowdown. Future growth in the Chinese economy will depend on how much the economy can move from being exports-driven to self-reliant. Reducing the reliance on exports can take some time, however.

The government is trying to stem the decline. Recently, the Central Bank of China reduced reserve requirements for the seventh time since early last year to increase credit in the economy, and boost investments. Yet, many analysts believe that the government needs to do more to offset the impact of the trade war. Perhaps more focus on Asian and African markets can help in maintaining growth. Furthermore, breakthroughs in talks next month - should those breakthroughs happen - will likely bring back optimism. **B**

THE MARKETS HAVE WITNESSED A RELIEF RECENTLY WITH POSITIVE NEWS REGARDING THE TRADE WAR BETWEEN THE US AND CHINA

## 压力正在增加

最近市场有关中美之间贸易战有了积极的消息。特朗普在推特上宣布将推迟加征中国商品关税。他称，作为善意的表示，将加征 2500 亿美元商品关税的决定推迟到 10 月 15 日。原先这批商品的关税将从 10 月 1 日开始由 25% 提升至 30%。而美方此次推迟增加关税的举动可能利于为即将到来的中美第十三轮高级别贸易磋商营造积极氛围。虽然这些变化是积极的，但贸易战仍然远未结束。贸易战对这两个经济体都产生了负面的影响。

### 出口受到影响

贸易战对中国经济造成了影响。8 月份中国对美出口同比下降 16%。另一方面，从美国到中国的进口下降了 22.4%。

### 工厂活动

中国国内工厂采购经理人指数 (PMI) 8 月份的读数为 50.4，高于路透社分析师预期的 49.8。7 月制造业采购经理人指数为 49.9。8 月份的数据显示该行业已从收缩中恢复增长，已高于 50 点的荣枯线。新订单分类指数显示 8 月份的读数低于 7 月份。但仍处于增长领域。分析师表示，8 月主要指数的改善是生产活动增加的结果，情况不是很乐观。

### 消费者价格

根据中国统计局数据，8 月份居民消费价格同比上涨 2.8%，与 7 月份相同，均高于 2019 年前几个月的涨幅。按月计算，8 月份居民消费价格上涨 0.7%，高于 7 月份的 0.4%。城市地区同比增长 2.8%，农村地区增长 3.1%。食品价格上涨 10%，非食品价格上涨 1.1%。消费品价格上涨 3.6%，服务价格上涨 1.6%。从 1 月到 8 月，平均而言，整体消费价格比去年同期上涨 2.4%。

### 工业的生产者价格

统计局公布的生产者物价指数 8 月份同比下降 -0.8%。该指数已连续四个月下降。按月计算，该指数较 7 月份下降了 -0.1%。

### 结论

中国经济的外部压力越来越大。这主要是贸易战和全球经济增长放缓所致。中国经济未来的增长将取决于经济从出口驱动到自力更生的程度。政府正试图阻止衰退。央行自去年初以来第七次降低准备金要求，以增加经济信贷，并增加投资。许多分析人士认为，政府需要采取更多措施来抵消贸易战的影响。更多关注亚洲和非洲市场有助于保持增长。此外，下个月会谈如果有突破发生 - 有助于回到乐观状态。

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Wellington College in England was founded by Queen Victoria in 1859 as a national monument to Britain's greatest military figure, the Duke of Wellington, who also served the country with distinction twice as Prime Minister. 160 years later, Wellington College is one of the most highly regarded schools in the United Kingdom and also one of its greatest educational institutions, providing pioneering, innovative and transforming education for girls and boys. This vibrant and popular co-educational day and boarding school has reached new heights in today's rapidly changing and interconnected world.

Since its foundation Wellington College China has established schools and kindergartens in Tianjin, Shanghai and Hangzhou to provide education for children aged three to eighteen, and is recognised as one of the most influential international education groups in China and beyond.



# WELLINGTON COLLEGE CHINA

## 10<sup>TH</sup> ANNIVERSARY CELEBRATION

Joy Qiao, Founder and Chair of Governors of Wellington College China (WCC), addressed all staff on 10th Anniversary celebrations stating:

“International education and bilingual education have developed prosperously in China in the last decade from 2009 till 2019. From the first year to the tenth year, our original intention and aspiration that we are going to provide the best quality education have never changed!”



Taking "Inspired, Intellectual, Independent, Individual and Inclusive" as the Wellington identity, "Courage, Respect, Integrity, Kindness, Responsibility" as the core values, Wellington College China aspires to create a caring, learning community that develops well-rounded individuals who can thrive within an ever-changing world. Upholding the concept of "Holistic Education", WCC provides world-class facilities and faculty team, designed curriculum setting, teaching guidance, family-school communication, so as to care for all aspects of pupils' growth with the pupil-centred ethos.

Pupils from WCC have achieved great performance in academic results and university admissions. Among all of our graduates in Tianjin and Shanghai, nearly 20% of them are going to the world's top 20 universities and more than 40% to top 50 universities. The average IB score for Wellington College International Shanghai pupils in 2019 has risen up to 36.6 points (against the



global average of 29 points) and 72% of all IGCSE grades being A\*-A, and in Tianjin 34% of pupils attained A\*-A grades at A Level in 2019 and 62% achieved A\*-A grades in IGCSE in 2019.

At WCC, we respect, understand and support cultural diversity, and strive to create an equal, inclusive and mutually respectful atmosphere in schools for employees, pupils and parents with different nationalities and backgrounds.

The cross-cultural communication between Chinese and foreign employees has always been well underway, while school-family partnership has been effectively strengthened, and parents cooperate with WCC schools to help increase children's engagement and wellbeing in school life together. Among all kinds of events like sports competitions, dramas, festival celebrations and charity activities, great contributions have been made the WCC community by committee members from Friends of Wellington and Friends of Huili along with other parents from WCC schools, and tens of thousands of pupils, teachers and parents have organized or attended all sorts of school-family events every year.



Competitive salary and welfare system, continuous promotion and training planning and the people-centred, realistic, pragmatic and innovative culture, ensure WCC schools' staff turnover rate of 8.7%, which is significantly lower than the norm in the market of 20%, and nearly 90% of employees highly agree they are proud to work for WCC.

WCC is committed to ensuring staff are supported with high quality and impactful professional learning. Founded in 2018, Huili Institute of Learning focuses on structured training for teachers and contextually relevant research in order to allow education across the group to be world leading. The IoL also engages in projects with Chinese education systems and international leaders in education; for instance:



- Shanghai Municipality Education Commission's research programme into a comparative analysis of leadership in Chinese, bilingual and international schools
- Pudong Wellington Curriculum and Research Alliance with the support from Shanghai Pudong New Area Education Bureau
- Initial Teacher Education (ITE) programmes with Durham University
- Inspiring Learning Conferences and series of workshops which have also won the industry's praises

Held in every April, the Festival of Education of Wellington College China has become the annual landmark event in the international education industry, and thousands of people attend in different cities like Shanghai, Hangzhou and Tianjin, discussing topics of "Early Years Focus", "Wellbeing", "East-West education: A Developing Romance", "Exploring Education" and "Multilingualism". Serving as an open platform, WCC's Festival of Education connects experts with parents and teachers, lets worldwide educators know each other, and encourages people to think together about education for future generations.



A Chinese saying goes: it takes 10 years to grow a tree, 100 years to form a good education. We look back to the past 10 years' achievements with great pride, but at the same time we know we've only just embarked on the long and exciting journey of building the world's best bilingual education group.

Thank you for all your devotion and let's look forward to our next 10 years. Together we will achieve amazing things.

Joy Qiao  
Founder and Chair of Governors  
Wellington College China



## Interview with Peter Randall Director of Marketing and Admissions



**How has Wellington College China celebrated such important milestone and what are the other important activities planned for this academic year?**

We held a week of celebrations across the group in our schools in Tianjin, Shanghai and Hangzhou. All schools presented awards for our 5- and 10-year service staff. Two of the most memorable highlights of the week saw our senior leaders serving a traditional Tianjin breakfast to over 200 staff; later in the week, our pupils and staff helped to bury a time capsule. The time capsule has been set in the grounds of the school, under supervision of our eager Year 3 pupils, where it will remain buried until 2034.

Of course, we would not be here without the vision of our Founder and Chair of Governors, Ms Joy Qiao, whose passion for education and the teaching of our young people is still as vital today as it was in 2009 when Wellington College China was established.

Some upcoming activities this term will be the much-loved cantata Carmina Burana in the Tianjin Concert Hall on 17th October. Our school choir will perform with the Tianjin symphony orchestra in a not-to-be-missed concert. In the same week, we host the Festival of Higher Education which will see over 60 top tier universities from around the world visit our school. This is an open event for all international and local schools pupils and parents who would like to meet with the college admissions' officers of some of the most famous universities in the world.

**As Mrs. Joy Qiao says: "it takes 10 years to grow a tree, 100 years to form a good education." What are the main objectives of Wellington College China in the following 2 to 5 years?**

The aim of the group in China is to consolidate our position as a premier group of very high-performing schools, transforming the lives of young people from both international and local backgrounds. We want to continue to offer an unrivalled all-round education, ensuring the highest quality of teaching and learning; facilities; and resources. Our pupils and their parents know that the schools in the group will continue to champion independent learning and cutting edge research into

education, further ensuring a clear pathway to the leading universities across the globe.

**Wellington College China is right now one of the best international education organizations in China, and 40% of the graduated students are going to the world's top 50 universities. What is the reason of such tremendous success?**

I would have to say the educational environment and learning culture we have built up over the last few years is just right. I have seen and worked in many international schools that have been in operation for more than 25 years, and yet have not reached the maturity we have achieved in just over 8 years. We are a school with high expectations and high performing teachers. If we combine that with pupils who are focused and determined to achieve their goals and parents who want their children to fulfil their potential, we have the main key ingredients. Add in the very experienced university guidance team and the sophisticated tutoring programme and you have a recipe for success.

**What top advice can you give to parents that would like to enrol their children in Wellington College International Tianjin?**

Whatever city or country you are moving to, do your research beforehand. Look at all aspects of teaching and learning and what each school has to offer. Don't make a final decision until you have seen the schools and talked with the staff and teachers and taken that all important school tour. It is important that you feel comfortable as you will be active partners with the school both educationally and socially.

I have met many parents over the years who chose a school based on the website and maybe a short briefing from their employer but on arrival it did not meet their expectations. So due diligence is a must.

Think about the needs not just for schooling but for the entire family. Living and working abroad or moving from a different school environment can be stressful, especially in the first few weeks and months, so schools can certainly help by being a solid focus for the family.

**Congratulations for the recent celebration of the 10th anniversary of Wellington College China. What are the most remarkable memories of these past 10 years?**

Well it just goes so fast, but I think for me it is the relationship that has been built up over these years between the staff, parents and pupils. Our aim is to produce well-rounded, highly motivated children and having strong cooperation and trust from both pupils and parents is key. It is an absolute pleasure to work at a school and group which has the interests of the pupils at the core of everything we do.

The creation of the bilingual kindergarten in 2017 was a milestone for us in Tianjin. Being able to offer a bilingual education to both international and local families has been a huge success. Not only teaching pupils in two languages, but bringing together the best practices of east and western teaching methods, has been an inspiration. In a recent discussion, one of our parents said "the education that Wellington provides is not only for the children but also for their families. We can all develop ourselves together."

Other highlights for me are certainly the annual performances at Wellington which showcase the all-round talent of our pupils. From Les Misérables to West Side Story, we have taken on some very challenging and exciting musicals that really captured the imagination.

## We are Wellington

**What do you consider as the hardest challenge you've had to face in your current role and how were you able to overcome it?**

I don't think we have a hardest challenge per se, but as I mentioned earlier, I do believe one of the main challenges is for parents. I find more often than not it is the children that settle in quickly with parents often needing to catch up. They say marriage and moving are two of the most stressful times in one's life. Well, combine that with moving to a new city, country, job or school environment, then add in the inevitable language barrier or cultural differences and this can be a formula for difficulties.

It is very important to me and the school that families fully settle into their new environment quickly and seamlessly. Whether families are arriving from other cities, countries or another school system, having easy access to information, introductions to our parent groups and the buddy system for our pupils all help to smooth the transition to Tianjin and school life.

**采访 Peter Randall  
天津惠灵顿学校  
市场和招生总监**

**首先祝贺惠灵顿（中国）成立十周年。过去的 10 年最令您难忘的回忆是什么？**

时光飞逝，对我而言难忘的是多年来员工，家长和学生之间的关系。学校的目标是培养全面，积极进取的孩子，所以与学生和家长合作并取得他们的信任是关键。

对我们来说 2017 年建立双语幼儿园是一个里程碑。能够为国际和本地家庭提供双语教育已经取得了巨大的成功。不仅用两种语言教学生，而且将东西方教法的最佳实践结合在一起，也给人以启发。在最近的一次讨论中，我们的一位家长说：“惠灵顿提供的教育不仅针对孩子，还针对他们的家人。我们都可以共同发展。”

**正如乔英女士的发言所说：“十年树木，百年树人。”惠灵顿学校在接下来的 2-5 年的主要目标是什么？**

中国团队的目标是巩固我们作为一流高绩效学校的重要地位，我们希望继续提供无与伦比的全方位教育，确保高质量的教学，提供优秀的设备和资源。我们的学生和家长们都知道，惠灵顿集团将继续倡导自主学习并对教育进行前沿研究，从而进一步确保通往全球领先大学的明确途径。

**惠灵顿（中国）目前是中国最好的国际教育组织之一，其中 40% 的毕业生进入了世界前 50 名大学。取得如此巨大成功的原因是什么？**

我不得不说，过去几年我们营造的教育环境和学习文化是非常成功的。我见过许多已经运营 25 年以上的国际学校并在其中工作过，但却没有达到天津惠灵顿学校仅 8 年多的时间就达到的成熟度。我们是一所期望高、师资力量强的学校。如果我们把这一点与那些专注于并决心实现目标的学生以及希望孩子的天赋和潜力得以充分发挥的家长结合起来，我们就有了关键要素，再加上我们经验丰富的大学指导团队和完善的辅导计划，你就有了成功的秘诀。

“2009 至 2019，是国际和双语教育在中国蓬勃发展的十年，从一到十，我们要做世界最好的教育的初心和理想从未更改！”9 月 10 日的十周年庆典上，惠灵顿（中国）国际教育集团创办人兼理事长乔英女士深情地剖白了办学起源。



英国惠灵顿公学是维多利亚女王于 1859 年为纪念大不列颠伟大的军事家、两度任英国首相的惠灵顿公爵而创建，是英国及全球最受尊敬的顶级私立学校之一。160 年后的今天，这所男女混校寄宿学校在今日日新月异互联互通的世界中，成为活力四射并广受学生、家长及社会好评的顶级名校，是英国及全球最受尊敬的学府之一。

如今，惠灵顿（中国）已在天津、上海和杭州开办了招收 3 至 18 岁儿童的学校和幼儿园，成为中国最具影响力的国际教育集团之一，并在全球国际教育圈享誉盛名。

### 从一到十 师资卓越，全人教育共塑未来领袖

这十年间，惠灵顿（中国）不仅将惠灵顿品牌和先进理念带来中国，更创立双语学校、将顶尖的国际化教育资源提供给更多的中国家庭。以“做世界最好的中英双语教育”为愿景，惠灵顿（中国）吸引了来自全球最优秀的教育管理和教师团队。所有教师拥有相关教学资格证书，平均教龄 9.5 年，16% 以上拥有硕士学历，1% 拥有博士学历。



以“积极、慎思、独立、个性、包容”为特质，以“勇气、尊重、正直、善良、责任”为价值观，惠灵顿（中国）希望培养的，是合格的未来领袖，让学生在积极营造的关爱的学习环境中，每一个人都能得到全面发展，能够在这个日新月异的世界里灵活应变，适应时代发展的需求。秉持“全人教育”理念，惠灵顿（中国）以学生为中心，从顶级配置的校区环境设施和教师团队搭建，到完善的课程设置、教学引导、家校沟通，都致力于全方位关爱学生的身心健康成长。

在学术与升学方面，惠灵顿学子表现优异。2019年天津和上海校区毕业生中，近20%的学生升入QS世界排名Top20的名校，超过40%的学生升入QS世界排名Top50的名校。上海校区全体毕业生的2019年IB平均分再创新高36.6分（全球考生平均分为29分），实现连续三年持续稳步上涨，而IGCSE成绩A-A\*比例高达72%；天津校区的2019年A LEVEL成绩A-A\*比例达到34%，IGCSE成绩A-A\*比例达到62%。此外，学生们在戏剧、艺术、音乐及体育等方面的表现也十分出色，天赋与潜能得以充分发展。

### 从一到十 文化多元，尊重互信共建幸福校园

在惠灵顿（中国）这样的环境中，我们尊重、理解与支持多元文化，为不同国籍、不同背景的老师们、孩子们、家长们创设了平等、包容、互相尊重的校园环境。



一方面，我们将“包容”纳入特质，将“尊重”列为价值观，希望培养惠灵顿学子理解与包容多元文化、进行跨文化交流的能力，成长为真正的未来领袖。不同国籍的学校老师、独特的学院制系统、节日文化庆祝、艺术活动等，都在潜移默化地锻炼着学生们的跨文化交流能力。英国惠灵顿的幸福关怀课程，则关注学生的个体差异，提升学生的自我认知和人际交往能力，使其茁壮成长，并收获长远的幸福和成功。

另一方面，中外员工间的跨文化交流一直在顺利进行；家校共建持续有效地开展，家长与学校一起提升孩子在校园生活中的参与度和幸福感。在体育竞赛、戏剧活动、节日庆祝和慈善活动中，以各个校区的惠灵顿之家家委会和惠立之家家委会成员带头，由全体惠灵顿（中国）旗下学校的家长们，为惠灵顿大家庭付出了诸多努力，每年有上万人次的学生、老师和家长组织参与了家校共建大大小小的、形形色色的活动。

### 从一到十 初心不改，融汇中共推教育联盟

富有竞争力的薪酬和福利体系，持续的晋升与培训发展计划，以人为本、实事求是、务实创新的文化，使得我们自豪地成为业内人员流动最低的学校之一，员工离职率仅为8.7%，近九成员工表示在这里工作是一件令人自豪的事。



在注重内部员工培训发展的同时，惠灵顿（中国）还将视线投向行业内的课程设计与标准制定以及教师职业培训规划，希望与同业者一起更好地推动中国教育发展。2018年成立的惠立教育研究院，专注教师培训、课程研究和对外交流，除提供强大的内部教学培训支持外，已参与上海市教委关于中文、双语和国际学校领导力对比分析的研究项目，在浦东新区教育局支持下联合多校成立惠灵顿浦东国际教育课程联盟，并与英国杜伦大学合作职前教师培训项目（ITE），其 Inspiring Learning 教育峰会、教育工作坊系列活动也受到业界一致好评。

每年4月举行的惠灵顿中国教育节，已成为业内里程碑式的国际教育盛会，吸引了数千名参与者现身上海、杭州、天津会场，一起讨论“早期教育”、“论幸福”、“发展中的罗曼史”、“探索教育”和“多语言体系”等主题。充分发挥平台的开放作用，惠灵顿教育节将专家、家长、教师连接起来，让世界各地的教育者相互了解，共同思考如何培养我们的下一代。

中国有句俗谚，十年树木，百年树人。回顾这十年，我们有许多成就值得自豪，但与此同时我们也深知，以创办世界最好的双语教育集团为目标，前路漫漫，惊喜无限。

在此，我想深深地感谢所有人的倾力奉献，让我们期待我们的下一个十年，同心协力，我们将铸就非凡！

- 乔英  
创办人兼理事长  
惠灵顿（中国）国际教育集团

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# ¥44.5 Billion

Zhejiang province reported an output of 44.5 billion yuan (\$6.32 billion), a year-on-year increase of 21 percent due to the number of tourists, favourable weather conditions and the enterprises which have set up in the city.



# ¥202.4 Billion

China's urban pet (dog and cat) consumer market is expected to surpass the threshold of 200 billion yuan in 2019, with the overall consumption scale reaching 202.4 billion yuan, an increase of 18.5 percent over 2018.



# 10 Million tonnes

Northwest China's Xinjiang Uygur Autonomous Region saw its overall railway freight volume for the year exceed 100 million tonnes last week, due to improvements in the overall railway transport capacity.



# 167.1 centimetres

Findings from the National Health and Family Planning Commission reported that the average height of Chinese adult men grew 0.4cm to 167.1cm, while that of women grew an average 0.7cm to 155.8cm in the decade, due to the better nutrition.



# ¥42.12 Billion

In 2018, the revenue of China's mobile gaming industry from overseas markets totalled 42.12 billion yuan (5.94 billion U.S. dollars), up 30.8 percent year-on-year, according to iResearch, a market research company. Most popular Chinese mobile gaming categories in Q1 this year include MMORPG, action and puzzle games.



# 73%

The 2019 Summer Medical Beauty Report released by Gengmei cosmetic surgery app noted that people born between 1990 and 1995 contributed 73 percent of spending on cosmetic surgery and those born after 2000 contributed 5 percent. The increase in consumers in this demographic is influenced by celebrities who admitted to plastic surgery procedures and the rising trends in cosmetic enhancements.

# 9,200 metric tons

Shanghai shown improvement in adhering to compulsory garbage sorting and recycling. In fact, up to 9,200 metric tons of kitchen garbage have been handled separately per day, an increase of 130 percent from the end of last year, official data has shown.



# 68%

The future of China's animated film industry is growing. China Youth Daily's survey revealed that 68 percent of the respondents suggested that Chinese animated films improve their industrial chains and enrich derivative products. About 66.2 percent suggested enhancing cultivation of talent for the industry, while 62 percent suggested creating works aimed at audiences of different age groups.



# 800 Million tons

With China cutting 111 million tonnes in the first half of this year and bringing it down to 400 million tonnes, it has already hit its halfway target of cutting coal mining capacity by 800 million tonnes a year by the end of 2020.



## STRONGEST FIELD IN HISTORY TO COMPETE IN 2019 TIANJIN OPEN

With several days to go until the sixth edition of the Tianjin Open, the organization committee announced that its 2019 line-up will feature a star-studded cast with five Grand Slam champions among 19 of the world's top 50 players competing for USD500,000 in prize money at the Tianjin Tuanbo International Tennis Center.

World No.4 & 2019 Australian Open champion Naomi Osaka and seven-time Grand Slam champion Venus Williams are joined by Victoria Azarenka, Garbiñe Muguruza and Sloane Stephens in the strongest field of the tournament's brief history.

Two former champions return to Tianjin with France's Caroline Garcia looking to become the tournament's first back-to-back winner, while 2014 champion and 2016 finalist Alison Riske will make her sixth consecutive tournament appearance and will compete with Garcia to be the first player to win the tournament twice.

Standing in their way will also be 2017 finalist and World No.13 Aryna Sabalenka of Belarus, as well as tournament debutants Amanda Anisimova, Iga Swiatek, and Dayana Yastremska.

Fans will also be able to cheer on four of the best local stars with Wang Qiang, Zhang Shuai, Zheng Saisai and Wang Yafan adding national excitement as China celebrates the 70th anniversary of the founding of New China. To celebrate this momentous occasion, organizers confirmed that Monday 7th October will be free for spectators.

"With five Grand Slam champions, four former world No1s, five of the top 20, 19 of the top 50, two former champions and four local stars all descending on the beautiful Jinghai district, fans will not want to miss out on seeing the best the WTA has to offer right here in Tianjin," said Tournament Director Stephen Duckitt.

The full list of players and information about Tianjin Open ticketing can be found via the Tianjin Open website – [www.tianjinopen.com](http://www.tianjinopen.com).

9月18日，中国天津，2019天津公开赛正赛球员阵容正式揭晓。由5位大满贯冠军、19位世界前五十选手领衔的球员阵容将在天津团泊国际网球中心向50万美元的赛事总奖金发起冲击。

世界排名第四位的2019澳网冠军大坂直美（日本）、七座大满贯奖杯拥有者维纳斯·威廉姆斯以及大满贯球员穆古拉扎（西班牙）、阿扎伦卡（白俄罗斯）、斯蒂芬斯（美国）共同组成了赛事有史以来的最强阵容。

两位往届网球冠军也将在2019回到这块赛场。2018年赛事冠军法国选手加西亚正期待在天津公开赛实现卫冕；首届冠军美国选手里斯克也将开始她的第六次网坛征程，同样剑指自己的第二座网球冠军奖杯。

2017年赛事亚军获得者，世界排名第13位的白俄罗斯小将萨巴伦卡，以及阿尼西莫娃、斯维亚特克、雅斯特雷姆斯卡都将是本届赛事的有力竞争者。

同时，最强本土阵容——王蔷、张帅、郑赛赛、王雅繁的参赛，以及为热烈庆祝中华人民共和国成立七十周年，赛事在10月7日进行的“天网人民日”免费观赛活动，都将让祖国球迷欢呼不已。

“5位大满贯冠军、4位前世界第一、5位世界前20选手、19位世界前50选手、两位前赛事冠军以及四位本土选手都将在美丽的静海大地上一较高下，所有的球迷都不希望错过这次再棒不过的WTA赛事——天津公开赛”，赛事总监斯蒂芬表示。



PLAYER LIST	
RANKING: 4 Naomi Osaka JPN	RANKING: 12 Qiang Wang CHN
RANKING: 13 Aryna Sabalenka BLR	RANKING: 14 Sloane Stephens USA
RANKING: 20 Sofia Kenin USA	RANKING: 24 Elise Mertens BEL
RANKING: 26 Garbiñe Muguruza ESP	RANKING: 28 Dayana Yastremska UKR
RANKING: 29 Amanda Anisimova USA	RANKING: 30 Caroline Garcia FRA
RANKING: 32 Alison Riske USA	RANKING: 33 Su-Wei Hsieh TPE
RANKING: 34 Shuai Zhang CHN	RANKING: 36 Yulia Putintseva KAZ
RANKING: 37 Saisai Zheng CHN	RANKING: 42 Ajla Tomljanovic AUS
RANKING: 43 Victoria Azarenka BLR	RANKING: 46 Varvara Kudermetova RUS
RANKING: 48 Magda Linette POL	RANKING: 55 Ons Jabeur TUN
RANKING: 58 Yafan Wang CHN	RANKING: 59 Venus Williams USA
RANKING: 60 Iga Swiatek POL	

### TICKET SALES PERIOD

is from now till October 13th, 2019. We can help you to purchase tickets from tournament committee by following these 2 steps:

1 SCAN BELOW QR CODE TO BUY TICKET!

扫描下方二维码购票

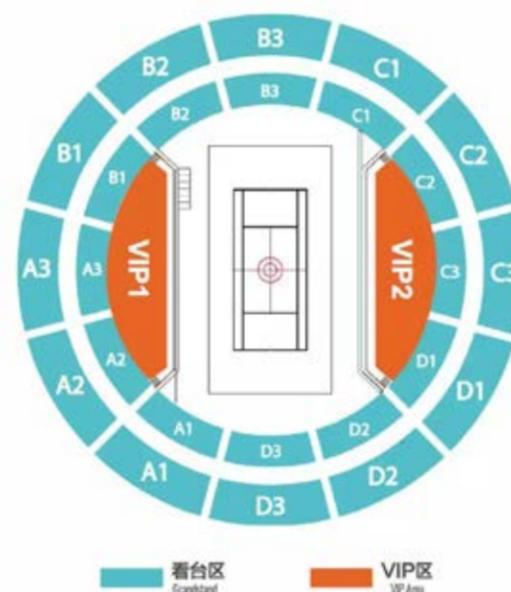


2 SCAN BELOW QR CODE AND SEND TO US YOUR CONTACT INFORMATION:

扫描下方二维码发送您的信息



- Date of event:
- Type of tickets: (VIP / LOWER / UPPER)
- Number of Tickets:
- Your name:
- Phone number:
- Address:



### TICKET DELIVERY:

All tickets purchase before 1<sup>st</sup> October will be sent for free one week before the game.

After 1<sup>st</sup> October, the paper ticket could be collected at the venue of Tianjin Open on the match day by showing valid ID.

We can send to you the tickets by courier after 1<sup>st</sup> October by paying extra charge.

### SCHEDULE

日期 DATE	比赛 MATCH	开赛时间 TIME
10月5日 星期六 Saturday, 5 October	资格赛第一轮 Qualifying - First Round	10:30am
10月6日 星期日 Sunday, 6 October	资格赛第二轮 Qualifying - Second Round	11:00am
10月7日 星期一 Monday, 7 October	第一轮 Main Draw - First Round	11:00am
10月8日 星期二 Tuesday, 8 October	第一轮 Main Draw - First Round	11:00am
10月9日 星期三 Wednesday, 9 October	第二轮 Main Draw - Second Round	11:00am
10月10日 星期四 Thursday, 10 October	第二轮 Main Draw - Second Round	11:00am
10月11日 星期五 Friday, 11 October	四分之一决赛 Quarterfinals	10:30am
10月12日 星期六 Saturday, 12 October	半决赛 Semifinals	11:00am
10月13日 星期日 Sunday, 13 October	决赛 Doubles Final / Singles Final	11:00am

### TICKETS

日期 Date	时间 Time	轮 Round	贵宾 VIP	看台 Grandstand	学生 Student
5-Oct	10:30	Qualifying		免费入场 (先到先得) Free Admission (First-come, First-served)	
6-Oct	11:00	Qualifying		免费入场 (先到先得) Free Admission (First-come, First-served)	
7-Oct	11:00	Round 1	100	免费入场 (先到先得) Free Admission (First-come, First-served)	
8-Oct	11:00	Round 1	150	60	25
9-Oct	11:00	Round 2	150	60	25
10-Oct	11:00	Round 2	150	60	25
11-Oct	10:30	Quarterfinal	250	100	50
12-Oct	11:00	Semifinal	400	200	80
13-Oct	11:00	Final	500	300	100
周末套票 Weekend Package			Sf+F	675	375

- Student tickets are available for people who having a valid student ID.  
- 5th - 6th Oct, free to the public. 7th Oct, free for Grandstand seats.

# FROM RAGS TO RICHES

By Barbara Ross

At the tender age of seven, he lost the love and care of his parents. His severely alcoholic father abandoned him and later passed away, and his mother, who was a stage artist and hall singer, had to be taken to a mental asylum owing to her mental issues. He only had an older brother, and before reaching the age of 10, all his life resources were brutally taken away from him.

Seldom do people find the strength to face such grave adversities in the eye and overcome them. Especially being a little boy, it was traumatizing to know that it was up to him if he wanted to live any further, and that there was no one he could count on to save him.

However, he did not for a second stumble or let his mind waver. Instead, he set his mind on finding a way to make a career and, in turn, making enough money for him and his brother to live.

## ENTRY IN TO THE ENTERTAINMENT INDUSTRY

On one of his mother's on-stage performances, she lost her voice in a dramatic scene in the middle of the show. At this point, the production manager pushed her youngest son on to the stage to cover for her as he had heard him sing before.

This marked the first ever stage performance of an entertainer, who went on to become a legend in show business. The little boy left the audience spell-bound with his voice, his natural stage presence and his comedic presentation skills. He even imitated his mother's cracking voice.

Thus, he discovered his passion, and since then he has been determined to make it in the entertainment industry.

## BEGINNING OF HIS CAREER

With the help of his mother's contacts, he joined a clog-dancing troupe, named the Eight Lancashire Lads, when he was 10 or 11 years old. Later, when he was 12, he got his first chance to act in a legitimate stage show, where he was cast as "Billy", the page boy in a production of "Sherlock Holmes".

travel to the United States; the dream land of all aspiring movie stars, and there he caught the eye of producer Mack Sennet. He was successfully signed for a contract offering \$150 a week.

Little did anyone know that this was one of the biggest moments in the history of Hollywood.

## FILMS

In 1914, he made his debut in the movie "Make a Living", which was not very successful. However, the intelligent young man noticed a common trait of characters across most of Sennet's films. Thus, he decided to play a distinguished single identifiable character and "The Little Tramp" was born. He played the character for the first time in "Kid Auto Races at Venice" and the audience loved him.

He went on to act in around 35 films the following year and signed a contract with the Essanay Company for \$1250 a week; the fruit of the patient young boy who worked for a pittance just a few years ago.

## THE LEGEND

With the Essanay Company, he made around 14 films in the first year, one of which was "The Tramp" - the wildly famous comedic character and the movie that marked the actor's first classic. By the age of 26, he became a superstar and he signed with the Mutual Company, which offered him \$670,000 a year and the rest as they say was history.

He was an out-and-out entertainer, a strict perfectionist, an artist who loved to experiment and most of all, a very determined, unwavering human being with a never-give-up attitude.

He was Charles Spencer Chaplin, or Charlie Chaplin as he was lovingly called, born on the 16th of April, 1889, in London, England; a life story that every millennial ought to learn from. **B**

Visit us online:  
[btianjin.cn/191004](http://btianjin.cn/191004)

# 成名之路

七岁他失去了父母的爱。他酗酒的父亲抛弃了他，后来去世。他的母亲是舞蹈演员和歌手，由于精神问题，不得不被关到精神病院。他只有一个哥哥。

作为一个小男孩面对人生的巨大逆境仍能继续向前实在让人钦佩。他并没有因此而退缩。相反，他决心找到一种方法来创造事业，为他和他的兄弟赚取足够生活的钱。

## 进入娱乐业

他母亲在一次舞台表演中途失了声。此时，制作经理将她最小的儿子推到舞台上为她掩护，就像他之前听过他唱歌一样。这标志着演艺界的传奇人物的第一次舞台表演，这个小男孩用他的声音，他的自然舞台表现和他的喜剧表演技巧征服了观众。他甚至模仿他妈妈嘶哑的声音。从此，他发现了自己的特长，从那以后，他一直决心要在娱乐业中实现这一目标。

## 职业生涯的开始

在母亲的帮助下，他在 10 岁或 11 岁时加入了一个踢踏舞团。后来，当他 12 岁时，他第一次有机会参加舞台表演，他扮演“比利”作为“福尔摩斯”表演中的开场男孩。之后，他加入了 Fred Karno 哑剧组，成为喜剧片“英国音乐厅的夜晚”中的醉汉之一。随着剧组他去了美国，在那里他引起了制片人 Mack Sennet 的注意。他成功签下了一份每周 150 美元的合同。很少有人知道这是好莱坞历史上最重要的时刻之一。

## 电影

1914 年，他在电影“Make a Living”中首次亮相并未成功。然而，这位聪明的年轻人注意到了电影中大部分人物的共同特征。因此，他决定扮演一个单一可识别的角色，“小流浪汉”诞生了。他在“威尼斯的儿童汽车比赛”中第一次扮演该角色，观众很喜欢他。第二年，他继续在约 35 部电影中演出，并以每周 1250 美元的价格与 Essanay 公司签订合同；

## 传奇

在 Essanay 公司，他第一年制作了大约 14 部电影，其中一部是“The Tramp” - 一部极其著名的经典电影。到了 26 岁，他成为了一名超级巨星，并与 Mutual 公司签约，该公司每年为他提供 67 万美元。

他是一个完全的艺人，一个严格的完美主义者，一个喜欢实验的艺术家，最重要的是，他是一个坚定不移的人，拥有永不放弃的态度。1889 年 4 月 16 日，他在英国伦敦出生，被称为查理卓别林。



After this, he joined the Fred Karno pantomime group and became one of its stars, as a drunkard in the comedic play "A Night in an English Music Hall". With the group he got to

# MACHU PICCHU

## 马丘比丘

游览失落的世界  
VISIT THE  
LOST WORLD



By Nikita Jaeger

Are you looking forward to visiting one of the new Seven Wonders of the World? Why don't you plan to visit a location lesser-known to the common man, Machu Picchu? It was unknown to the world for quite some time and a masterpiece in itself, the way it has built having all the facilities, but confining from the outer world. Machu Picchu is worth visiting to understand its architecture and conspicuous practices, rituals, etc...

Machu Picchu is the lost city of Incas, located on top of the Andes Mountains in Peru 80 kilometres from Cuzco. As per historical assumptions and interpretation, the Inca citadel dating back to the 15th century is a standing reminder of ancient Inca civilization. Because of the intricate construction technology, in 2007 it has declared as the 'New Seven Wonders of the World' and also elevated as the Peruvian Historical Sanctuary in 1981. In 1983, it became part of the UNESCO World Heritage Site.

You must have a strong endurance skill if you want to hike up the trail. There are many stairs to negotiate until you reach the mountain top of Machu Picchu. Each place you will go is an architectural masterpiece and faced with many unanswered questions. The most intriguing among all are the precisely

chiselled large rocks, stacked over one another without using mortar or any other joineries.

Many of the rocks appear to be more than one tone in weight and impossible to move without advanced technology. The entire Inca civilization disappeared from Machu Picchu without leaving any trace of their existence, except these civil structures. You will need patience and stamina to complete the trip, but nothing to worry about, as there is natural beauty everywhere to keep company.

### HOW TO GET THERE?

Once you have decided to visit Machu Picchu, it is important to know that the closest airport is in Cusco city. Though the Alejandro Velasco Astete airport, Cusco is an international airport, it doesn't have direct flights from any part

of the world. Tourist needs to reach the Lima International Airport, Peru and from there take feeder service to Alejandro Velasco Astete airport.

From the Cusco airport, board a train to Aguas Calientes, the nearest town to the site. It is a roughly four-hour ride through the Sacred Valley along the Urubamba River. After that, you must hike up to the site.

### VISA REQUIREMENTS

Tourists from the USA, Japan, European Union, South Africa, South America, New Zealand, Australia, Mexico, and Canada do not require a visa to visit Machu Picchu, except a 6-month valid passport. Tourists from all other countries are required a permit to enter Machu Picchu. The tourist visa will be valid for 183 days without extension. In addition to passport and other

documents needed, tourists required to furnish hotel reservation details, and economic solvency for the period of their stay in Peru. Tourists, who are planning to visit Machu Picchu, need to take entry permit and also train ticket, which is available online and can purchase in advance.

### WHAT CAN YOU SEE THERE?

An interesting fact that came up in recent years is that Machu Picchu is a seismically active area, but nothing happened to these structures. The cities close to Machu Picchu had hit severely, but the structures here remained the same. The ancient ruins and huge blocks never fell apart during the tremors. Its fine craftsmanship and precise stone cutting helped to absorb the tremors and settled back to its original position.

您是否期待参观世界七大奇迹之一？马丘比丘值得一游。

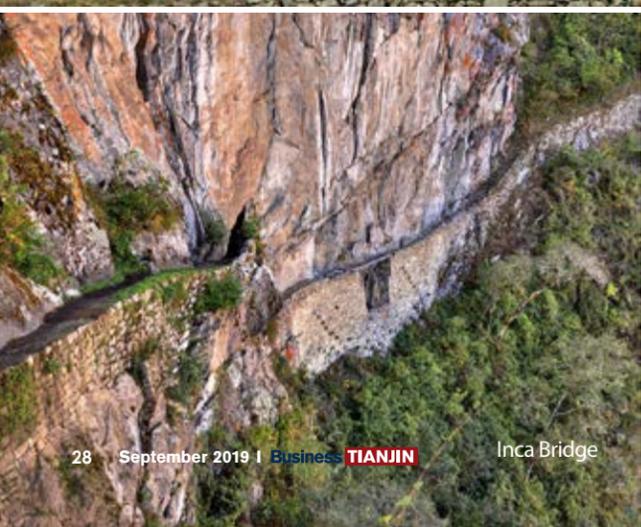
马丘比丘是失落的印加城市，位于距离库斯科 80 公里的秘鲁安第斯山脉之上。根据历史解释，可以追溯到 15 世纪的印加城堡。由于复杂的建筑技术，它在 2007 年被宣布为“世界新七大奇迹”，并于 1981 年升格为秘鲁历史保护区。1983 年，它成为联合国教科文组织世界遗产的一部分。

如果你想徒步旅行，必须具备强大的耐力。有很多楼梯可以到达马丘比丘的山顶。每个地方都是建筑杰作。最令人感兴趣的是轮廓分明的大型岩石，不使用砂浆或任何其他木制品就能牢固的堆叠在一起。

### 如何到达？

访问马丘比丘，最近的机场位于库斯科市。虽然库斯科有一个国际机场，但它没有来自世界任何地方的直飞航班。游客需要到达秘鲁利马国际机场，然后从那里乘坐支线到 Alejandro Velasco Astete 机场。

从库斯科机场出发，乘坐火车前往最近的小镇阿瓜斯卡连特斯。沿乌鲁班巴河（Urubamba River）穿过圣谷（Sacred Valley）大约需要四个小时。之后，你必须徒步。



So, while you admire this engineering and architectural marvel, here are a few things we suggest you must not miss out:

### Inti Punku (Sun Gate)

The famous Inca trail will end here at the Sun Gate. The hills will be left behind, creating a beautiful natural background. It was once the fortress of the city. The structure looks like a control gate, to watch the movement of people who enter and leave Inca City during the ancient times.

### Temple of three windows

It is on the main urban sections of Machu Picchu and constructed with three large lithic structures stacked over the other without using mortar or packing materials. The reason or purpose for the construction is still unknown to the historians. But the most realistic theory is that the windows give a fair idea about the origin of Incas, based on the writing of Pachakuti Yanki Salqamayhua. It says, Manco Capac, the first ruler, ordered to build the window after establishing the Inca Empire. As per Inca mythology, the ruler and his sister Mama Ocllo were descendents from heaven.

### Temple of the Sun (Templo Del Sol)

It is the only curved structure in Machu Picchu, in fact, round building in the whole complex

featured with a sundial in the centre of this structure. You can find a carved stone at the centre of the temple, which is believed to be used for worshiping Sun god and for many cult ceremonies. Historians assume that the temple may had been used for understanding the movement of Sun and the position of the stars. Inside the temple, you can also find a stone altar, which might had been used for performing rituals and sacrifices.

### Inca Bridge

From the centre of Machu Picchu, it is just 30 minutes' walk. The bridge acts as a checkpoint to the Inca Citadel. Made up of wooden plank, the guards can remove the planks quickly if they suspect any visitors. The bridge constructed on the narrow mountainside, making it impossible to negotiate once the wooden planks removed.

### Intihuatana

Standing from the Machu Picchu Urban Sector, Intihuatana located on the western side is a rock pillar carved at the top of the Intihuatana hill. As per historians and archaeologists, the pillar may had been used for spiritual and astronomical purposes or as a Sun dial. It is one solid piece of granite, making it one of the exciting aspects that attracts tourists. The solstices were predicted using the angles of this

pillar by the Inca Astronomers. They believed that they could control the length of the summer days. All these observations are assumptions only, and so far we have no idea how this pillar used to calculate the length of seasons.

### Sacristy (The House of Ornaments)

It is a well-crafted part of the building located behind Principal Temple. It is believed to had been used for storing the ceremonial objects. It also has beautiful stone carving and even a carved stone bench. One of the important attractions of Sacristy is its entrance constructed with two huge rocks with carvings of 30 angles.

### Hut of the caretaker

It is a restored building of ancient Inca civilization, located ideally to have a panoramic view of the entire spectrum of Machu Picchu. It can be also used as a shelter in case of rain. The Inca trail enters the city from just under this hut.

Being coined as a New Seven Wonders of the World, Machu Picchu is receiving tremendous global tourism attention. Tourist can enter Machu Picchu through only the two entry points. The main entry point and the Gate of the Sun. Out of the two, Gate of the Sun is exclusively using by Inca trail tourists, and on a single day, about 4,000 tourists can visit the location. Most of tourists visit the Machu Picchu through the main entrance.

Machu Picchu tour requires meticulous planning. As the trails are very narrow, there is a good chance of getting lost. Please try always to have a guide with you. The site is open daily during the morning to 5 pm. Last entry is at 4 pm, and all must leave by 5 pm. You must buy tickets beforehand.

As it is a hilly area, it would be better to carry a raincoat or an umbrella. Take care of some of the restrictions, such as walking sticks, large backpacks, etc., as you cannot take all these things. A tourist can only take a small bag with some essential items.

You must wear something that you would be comfortable for a workout. Also taking food is a strict no. Littering of any sort is not allowed. The best time to visit Machu Picchu is from April to October. Rest of the season, it is rainy and foggy, and visibility will be abysmal. Taking mosquito repellents is also advisable. Visiting Machu Picchu will be a great experience, provided if you can engage an experienced tour operator. **B**

#### 签证要求

来自美国, 日本, 欧盟, 南非, 南美洲, 新西兰, 澳大利亚, 墨西哥和加拿大的游客除了6个月的有效护照外, 不需要签证就可以访问马丘比丘。来自其他国家的游客需要获得进入马丘比丘的许可证。旅游签证有效期为183天, 无延期。除了护照和其他所需文件外, 游客还需要提供在秘鲁逗留期间的酒店预订详情和经济偿付能力证明。计划参观马丘比丘的游客需要获得入境许可证和火车票, 这些可在线获取并可提前购买。

#### 在那能看到什么?

一个有趣的事实是, 马丘比丘是一个地震活跃的地区, 靠近马丘比丘的城市遭受了严重打击, 但这里的结构完好如初。其精细的工艺和精确的石材切割有助于吸收震动, 并恢复到原来的位置。

当你钦佩这个工程奇迹时, 我们建议您不要错过以下景点:

#### • Inti Punku (太阳门)

著名的印加古道终点在太阳门。围绕的山丘在那里形成了一个美丽的风景。

#### • 三窗神殿

它位于马丘比丘的主要城区, 由三层大型岩石堆叠而成, 不使用砂浆或其它材料。历史学家仍然不了解建造的原因或目的。

#### • 太阳神庙 (Templo Del Sol)

它是马丘比丘唯一的弯曲建筑, 实际上是整个建筑群中的圆形建筑, 在这个结构的中心有一个太阳。你可以在寺庙的中心找到一块雕刻的石头, 据说它可以用来崇拜太阳神和做许多仪式。在寺庙内, 你还可以找到一个石坛, 是用来举行仪式和祭祀的。

#### • 印加桥

距离马丘比丘中心仅30分钟步行路程。这座桥作为印加城堡的检查站, 由木板组成, 如果检查站警卫怀疑任何访客, 可以迅速移除木板进行检查。

#### • Intihuatana

Intihuatana 位于马丘比丘市区的西侧, 是一个刻在Intihuatana山顶的岩柱。根据历史学家和考古学家的说法, 支柱可能用于宗教和天文目的。它是一块坚固的花岗岩。印加天文学家用这个柱子的角度预测了至日。所有这些观察结果都只是假设, 到目前为止我们还不知道, 这些支柱如何用于计算。

#### • 圣器收藏室 (饰品之家)

这是一座精致的建筑, 位于Principal Temple后面。它被认为是用于存放礼仪物品。它还有美丽的石雕, 甚至还有雕刻的石凳。圣器收藏室的一个重要景点是它的入口由两块巨大的岩石构成。

#### • 守门人小屋

这是一座古老的建筑, 可以看到整个马丘比丘的全景。它还可以在下雨时用作避雨。印加古道从这间小屋的下方开始。

马丘比丘被誉为世界新七大奇迹, 正受到全球旅游界的极大关注。游客只能通过两个入口进入马丘比丘。主入口点和太阳之门。这两个入口其中的太阳之门在一天内大约有4000名游客, 大多数游客通过正门进入马丘比丘。

马丘比丘之旅需要精心策划。由于路径非常狭窄, 很有可能迷路。请尽量随身携带指南。每天上午至下午5点开放。最后入场时间是下午4点, 所有人必须在下午5点之前离开。必须提前买票。

这里是丘陵地带, 最好随身携带雨衣或雨伞, 游客只允许携带必需品的小包。

你必须穿适合运动的服装。同时食物也被严格限制。任何形式的乱扔垃圾都是不允许的。参观马丘比丘的最佳时间是4月至10月。余下的时间下雨或有雾, 能见度很差, 不适合游览。如果您可以聘请经验丰富的导游, 那么参观马丘比丘将是一次很棒的体验。

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# THE MAGIC OF A PLANNED CITY

In 2009, economist Paul Romer gave a TED talk about "Charter Cities." He had an idea, that if governments in developing worlds, places that were expected to see large amounts of urbanization in the coming decades, would plan and lay out cities, not micromanage them, but just create a framework and put in basic services, they would be laying the foundation for dynamic economic growth. This master plan was an alternative to trying to come in later and impose order upon cities that evolved piecemeal as economic migrants arrived in a more chaotic manner. Plenty of examples of the latter exist today in India, parts of South America and Africa with dynamic cities that are characterized by urban slums, where governments now struggle to deliver services and residents struggle to take full advantage of the prosperity that cities can provide.

Mr Romer was pointing out that several billion people will continue to move to cities between now and 2050 and if done right, migration will create tremendous prosperity, but if done wrong, it will be a mess, and probably one we can't fix. He has frequently cited the example of New York City, which in 1811, when the city had plenty of empty land and a small population, laid out a grid for the whole of Manhattan, the island we all know today as the heart of New York City. At that time there was no need for such an extensive grid. However, having this framework allowed for the later growth of the city in an orderly fashion allowing the government to deliver services, and allowing citizens to invest for the long term in their homes and businesses, and thus drive the city to where



By Michael Hart

it is today, a leading global city. He tried to convince several governments to create such a charter city, but they never got off the ground.

## EXPERIMENT IN A DESERT

In 2018, Paul Romer won the Nobel Prize in Economics, not for his work on cities specifically, but for his work on how to measure ideas and their impact on GDP. But he is still thinking about cities. And in 2019 he attended "Burning Man" an annual event that takes place in the barren Nevada desert each summer, but has some parallels to his idea about charter cities. A few weeks before the event takes place, a group of organizers shows up and surveys a street grid. Shortly thereafter tens of thousands of participants show up for a two-week event and live within that grid. At the end, the people leave, the area is cleaned and planning starts for another year. This year, a New York Times journalist took Mr Romer there for both the initial survey and the actual event.

Their stories are worth a read and I'm glad they captured his visits.

Although initially chaotic, over the years, the Burning Man festival has gotten better at laying out their city and providing a few basic services. What they don't have to contend with is what problems emerge over the longer term, but it is an interesting experiment anyway and it follows Mr Romer's advice, which the Times journalist summarized as "Stake out the street grid; separate public from private space; and leave room for what's to come. Then let the free market take over."

## CHINA'S PLANNED CITIES

In his 2009 talk, Mr Romer pointed out that China's Special Economic Zones (SEZs) were built on a similar model. Many people may not realize it, but Tianjin is home to a number of planned urban areas. These include the TEDA development zone (one of those early SEZs), which was largely

focused on building a manufacturing centre from scratch, starting in the 1980s. It largely achieved this goal eventually producing around half of Tianjin's GDP. Furthermore, the TEDA model is now used by the Chinese government in other locations, including Egypt, where the Chinese have set up a similar industrial zone. More recent planned areas include the Sino-Singapore Eco City and the Yujiapu financial district. All of these areas have gotten criticism for not being immediately successful by one metric or another, but I am glad I live close enough that I can visit regularly and make my own assessment as to how they are doing. They each have a grid and good urban planning, they lay out the infrastructure and then development begins, perhaps with a little more government participation in the latter phases than Mr Romer would advise.

For decades China has limited the movement of people to cities by the use

of the Hukou or household registration system partially to avoid urban slums. That has been gradually loosened, allowing people to move to larger regional cities although still restricting them from the largest cities.

For those of us with an interest in urban development, China will continue to be an interesting laboratory. Things may not evolve quite as fast as Burning Man, but with a number of centrally planned cities, zones and districts, we will be able to witness the process from initial plans to implementation. And unlike the event in the Nevada desert, there is no need to buy a ticket.

Michael Hart is the Managing Director of Griffin Business Management [www.griffinbiz.com](http://www.griffinbiz.com), a real estate related consulting firm with offices in Tianjin. **B**

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## 城市计划的魔力

2009年,经济学家保罗·罗默(Paul Romer)发表了一篇关于“宪章城市”的TED演讲。他有一个想法:如果发展中国家的政府,将预计未来几十年会出现大规模城市化的地方,进行计划和布局,不仅是微观管理它们,而是创建一个框架并提供基本服务,它们将为动态经济增长奠定基础。

罗默先生指出,从现在到2050年,数十亿人将继续迁往城市,如果做得好,移民将创造巨大的繁荣,但如果做错了,那将是一团糟,可能是我们无法解决的问题。他经常引用纽约市的例子,在1811年,当这座城市拥有大片空地时,整个曼哈顿布置了一个网格,我们今天所知道的曼哈顿是纽约的城市中心,当时没有必要做这么广泛的网格。然而,拥有这个网格允许城市有序的后增长,允许政府提供服务,并允许公民长期投资于他们的家庭和企业,从而推动城市到现在的位置,领先的全球城市。

## 在沙漠中进行实验

2018年,保罗·罗默获得诺贝尔经济学奖,不是因为他在城市方面的工作,而是因为他如何在衡量思想及其对GDP的影响方面的工作。但他仍在思考城市。在2019年,他参加了“燃烧人”活动,每年夏天在内华达州贫瘠的沙漠中举办一年一度的活动,与他对待特许城市的想法有一些相似之处。活动开始前几周,组织者出现并建立街道网格。此后不久,成千上万的参与者出现参加为期两周的活动,并在该网格内生活。最后,人们离开,该地区被清理,开始规划另一年。今年,“纽约时报”的一名记者带领罗默先生参加了初步调查和实际活动,他们的故事值得一读。虽然最初是混乱的,但多年来,“燃烧人”活动已经很好地布局他们的城市并提供基本服务。无论如何这都是一个有趣的实验,它遵循罗默先生的建议。

## 中国的城市计划

罗默先生在2009年的演讲中指出,中国的经济特区(SEZs)建立在类似的模式之上。许多人可能没有意识到这一点,但天津是许多有计划的的城市之一。其中包括TEDA开发区(早期经济特区之一),其主要包括从20世纪80年代开始从零建立起来制造中心。它在很大程度上实现了这一目标,最终产出了天津一半左右的GDP。

几十年来,中国通过部分使用户口或户籍制度来限制人口流向城市,以避免城市贫民窟。这已经逐渐放松,允许人们迁移到更大的城市。

对于我们这些对城市发展感兴趣的人来说,中国将继续成为一个有趣的实验室。事情可能不会像“燃烧人”活动那样快速发展,但是通过一些中央计划的的城市或区域,我们将能够见证从初始计划到实施的过程。与内华达州沙漠中的活动不同,我们不必为此买票。



# WILL NIO DELIVER ON ITS PROMISE TO INVESTORS?

By Morgan Brady



Technology companies continue to rise in China, as they cater to more people and deliver more value. Those companies are displaying good performance and rising in the digital sphere. One such company is Baozun, which is a large e-commerce solutions provider. They are very similar to the US company 'Shopify' in that they provide digital marketing, warehousing, and customer services. Both companies had their IPOs at very close dates, as well. The company (Baozun) helps its customers to connect their online stores with their physical stores to give their buyers a seamless shopping experience and enhance operations. The customers of Baozun are high profile companies, such as Nike, China has been rising as a key manufacturer of automobiles. It has been the largest automobile producer in the world since 2008. Today, China has the capacity to produce more than 23.72 million vehicles per year. In 2014, vehicles produced in China accounted for 26% of global production. Many brands are rising domestically and in the global markets, but when it comes to electric vehicles, one brand, NIO, deserves attention and recognition as a key rising supplier.

NIO was established in 2014. On the same day of its launch, it launched its first model, the NIO EP9 Sports car.

The founders were William Li (Bin Li), the Chairman of Bitauto and NextEV, and Qin Lihong. Bin Li is also currently the CEO and the chairman. The company chose Shanghai as its headquarters, and it specializes in designing and developing electric autonomous vehicles. The company sells spare parts in addition to cars and offers battery charging services.

Levi, Microsoft, and others. Currently, Baozun has a customer base of at least 172 big brands.

NIO HouseThe company also has user centres around mainland China, to allow its users to experience the cars without driving them. The houses feature innovative and modern architectural designs, and comfortable spaces, where people can work and do the activities they enjoy. One of the purposes of the houses is to convey NIO's culture which is human oriented, warm, and bright. The houses usually also include a kitchen, a library, and a living space. In a way, the houses are future-looking showrooms for a future-oriented brand.

## FINANCIAL PERFORMANCE

The company is still considered young, or a toddler, according to its CEO, but it has bright prospects. Based on the figures of the first quarter of 2019, NIO has not turned in a profit, yet. Its revenues for the period stood at CNY 1,631.16 million, and its net income stood at CNY -2,620.82 million, with a profit margin of -160.67%. Despite the loss incurred, the company has been growing its assets, which reflects focus on investment and long-term orientation. Total assets increased from over CNY 10 billion in 2017 to CNY 18,842.55 billion in 2018. Its debt to assets rate stood at 17.18%. The assets growth will probably lead to profitability in the upcoming years, as the company is still within its payback period and hasn't reached breakeven point, yet.

## SHARE PERFORMANCE

The company's share has been declining from 10 USD per share to around 3 USD per share in the previous 12 months. Despite the challenges facing the company, such as the cash burn rate, and the slowdown in the auto market, the CEO Li said that he expects the company to become profitable in less time than what Tesla took (Tesla took around 16 years to become profitable). Li said that investors are not looking at the long-term value of the company, and he was very positive about the growth prospects. Li expects the company to acquire a bigger market share in the Electric vehicle market in China, which is projected to reach 50 million units in annual sales by 2040. In short, the low share price may be a purchase opportunity since it is very cheap at the moment and has not priced

in potential growth. The stock is listed in the US rather than China.

## PRIVATE PLACEMENT IN THE VALUE OF \$200 MILLION

Recently, the company announced a private placement on convertible notes in the value of \$200 million, with some of it coming from the CEO Li. The placement includes two tranches, the first is due in one year from September, 2019, and it contains two interest payments and a premium. The second part is due in three years, with a 6% premium payment at the end, and is convertible at \$3.12 per share. This could mean significant dilution of equity at the conversion date.

## CHALLENGES FACING NIO

The company is currently in a tough spot. The US-China trade war has had a significant impact on the automobile industry in China. The local EV market is becoming flooded with entrants, which can erode profitability. NIO is slow to increase its capacity, and still has a competitive gap with the likes of Tesla. NIO has laid off workers recently to address some of the challenges, but more needs to be done.

The company has backing from investors who invested in it at the initial stages, such as Tencent, Temasek, Baidu, Sequoia, Lenovo and TPG. However, if NIO does not turn things around, the patience of investors, both big and small, may run out.

## CONCLUSION

While NIO is offering a good product to a growing market, it needs to do more to survive. It needs a clear and strong differentiation strategy to stand out from the competitive crowd. It also needs to significantly improve its processes, operations, and capacity, and increase efficiency, in order to be able to produce at scale and increase profitability. For investors, the stock could still go lower from here. However, signs of improvement and success in addressing the current challenges may bring back optimism and drive the stock to new heights. **B**

## NIO 是否能实现对投资者的承诺？

中国作为汽车主要制造商之一一直在崛起。自2008年以来，一直是世界上最大的汽车生产商。2014年，中国生产的汽车占全球产量的26%。许多品牌在全球市场都在崛起，在电动汽车方面，一个品牌 NIO 作为重要的新兴供应商值得关注。NIO 成立于 2014 年。同一天，它推出了第一款车型 NIO EP9 跑车。创始人是 Bitauto 和 NextEV 的主席李斌。李斌目前也是首席执行官兼董事长。公司总部在上海，专门设计和开发电动自动驾驶汽车。该公司除汽车外还销售备件，并提供电池充电服务。

### NIO 用户中心

该公司还在中国大陆设有用户中心，允许用户在不驾驶汽车的情况下体验汽车。该建筑设计现代，空间舒适，这些设施建设的目的之一是传达 NIO 的文化，以人为本，温暖而明亮。

### 财务绩效

据首席执行官称，该公司仍被认为是刚刚起步，但前景光明。根据 2019 年第一季度的数据，NIO 尚未盈利。期间的利润率为 -160.67%。总资产从 2017 年的 100 多亿元人民币增加到 2018 年的 18,842.5 亿元人民币。其债务与资产的比率为 17.18%。资产增长可能会在未来几年带来盈利，因为该公司仍处于投资回收期并未达到盈亏平衡点。

### 分享表现

在过去的 12 个月中，该公司的份额从每股 10 美元下降到每股 3 美元左右。尽管公司面临挑战，但李先生表示，他希望公司能够比特斯拉花费更短的时间来实现盈利（特斯拉花了大约 16 年的时间才能盈利）。李说，投资者关注公司的长期价值，他对增长前景非常乐观。预计该公司将在中国电动汽车市场获得更大的市场份额，预计到 2040 年年销售额将达到 5000 万辆。简而言之，低股价可能是一个购买机会。

### 私募配售价值 2 亿美元

最近，该公司宣布私人配售可转换票据，价值 2 亿美元，其中一些来自首席执行官李。此次配售包括两次付款，第一次是在 2019 年 9 月之后的一年内到期，它包含两笔利息和一笔保费。第二部分将在三年内到期，最后支付 6% 的溢价，可兑换为每股 3.12 美元。这可能意味着到转换日期股权的重大稀释。

### NIO 面临的挑战

该公司目前处境艰难。美中的贸易战对中国汽车工业产生了重大影响。国内电动汽车市场正充斥着进入者，这会侵蚀盈利能力。NIO 增加产能的速度很慢，与特斯拉的竞争仍然存在差距。NIO 最近裁员解决了一些问题，但还有更多工作要做。该公司得到了初期投资者的支持，如腾讯、百度、红杉、联想和 TPG。如果 NIO 不能扭转局面，那么投资者的耐心都可能会耗尽。

### 结论

虽然 NIO 正在为不断增长的市场提供优质产品，但它需要做更多才能生存。它需要明确而强大的差异化战略才能从竞争激烈的市场中脱颖而出。



*Interview with*  
Jürgen Schlote  
CEO of Schlote Group



# CLEAR TARGETS, CLEAR VISION AND CLEAR STRATEGY



Schlote

In 2013, SCHLOTE GROUP opened their first production site outside Europe in Tianjin, a modern and innovative production site for transmission components

Schlote Automotive Parts (Tianjin) Co., Ltd. (SCT) was built in a time span of only 2 years and currently employs 300 people. They produce transmission housings using completely automated machining lines to assure optimal quality standards with a corresponding process capability for their customers.

SCT has several important and key strategic partners, such as BMW, ZF AG and Volkswagen, and on 3rd of September, 2019, was successfully held the opening ceremony of Phase II & R&D Centre, aiming to expand their business from Tianjin to the rest of Asian markets. Schlote group CEO Mr Schlote, CTO Mr Schulz, and SCT GM Mr Gao Jian Gang, along with all the staff, extended warm welcome to all the distinguished guests to witness the historical moment.

Business Tianjin Magazine was honoured to interview Mr Jürgen Schlote, CEO of Schlote Group, on the topic of Schlote Group's development strategy in China.

■ **Your more than 40-year career in Schlote Group is quite remarkable, and speaks of how you truly are a global business leader. How did you get started?**

My parents founded the company 50 years ago, in 1969. I started in Schlote in 1989, because it was a family company and I tried to help in the workshop. At that time, Schlote had only 30 employees and a turnover of 1.5 million euro (12 million RMB). Today, we are a team of 1600 employees with a turnover of 250 million euro (2 billion RMB). In China we have 300 employees.

■ **Establishment of Schlote Automotive Parts (Tianjin) in 2014 was a significant milestone towards globalization of Schlote Group. What are your strategic plans for the future of the company?**

Our vision is to be a leader in innovative technology and develop our products in the commercial cars and e-mobility. Currently e-mobility has a low market share, but we expect to grow fast, and our aim is to be a key player in both segments as automotive parts supplier, and provide very high precision parts.

■ **What products is Schlote manufacturing at this moment in Tianjin?**

We produce gear housing for automatic transmission for ZF Group, and these parts are supplied later to local car manufacturers, such as Great Wall. We also supply products to BMW together with Handtmann. The biggest project we have now is the double clutch transmission parts to deliver to Volkswagen.

Overall, we produce in this plant around 1.2 million transmission housings per year, and supply to the automotive industry more than 2.4 million auto parts per year.

■ **What competitive advantages does your company have to create a R&D Centre outside of Europe? How are you planning to fully utilize such important unit for the long term sustainable development?**

The biggest advantage is to develop our projects much faster as we are nearest to our customers. Our T&D Centre has to be close to our customers and to satisfy quickly their needs. Not only with our Chinese clients, but also our international clients located here. China is extremely fast, and our decisions should be very fast, as well not to miss opportunities. The key to success here is to be faster than our competitors.



**■ What do you consider as the hardest challenge you've had to face in your current role and how were you able to overcome it? Because, I guess, you are CEO of Schlote since 2011?**

I could say to develop the company in a model of permanent transformation is the hardest challenge. It is necessary for me as CEO to bring the company into a flow of implementing all the industrial development changes that we have every day.

In other hand, it's necessary to have clear targets, a clear vision and a clear strategy to overcome all the challenges that appear in our way.

**■ What global trends do you see in the next five years that are of interest to Schlote Group?**

A very big trend in the following 5 years will be e-mobility. When you want to work in this market you have to acknowledge the trends.

The main factors we have in Schlote Group to succeed are flexibility, digitalization and industry automation 4.0. We also have to work much and be a technology leader to compete in China.

**■ And the main global trends that you see are in the EV?**

The biggest change will be electrical vehicles, electro mobility. It will

change the automotive industry during the next 5-10 years, but I expect that, at the end, we will have a mix of mobility.

Even the biggest trend is e-mobility, we are close to our customers and we are ready to provide them the products that they need for e-vehicles.

**■ What top advice can you give to aspiring young professionals who want to follow in your footsteps?**

My advice is to be open and learn every day. Every time look for better solutions. It is necessary to have a good technical base and to do what you do with passion. You must like what you do. If you don't like, you can't make anything good.

It is necessary for young people to make a career, to have several positions or roles in the same company or maybe in several companies, but it is necessary to have a very good knowledge of how the whole company works.

**■ How do you maintain a balance between your personal life and your very busy professional life?**

I like to spend my free time with family. I have three children and my oldest daughter got a baby this year, so I am a grandpa since few months ago, and I like to spend time with them. I also like hiking and skiing.



## Jürgen Schlote 先生专访 施洛特集团首席执行官

### 清晰的目标，明确的战略和愿景

2013年，施洛特集团在天津开设生产基地，这是集团在欧洲以外地区开设的首个生产基地，现代化，创新的变速器零部件生产基地。施洛特汽车零部件（天津）有限公司（以下简称SCT）成立仅5年时间，目前拥有300名员工。使用全自动加工线生产变速箱壳体，以确保质量并为客户提供全方位的服务。SCT拥有宝马等众多战略合作伙伴，并于2019年9月3日成功举行二期工厂和研发中心开业典礼，旨在将其业务从天津扩展到亚洲其他地区。

《津卫商务》双语杂志就施洛特集团中国发展战略对施洛特集团CEO Jürgen Schlote先生进行专题采访。

**2014年成立SCT是施洛特集团全球化的重要里程碑。您对公司未来的战略计划是什么？**

我们的愿景是成为创新技术的领导者，并着力发展我们商用车和电动汽车产品。当前，我们的电动汽车市场份额较低，但我们希望能快速增长，我们的目标是成为这两个领域的主要参与者，并提供超高精度零件。

**SCT生产的产品主要是什么？**  
我们为采埃孚集团生产齿轮箱，这些零件将供应给本地汽车制造商，例如长城汽车。我们还与汉德曼一起共同服务宝马。我们现在最大的项目是大众的双离合变速器零件的交付。总之我们每年生产约120万个变速箱，每年为汽车行业供应超过240万个汽车零部件。

**您认为施洛特集团未来五年将主要关注哪些全球趋势？**  
电动汽车将是未来5年最大的趋势。在这个市场提供服务时，您必须了解趋势。施洛特集团取得成功的主要因素是灵活，数字化和工业自动化4.0。为了在中国的竞争中脱颖而出，我们还必须努力成为技术领导者。

**您认为全球主要趋势会是电动汽车吗？**  
电动汽车将是最突出的变化，电动汽车将在未来5到10年内改变汽车行业，我希望最终我们能拥有多样的出行方式。最大的趋势将是电动汽车，我们将继续与客户密切合作，时刻准备为客户提供电动汽车所需的产品。



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### 开业庆典 OPENING CEREMONY



# HIGHLIGHT OF LAND VALUE ADDED TAX POLICY

## CONSULTATION DRAFT FOR PUBLIC COMMENT

The current Provisional Regulations of the People's Republic of China on Land Value-Added Tax (LVAT) (hereinafter referred to as the "Provisional Regulations") has played a positive role in regulating the real estate market since its implementation on 1st of January, 1994, and has become one of the important sources of local tax revenue with the economic development and growth of the real estate market in China.



By Kelvin Lee PwC

On 16<sup>th</sup> of July, 2019, the Ministry of Finance and the State Taxation Administration jointly issued the LVAT Law of the People's Republic of China (Consultation Draft) (hereinafter referred to as the "Consultation Draft") and related interpretation (hereinafter referred to as the "Interpretation"). The Interpretation explains the necessity, feasibility and overall considerations for formulation of the LVAT Law, as well as its main content. The Consultation Draft was issued on 16th of July, 2019, for public comments until 15th of August, 2019.

In this issue of China Tax and Business Advisory, we will analyse the major modifications to the Provisional Regulations according to the Consultation Draft, and share our observations.

### IN DETAIL

#### I. TAXPAYERS AND SCOPE OF TAXATION

According to Provisional Regulations, taxpayers refer to all units and individuals receiving income from the transfer of state-owned land use rights, buildings and their attached facilities. While in the Consultation Draft, the definition of taxpayers is modified to all units and individuals receiving income from the assignment of real estate property within the territory of the People's Republic of China. On one hand, the scope of taxation has been extended to the transfer of collective land use rights, buildings and their attached facilities, or to the use of collective land use rights, buildings and their attached facilities as a consideration for investment and shares; on the other hand, the expression on the taxable activity has changed from "transfer" to "assignment". With more and more new real estate products and transaction methods, the scope of activities to be included in "assignment" remains to be clarified.

#### II. INCOME AND DEDUCTION

The Consultation Draft has deleted the phrase "income in the form of physical goods" from the scope of taxable income in Provisional Regulations. The scope of income in the Consultation Draft has been simplified to monetary income and non-monetary income.

The specific deductible items on calculating the added value basically remain unchanged. The Provisional Regulations stipulated that other deductible items are to be determined by the Ministry of Finance and the Consultation Draft has been changed to "determination by the State Council". The reason behind such modification is that after the Provisional Regulations is escalated to a Law, the legal level and legislative body of the supporting implementation regulations are upgraded accordingly. Similar modification can also be found in Article 7 of the Consultation Draft, which states that "the specific scope and standards of the income and deductible items stipulated in this Law are to be determined by the State Council".

#### III. LVAT RATES

The Consultation Draft still adopts the same four-level progressive tax rates at 30%-60%, which confirms the view of the Ministry of Finance and the State Taxation Administration that the current LVAT is complete and with a relatively sound collection and administration system, and therefore it is better to maintain the current taxation framework and the overall tax burden level.

#### IV. DEEMING PROVISION

Article 9 of the Consultation Draft stipulates the circumstances where the transaction price and deduction amount can be deemed in accordance with the Law. It revises the wording under the Provisional Regulations of "Where the transaction price of the transferred real estate property is lower than the appraisal price of such property without proper justification" to "where the price of the transferred real estate property is obviously low and without proper justification." Thus, the reasonableness of the price can be measured from the purpose or substance of the taxable activity, rather than mechanically comparing it with the appraisal price. We hope that after the formal issuance of the LVAT Law, the local in-charge tax authorities can consider more about the objective factors that created the difference, such as the negotiating position and trading experience of the transferor and transferee, and other commercial considerations when considering whether to adopt the deeming provision.

It is still unclear how the "deeming provision" as stipulated in Article 9 of the Consultation Draft will be implemented or whether it will be based or by reference to the property appraisal price. Besides, taxpayers have concerns about whether such amendment will expand the discretionary power of the tax authorities. These are expected to be clarified in the subsequent implementation regulations of the LVAT Law.

In addition, under the circumstance where the amount of deductible items cannot be determined in relation to a taxable activity involving collective real estate property, Article 10 of the Consultation Draft stipulates that LVAT can be levied based on a certain percentage of the income generated from the assignment of that real estate property. The specific tax measures shall be proposed by the provincial people's government and reported to the Standing Committee at the same level for decision. This special

## 土地增值税修订征求意见稿出台，要点逐一看

### 摘要

现行的《中华人民共和国土地增值税暂行条例》(以下简称“暂行条例”)自1994年1月1日起实施以来,对调控房地产市场发挥了积极作用,并且随着中国经济发展以及房地产市场的成长而成为了地方税收的重要来源之一。财政部、国家税务总局于2019年7月16日联合向社会发布了《中华人民共和国土地增值税法(征求意见稿)》(以下简称《征求意见稿》)和相关说明(以下简称《说明》)。《说明》中对制定土地增值税法的必要性和可行性、制定该法的总体考虑和主要内容进行了解释说明。《征求意见稿》于2019年7月16日向社会公布并征求意见,截至时间为2019年8月15日。在本期《中国税务/商务新知》中,我们将结合《征求意见稿》对《暂行条例》的重大修订进行分析,并分享我们的观察。

### 详细内容

#### 一、纳税人及征税范围

《暂行条例》规定的纳税人是转让国有土地使用权、地上的建筑物及其附着物并取得收入的单位和个人。《征求意见稿》将纳税人修改为在中华人民共和国境内转移房地产并取得收入的单位和个人。一方面将征税范围扩大到了出让集体土地使用权、地上的建筑物及其附着物,或以集体土地使用权、地上的建筑物及其附着物作价出资、入股;另一方面,对应税财产行为的表述也以“转移”代替了“转让”。在房地产产品和交易模式日益更新的情况下,“转移”的具体范围包括哪些行为有待明确。

#### 二、收入和扣除

《征求意见稿》在收入范围中删除了“实物收入”的字样,即将收入分为货币收入与其他收入(即非货币收入),在文字表述上进行了精炼。关于计算增值额时准予扣除项目的规定基本不变。《暂行条例》原规定“其他扣除项目由财政部规定”,而《征求意见稿》修改为由国务院规定。该项修改是与《暂行条例》上升为法律后,配套的实施条例的法律位阶和立法主体也相应上升。此项修改也与《征求意见稿》第七条“本法规定的收入、扣除项目的具体范围、具体标准由国务院确定”相互呼应。

#### 三、税率

对于公众比较关注的税率,《征求意见稿》仍旧沿用了30%-60%的四级超率累进税率,从侧面印证了财政部和税务总局认为现行土地增值税要素完整、征管制度比较健全,宜保持现行税制框架和税负水平总体不变的观点。

#### 四、核定征收

《征求意见稿》第九条规定了依法核定成交价格、扣除金额的情形。将《暂行条例》规定的“转让房地产的成交价格低于房地产评估价格,又无正当理由”修改为“转让房地产的价格明显偏低,又无正当理由。”这更多地从财产行为的目的或实质方面去衡量价格的合理性,而非机械地与评估价格进行比较。我们希望在土地增值税法正式颁布后,基层税务机关在考量是否采用核定征收时,也能够更多地考虑转让方和受让方之间在谈判地位、交易经验等方面存在差异的客观因素及其他商业考量。

provision is based on the fact that there are regional differences in the activeness of the transfer of collective land ownership and the registration rate of collectively owned property right confirmation in different parts of China.

## V. TAX PREFERENCE

The current Provisional Regulations and policy documents stipulate that the ordinary standard housing and affordable housing with added value not exceeding 20% of the deductible amount can be exempted from LVAT. In the Consultation Draft, the two existing statutory tax exemptions are modified into discretionary tax reduction or statutory tax exemption under national laws and local administrative regulations. On one hand, the tax preferential treatment changes from rigid to flexible, and in combination with the provisions on the proportion of affordable housing and ordinary housing in the land transfer conditions, government has more ways to control and regulate the supply of state-owned land. On the other hand, the original tax exemption may be narrowed or even become uncertain, which causes great concern in the real estate industry.

Article 11 (3) of the Consultation Draft stipulates that "the State Council can stipulate other circumstances for the reduction or exemption of LVAT based on the national economic and social development needs, and report them to the Standing Committee of the National People's Congress for the record." Taking into account the rapid changes in China's social and economic development, this provision provides flexibility to the State Council to provide new tax reductions and exemptions treatments in the future.

## VI. THE TIMING OF LVAT LIABILITY

Article 13 of the Consultation Draft stipulates that the time at which a liability to LVAT arises shall be the date of the signing of the real estate property assignment contract. There



are two issues with this provision. Firstly, Article 1 of the Consultation Draft changes the taxable activity from "transfer" to "assignment", but generally, the date of signing the real estate property contract should precede the actual registration or assigned date of the real estate property. Secondly, as normally the buyer would not have paid the full amount of the purchase price on signing the contract, therefore the taxpayer's ability to bear the tax should also be considered. It may be more reasonable to take the date and amount of payment as agreed in the contract or the date of actual receipt of the payment as the time at which the LVAT liability arises, and this is more consistent with the timing of taxable income recognition under CIT and VAT.

## VII. TAX COLLECTION AND ADMINISTRATION

Article 15 of the Consultation Draft referred to the LVAT clearance conditions stipulated in Guoshuifa [2006] No. 187, in which two circumstances that were treated as "can be settled"<sup>1</sup> under that circular are now treated as "shall be settled" under the Consultation Draft. Moving the LVAT clearance forward may cause cash flow pressure to some property development companies.

In addition, under the current practice the tax authorities will perform the

tax clearance review based on the information provided by the taxpayers, Article 15 of the Consultation Draft change this practice and requires taxpayers who are engaged in the real estate property development to complete the tax clearance by themselves. When the tax authorities conduct follow-up inspection on the LVAT items, and the tax payable determined by the inspection is greater than the taxpayer's clearance amount under self-declaration, the underpayment may be subject to late payment surcharge.

The newly added Article 17 on requiring the tax authorities and relevant departments to establish a LVAT-related information sharing mechanism and coordination mechanism together with Article 21 on the legal liabilities of taxpayers, tax authorities and tax officers on violating the LVAT Law reflects the decision of the Ministry of Finance and the State Taxation Administration to change the current situation of "focusing on provisional LVAT collection and neglecting the LVAT clearance".

## THE TAKEAWAY

The Consultation Draft is a significant step towards implementing the statutory principle of taxation and also an important move in improving the local tax system. By upgrading the Provisional Regulations to law,

it can better improve the LVAT system, enhance the authority of legislation and the rigidity of law enforcement, further increase the local fiscal revenue, regulate the income distribution of land added value and promote the healthy and stable development of the real estate market, which would enhance China's real estate property tax system and advance the modernisation of the national governance system and capacity.

Since the goal of "fully implementing the statutory principle of taxation by 2020" has been set at the Third Session of the 12th National People's Congress, it may not be realistic to revise the major content of LVAT Law at the time of simply moving out of the Provisional Regulations framework. However, considering that China's social and economic environment is now far more different than that in 1993 when the Provisional Regulations was first issued, the profit margin of the real estate industry has gradually shrunk, and new types of property products have been introduced, the new LVAT Law should follow the current situation and complement the country's ongoing land system reform.

In addition to answering the questions of how to legislate LVAT Law at the legal level to better utilize the function of LVAT in regulating the real estate market and protect local fiscal revenue, the subsequent formulation of implementation regulations and the amendment of the LVAT clearance procedures will have a more direct impact to taxpayers on the LVAT tax burden, compliance costs, etc. In particular, whether Article 7 of the Consultation Draft and the corresponding supporting regulations can eliminate differences in cost deduction items, deduction standards and apportioning methods, as well as different provisions applied in the LVAT settlement which currently exist across the country. In addition to LVAT, the legislation of property tax is also forging ahead steadily. We will continue to actively participate in the formulation of laws and related rules and regulations by offering advices to the legislative and executive authorities. We will also continue to pay attention to further development in this regard and timely share our observations with you.

<sup>1</sup>Including: (1) Real estate development projects that have been completed and accepted, with transferred construction area accounting for more than 85% of the total saleable building area of the overall property project, or where the ratio is not exceeding 85%, but the remaining saleable construction area has been rented or occupied for personal use; (2) Real estate whose sale (pre-sale) license has been obtained for more than three years, but still has not been sold out.

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《征求意见稿》第九条规定的“依法核定”如何执行以及是否依据或者参考房地产评估价格尚未明确，纳税人对于该项修改是否会扩大税务机关的自由裁量权存在一定顾虑，期望在后续土地增值税法实施条例中能得以明确。

此外，《征求意见稿》第十条针对涉及集体房地产的应税财产行为无法确定扣除项目金额的情况，规定了可按照转移房地产收入的一定比例征收土地增值税，具体办法由省人民政府提出，报同级人大常委会决定。这一特殊规定，是基于全国各地在集体土地所有权流转活跃度、集体所有房地产权登记率等方面存在地区差异这一实际情况。

## 五、税收优惠

现行的《暂行条例》和政策文件规定纳税人建造普通标准住宅和保障性住房，增值额未超过扣除项目金额 20% 的免征土地增值税。《征求意见稿》将现有的这两个免税情形修改为国家法律和行政法规两个层级的减税或免税情形，而且由法定变成酌定。一方面，税收的刚性优惠变成弹性优惠，结合土地出让条件中对保障性住房和普通住宅比例的规定，丰富了政府在国有土地供应方面的调控手段。另一方面，原本确定的免税可能存在优惠缩窄甚至存在不确定性，这引起了房地产业界的较大关注。

《征求意见稿》第十一条第（三）款规定“国务院可以根据国民经济和社会发展的需要规定其他减征或免征土地增值税情形，并报全国人民代表大会常务委员会备案”。考虑到中国社会经济发展的快速变化以及保持税收法律的刚性和严肃性，该款规定为今后国务院规定新的减免税优惠预留了“接口”。

## 六、纳税义务发生时间

《征求意见稿》第十三条规定土地增值税纳税义务发生时间为房地产转移合同签订之日。这一规定存在两方面的问题。第一、《征求意见稿》第一条将应税财产行为由“转让”修改为“转移”，但一般来说房地产合同签订时还未转移财产，也尚未进行房地产转让登记。第二、通常来说，合同签订时一般买方还未交付全部房款，应考虑纳税人的负担能力。按照合同约定的付款日期和金额或者实际收取款项的日期作为纳税义务发生时间可能更为合理，也与企业所得税和增值税收入确认时间更趋同。

## 七、税款征收管理

《征求意见稿》第十五条参照了国税发 [2006]187 号规定的土地增值税清算条件，并将其中两个“可以清算”1 的情形作为“应当清算”的情形，提前对项目进行土地增值税清算可能对部分房地产开发企业带来现金流的压力。

此外，《征求意见稿》第十五条将

现行税务机关根据纳税人提供的资料进行清算审核的做法，调整为从事房地产开发的纳税人应自行完成清算。税务机关对土地增值税项目进行后续检查时，若检查结论认定的应交税金大于纳税人自行清算金额，除需补交税金外，存在需要加收滞纳金的风险。

结合新增的第十七条所规定的税务机关与相关部门建立土地增值税涉税信息共享机制和工作配合机制、第二十一条所规定的纳税人、税务机关及其工作人员的违法责任，体现了财政部和税务总局决定改变目前“重预征、轻清算”的现状。

## 我们的观察

《征求意见稿》是落实税收法定原则的重要步骤，也是健全地方税法体系改革的重要内容。将《暂行条例》上升为法律，有利于完善土地增值税制度，增强立法权威性和执法刚性，发挥土地增值税筹集财政收入、调节土地增值收益分配、促进房地产市场健康稳定发展的作用，有利于健全中国的房地产税收体系、推进国家治理体系和治理能力现代化。

由于十二届全国人大三次会议确定了在 2020 年之前全面落实税收法定原则这一目标，脱离《暂行条例》的框架对土地增值税法本身进行重大修订似乎并不现实。但是考虑到如今中国的社会经济环境相比 1993 年《暂行条例》出台时已有很大不同，房地产行业的利润空间逐渐收窄，新型的房地产产品推陈出新，新的土地增值税法律亦应当与时俱进，并配合国家正在进行的土地制度改革。

除了在法律层面如何立法，更好地发挥土地增值税在调控房地产市场以及保障地方财政收入方面的作用之外，后续的实施条例制定以及土地增值税清算规程的修订，将对纳税人的土地增值税税负、合规成本等产生更加直接的影响。特别是《征求意见稿》第七条以及相应的配套法规能否消除目前全国各地对于成本扣除项目、扣除标准、分摊方法等方面的差异，以及在土地增值税清算过程中更多的不同规定。除了土地增值税以外，房地产税法也在稳步推进中。我们将继续积极地通过向立法部门和行政管理部门提出建议，积极参与法律及相关法规、规章的制定过程。我们也将继续关注这方面的发展，并及时分享我们的观察。

<sup>1</sup>包括：（一）已竣工验收的房地产开发项目，已转让的房地产建筑面积占整个项目可售建筑面积的比例在 85% 以上，或该比例虽未超过 85%，但剩余的可售建筑面积已经出租或自用的；（二）取得销售（预售）许可证满三年仍未销售完毕的。

# LEGAL AND TAX ANALYSIS OF INTERNATIONAL TRADE TRANSACTION

By Garrigues China

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China's international trade has experienced rapid expansion during the recent decades and a lot of problems have popped up during the extensive development of international trade. This article aims at pointing some issues worthwhile being noticed when the company reaches international transactions with overseas parties as well as helping the company optimize the structure of transaction by introducing a specific business model as below.

## 1 BACKGROUND

- (1) Company A is an affiliated company of Company B of which the company type is being trading company. Company B has entered into a sales and purchase agreement with a Philippine customer ("Philippine Customer") to sell a type of finished modules ("Finished Modules") to the Philippine Customer. As per the request of the Philippine Customer, the Finished Modules shall be exported from China, so that the agreement tariff rate under the *Framework Agreement on Comprehensive Economic Co-operation between the PRC and the Association of South East Asian Nations ("ASEAN Framework")* could be applied to the Finished Modules ("Transaction").
- (2) To perform the Transaction, Company B intends to involve Company A to adopt the following business arrangements ("Envisaged Business Arrangements"):

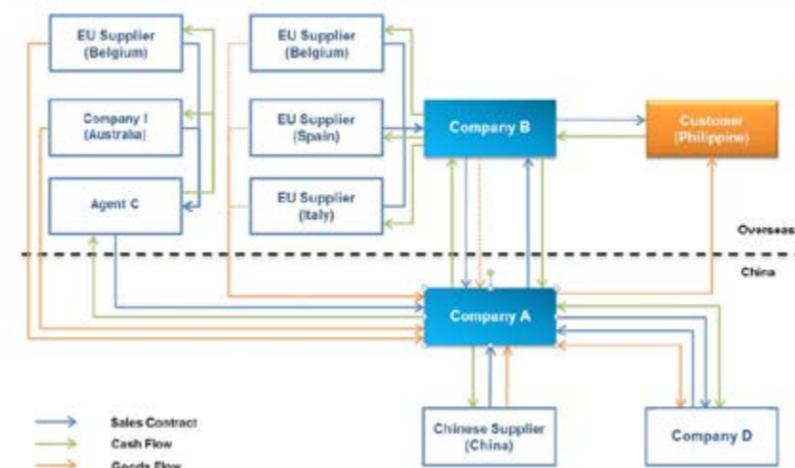
Phase I: Company A will purchase certain customized equipment designated by Company B from Australia and Europe through a third party Spanish agent, i.e. Agent C, and certain customized equip-

ment from other EU suppliers through Company B ("Imported Equipment"), while the Imported Equipment will be directly shipped from Australia and Europe, and purchase the rest equipment from local suppliers in China ("Chinese Equipment") for the assembly of the Finished Modules (collectively "Equipment"). The value of the Imported Equipment is around 30% of the value of the Finished Modules.

Phase II: Company A will sell both the Imported Equipment and Chinese Equipment to a Chinese company, i.e. Company D, and Company D will assemble the Equipment to the Finished Modules and sell the Finished Modules to Company A. Both Company A and Company D are not located in the bonded area in the People's Republic of China (the "PRC" or "China", which, for the purpose of this article, shall exclude Hong Kong Special Administrative Region, Macao Special Administrative Region and Taiwan region).

Phase III: The Finished Modules will be exported by Company A to Company B with the final destination to the Philippine Customer.

The Transaction and the Envisaged Business Arrangements are illustrated as below:



Now, based on the above structure of the Transaction, we will analyze:

- (1) Whether under the Envisaged Business Arrangements, the agreement tariff rate under the ASEAN Framework could be applied to the Finished Modules;
- (2) Whether under the Envisaged Business Arrangements, the agreement tariff rate under the *Free Trade Agreement between the PRC and Australia ("PRC-Australia FTA")* could be applied to the equipment imported from Australia;
- (3) The feasibility of the Envisaged Business Arrangements and key legal and tax implications under each phase which shall be paid close attention to; and
- (4) Any alternatives which could be adopted to optimize the Transaction.

## 2 DISCLAIMER

The article is made based on the above background as well as the applicable PRC laws and regulations, and mainly focuses on the feasibility analysis of the application of agreement tariff rates and some key legal and tax issues in the Envisaged Business Arrangements. The detailed implementation procedures are not included in this article.

Alternatives have been provided in the last section of this article. This section briefly explains the alternative business arrangements for consideration. However, the detailed legal and tax implications in relation to the alternative is not analyzed. Other alternatives that are not legally feasible, such as temporary import, are not analyzed in the article.

The Envisaged Business Arrangements contain intercompany transactions, which might be assessed as related party transactions from the PRC tax perspective. Any transfer pricing consideration for the Envisaged Business Arrangements has not been analyzed, such as the pricing of related party transactions and profit repatriation from Company A to Company B etc.

## 3 EXECUTIVE SUMMARY

The purpose of this executive summary is to highlight the most significant legal and tax issues brought to light in connection with the Transaction. This executive summary is intended solely for your convenience, which should be read carefully in its entirety.

Based on the applicable PRC laws and regulations, as well as our anonymous verbal inquiry with the relevant authorities, we summarize our conclusions in this section:

- (1) Provided that the conditions applied for the eligibility of the agreement tariff rate are satisfied, the Finished Modules may apply the agreement tariff rate as 0% under the ASEAN Framework. Conditions are applied for the eligibility of agreement tariff rate. The applicability of the agreement tariff rate shall be determined by Philippine Customs upon the import of Finished Modules.

Regarding the application for the Certificate of Origin with the Chinese Customs, the assessment in relation to whether the export goods are originated from China would be subject to the Custom's own discretion according to the relevant supporting documents provided by Company A. The rules have not specified the detailed documents required, which would be subject to the requirements of the competent Customs during the application procedure.

- (2) The goods originating in Australia and directly transported from the territory of Australia to the territory of China by making an application for the agreement tariff rates under the PRC-Australia FTA are subject to agreement tariff rates.

Phase I: There is no administrative limitation on the importation of the Imported Equipment. Provided Company A has corresponding business scope, obtained the corresponding qualifications required for the import business and none of the Imported Equipment has fallen into the restricted or prohibited categories, it shall be entitled to conduct Phase I business without restriction.

Phase I is a general goods trading transaction from Chinese Customs and tax perspective, which is subject to Customs duty ("CD") and import value added tax ("VAT") at Customs clearance. The importer (i.e. Company A) shall be the tax-

payer of CD and VAT. In phase I, assuming that goods are originated from Spain, Italy, Belgium and Australia respectively, the imported goods may enjoy the most favored nation tariff rates in China.

Phase II: Company D shall obtain certain qualifications in order to perform the assembly service.

There are two domestic sales transactions involved in Phase II. In particular, when Company A sells the import goods to a domestic customer, Company D, the domestic sales transaction of goods is subject to output VAT, local tax surcharges and Enterprise Income Tax ("EIT"). Company A is the taxpayer of the said taxes. The said output VAT may be deducted from the input VAT obtained from the next domestic sales transaction of purchasing Finished Modules from Company D by obtaining the special VAT invoices.

Phase III: Provided Company A has corresponding business scope, has obtained the corresponding qualifications required for the exportation and the exported goods has not fallen into the restricted or prohibited categories, it shall be entitled to conduct Phase III business without restriction. Under Phase II, the consistency of cash flow and goods flow of the Finished Modules might also need to be proved by the relevant supporting documents. The conditions and terms of the sale contract of the Finished Modules shall be subject to the business arrangement between Company A and Company B.

In Phase III, Company A is a trading company that may export goods and services without the capacity of production ("Trader"). From PRC tax law perspective, the VAT refund mechanism of exemption and refund ("ER") shall be adopted for the Trader with exportation business. The Finished Modules purchased from Company D for export may apply the ER method at the VAT refund rate of 13%.

The alternative business model includes business scope expansion and bonded business model. On one hand, Company A could consider transferring its enterprise type from "trading company" to "manufacturing and trading company" by modifying its current business scope so that it might assemble the Finished Modules by itself.

On the other hand, the bonded business model of outsourced processing with imported materials provides the tax benefits of improving the cash flow of Company A in comparison with the Envisaged Business Arrangements. However, certain Customs procedures would be required to carry out the bonded business model.



## 4 LEGAL AND TAX ANALYSIS

The above conclusions are reached based on the following legal and tax analysis:

### 4.1 Application of agreement tariff rate under the ASEAN Framework

Under the ASEAN Framework, products that may apply the agreement tariff rate shall follow the Rules of Origin for the China-ASEAN Free Trade Zone as stipulated by the PRC Customs, Ministry of Commerce and General Administration for Market Regulation.

Provide that the following conditions are fully satisfied and the Finished Modules are qualified to apply the agreement tariff rate, the applicable agreement tariff rate is 0%.

#### Condition 1: export goods are originated in China

In the event that the export goods satisfy one of the following conditions, their country of origin shall be China:

- (1) The goods are wholly acquired or produced in China in accordance with the stipulated provisions; or
- (2) The goods are not wholly acquired or produced in China in accordance with the stipulated provisions.

Having checked the definition of "wholly acquired or produced", we understand that the Finished Modules are not wholly acquired or produced in China. In this case, the goods may be assessed as originated in China if one of the following conditions is met:

- (1) Goods are not wholly acquired or produced in China
  - The composition of the goods that is acquired or produced in China shall account for at least 40%; or
  - The total value of materials, components or products originated from countries other than China-ASEAN Free Trade Zone shall not exceed 60% of the FoB price of the acquired or produced goods (i.e. the Finished Modules). In addition, the last manufacturing procedure shall be completed in China.
- (2) Standards for special origin of products
 

The standards for special origin of products refer to the goods that are sufficiently processed in China, which shall be deemed as goods originated from China, such as the required materials has been changed in tariff classification, has been customized manufactured or

processed, satisfy a certain percentage requirement or the mixed use of any of the stated standards.

#### Condition 2: Direct consignment

The following circumstances may be considered as direct consignment:

- (1) the goods is transported to Philippine by passing through the territory of another China-ASEAN Free Trade Zone
- (2) the goods is transported to Philippine without passing through the territory of any non-China-ASEAN Free Trade Zone

#### Condition 3: Certificate of Origin

The Certificate of Origin is issued by the Chinese Customs. The exporter or its agent shall apply the Certificate of Origin with the Chinese Customs, while the Chinese Customs may require relevant supporting documents from the exporter or manufacturer.

Please note that the aforementioned conditions aim to provide a general guidance on how to apply the agreement tariff rate under the ASEAN Framework. The applicability of the agreement tariff rate shall be determined by Philippine Customs upon the import of Finished Modules.

Regarding the application for the Certificate of Origin with Chinese Customs under Condition 3, the assessment of Condition 1 in relation to whether the export goods are originated from China would be subject to the Custom's own discretion according to the relevant

supporting documents provided by Company A. The rules have not specified the detailed documents required, which would be subject to the requirements of the competent Customs during the application procedure.

### 4.2 Application of agreement tariff rate under the PRC-Australia FTA

Agent C intends to procure goods from an Australian supplier through Agent C and sells to Company A. The goods would be shipped directly from Australia to China.

The PRC-Australia FTA is effective from December 20, 2015. According to the PRC-Australia FTA and the *Order of the General Administration of Customs No.228 ("Order No.228")*, the goods originating in Australia (i.e. Condition 1 as explained below) and directly transported from the territory of Australia to the territory of China (i.e. Condition 2 as explained below) by making an application for the agreement tariff rates under the PRC-Australia FTA (i.e. Condition 3 as explained below) are subject to agreement tariff rates. The conditions of being eligible for the agreement tariff rates are explained below:

#### Condition 1: imported goods are originated in Australia

In the event that the imported goods satisfy one of the following conditions, their country of origin shall be Australia:

- The goods are wholly acquired or produced in Australia;
- The goods are produced entirely within the territory of Australia exclusively from originating materials; or
- The goods are not wholly acquired or produced within the territory of Australia, but comply with the change in tariff classification, regional value content, processing procedures or other requirements as stipulated by the product-specific rules of origin under the PRC-Australia FTA.

#### Condition 2: Direct consignment

- (1) An originating goods shall retain its originating status provided that the goods is directly transported to the importing party without passing through the territory of a nonparty.
- (2) Notwithstanding paragraph (1), an originating goods transported through one or more non-parties, with or without trans-shipment or temporary storage in such non-parties, shall retain its originating status, provided that:
  - the goods remains under Customs control in those non-parties;
  - the goods does not undergo any operation there other than unloading and reloading, repacking, re-labelling for the purpose of satisfying the requirements of the importing Party, temporary storage or any operation required to keep them in good condition; and
  - in cases where the goods is temporarily stored in the territory of a non-party, as provided in paragraph 2 of this Article, stay of the goods in that nonparty shall not exceed 12 months from the date of its entry.

- (3) Consignments of originating goods may be split up in non-parties for further transport, subject to the fulfilment of the conditions listed in paragraph (2).
- (4) The Customs administration of the importing Party may require the importer to submit documentary evidence to confirm compliance with the conditions listed in paragraph (2).

#### Condition 3: Application of enjoying the agreement tariff rate

The consignees of the imported goods or the agents thereof (i.e. importers) shall submit the relevant documents to the Chinese Customs for the application of enjoying the agreement tariff rate, such as:

- Making a claim for preferential tariff treatment either by written or electronic means before or at the time

of importation on the grounds that the goods qualifies as an originating goods;

- Possessing a valid Certificate of Origin or Declaration of Origin for the imported goods;
- Submitting the original or copy of the Certificate of Origin or Declaration of Origin and other documentation relating to the importation of the goods, if required by the Chinese Customs; and
- Submitting evidences to prove that the direct consignment criteria as explained in Condition 2 have been met, if required by the Chinese Customs.

Where a Certificate of Origin or Declaration of Origin is not provided at the time of importation of a goods, the Chinese Customs may impose the non-preferential import Customs duty or payment of a deposit equivalent to the non-preferential duty on the import goods. In such case, the importer may apply for a refund of any excess import Customs duty or deposit paid within one year from the date of importation, or any longer period if provided for by the importing Party in its laws and regulations, provided that the requirements in the first paragraph of Condition 3 are fulfilled.

In relation to the Certificate of Origin or Declaration of Origin mentioned above, we understand that Company A would require the Certificate of Origin from the Australian supplier. The requirements for the Certificate of Origin are as follow:

- (1) For the purposes of obtaining preferential tariff treatment in China, a Certificate of Origin shall be issued by an authorized body in Australia.
- (2) Australian Customs shall inform the Customs administration of the Chinese Customs of the names and addresses of the authorized body issuing the Certificates of Origin and shall provide specimen impressions of official seals used by such authorized bodies. Any change in names, addresses or official seals shall be promptly notified to the Chinese Customs.
- (3) A Certificate of Origin shall be issued before or at the time of exportation when the goods have been determined to be originating in Australia.

The exporter or producer shall submit an application for the Certificate of Origin together with appropriate supporting documents proving that the goods qualify as originating.

- (4) The Certificate of Origin shall be completed in the English language and shall be duly signed and stamped on the required template in accordance with PRC-Australia FTA. A Certificate of Origin shall be applicable to one or more goods under one consignment and shall remain valid for 12 months from the date of issue.
- (5) Notwithstanding paragraph (3), in exceptional cases where a Certificate of Origin has not been issued before or at the time of exportation due to force majeure, or involuntary errors, omissions or other valid reasons, a Certificate of Origin may be issued within 12 months from the date of shipment, bearing the remark "ISSUED RETROSPECTIVELY", and remain valid for 12 months from the date of shipment.
- (6) In cases of theft, loss or accidental destruction of a Certificate of Origin, the exporter or producer may, within the term of validity of the original Certificate of Origin, make a written request to the authorized body that issued the original certificate for a certified copy, provided that the original Certificate of Origin had not been used. The certified copy shall bear the words "CERTIFIED TRUE COPY of the original Certificate of Origin number \_\_\_ dated \_\_\_". The certified copy shall have the same term of validity as the original Certificate of Origin.

Based on the above, it is highly recommended that the Certificate of Origin is obtained from the Australian supplier as a condition of sales in the sales and purchase agreement concluded between Agent C and Company A.

#### 4.3 Legal and tax implications on the Envisaged Business Arrangements

##### 4.3.1 Phase I

Company A will purchase Imported Equipment from Australian and European suppliers respectively through Agent C and Company B, while the Imported Equipment will be directly shipped from Australia and Europe, and purchase the rest equipment from local suppliers in

China for the assembly of the Finished Modules. The value of the Imported Equipment is around 30% of the value of the Finished Modules.

#### ❖ Legal implications

##### (1) Licenses, Qualifications and Administrative Procedure

###### i. Business Scope of Company A

To carry out the business under Phase I, Company A shall have corresponding importation business in its registered business scope.

###### ii. Licenses and Qualifications

For the purchase of Chinese Equipment from its local suppliers, Company A does not need any additional license or qualification.

For the importation of Imported Equipment, other than the corresponding business scope, Company A shall also obtain below licenses and conduct below registrations ("**Qualification**"):

- (a) Filing Form for Foreign Trade Operator (in Chinese: 对外贸易经营者备案表);
- (b) Customs Declaration Enterprise Registration Certificate/Filing Receipt of the Customs (in Chinese: 报关单位登记证书 / 海关备案回执 / 海关登记备案回执);
- (c) Name List Registration of the Trading Enterprise for Receipt and Payment of the Foreign Exchange (in Chinese: 贸易外汇收支企业名录登记); and
- (d) E-port registration and obtain the Legal Person Card (in Chinese: 法人卡) and Operator Card (in Chinese: 操作员卡).

###### iii. Importation Permission

The PRC laws and regulations have classified the imported goods into three categories, i.e. (a) prohibited; (b) restricted; and (c) allowed categories.

Goods fall into the prohibited category are not allowed to be imported into the PRC. Goods fall into the restricted category will need the special import license or prior approval to be imported into the PRC. Goods not indicated in the prohibited and restricted categories shall be regarded as falling into the allowed category, which generally are allowed to be imported into the PRC without restriction while automatic import approval procedure is needed to be conducted in advance for some of goods in the allowed category.

#### Conclusion

Provided Company A has corresponding importation business in its business scope, has obtained the Qualifications and none of the Imported Equipment has fallen into the prohibited or restricted category, it shall be entitled to conduct Phase I business without restriction.

##### (2) Foreign Exchange Control

The SAFE regulates the receipt and payment of the foreign exchange of the enterprises conducting cross border trading and classifies the enterprises into three categories, i.e. Rank A, B and C, according to the result of the offsite and onsite inspection and the foreign exchange compliance status of the enterprises.

Within the valid period of classification, SAFE will apply the facilitated management rules on the receipt and payment of the foreign exchange of the enterprise with Rank A while for the enterprises with Rank B and Rank C, SAFE will implement more strict management on several aspects, e.g. verification of documents, transaction modes, settlement method etc..

The regular foreign exchange transaction of the company with Rank A will be reviewed and preceded by the commercial banks and usually there is no restriction on the deferred or advanced payment/receipt clauses in its cross border trading contracts.

Nevertheless, for the following transactions, the company with Rank A is obligated to timely submit information such as the corresponding estimated foreign exchange receipts or payments or date of importation or exportation, etc. to SAFE through SAFE's monitoring system within 30 days from the date of importation or exportation indicated on the Customs declaration form or the date of actual occurrence of foreign exchange receipts or payments:

- i. advanced payment or receipt for more than thirty (30) days (exclusive);
- ii. deferred payment or receipt for more than ninety (90) days (exclusive);
- iii. import trade financing such as forward letter of credit (including extension) for more than ninety (90) days (exclusive), overseas payment on behalf, etc.;
- iv. where the interval between the receipt and payment under the same transit trade contract exceeds ninety (90) days (exclusive) and the amount of foreign exchange receipts under collect-then-pay or the amount of foreign exchange payments under pay-then-collect exceeds US\$500,000 (excluding US\$500,000) equivalent; and
- v. any other circumstances required to be reported to SAFE.

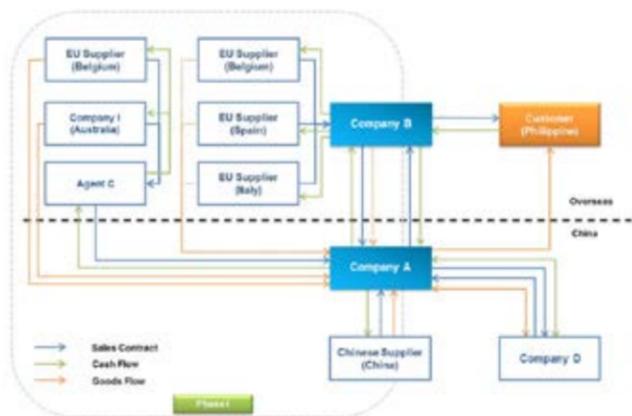
Besides, for item i and ii, the company is required to submit information on related party transactions to SAFE, if any.

Please note that if the interval between the date of return remittance and the date of original receipt or payment is more than 180 days (excluding 180-day) or where return remittance cannot be made pursuant to the provisions of Article 16 of the *Implementation Regulations*

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for the Guidelines on Foreign Exchange Administration for Trade in Goods<sup>1</sup> under special circumstances, the company shall present a written application and the relevant proof materials to complete registration formalities with SAFE prior to making foreign exchange payment, issuance of letter of credit, disbursement of loans under export trade financing or foreign exchange settlement or outward transfer of funds in pending-verification account.

- (3) Consistency of Cash Flow and Goods flow of the Imported Equipment  
Under the Phase I, the cash flow and the goods flow of the Imported Equipment are as follows:



Regarding the payment of price for the Imported Equipment, as required by the PRC laws and regulations, the inflow and outflow of foreign exchange funds ("Cash Flow") shall be consistent with the imported and exported goods declared before the Customs ("Goods Flow"). Specifically speaking, the importer of the goods indicated in the Customs Declaration Form shall be the party making the payment for the price of the imported goods. The exporter indicated in the same Customs Declaration Form

<sup>1</sup> Article 16 The overseas payer of return remittance for imports shall be the original payee, the domestic payee shall be the original payer. The domestic payer of return remittance for exports shall be the original payee, the overseas payee shall be the original payer. Financial institutions processing payment for return remittance for foreign exchange receipts for trade for enterprises shall examine the original proof for foreign exchange receipts for return remittance arising from an erroneous inward remittance; for return remittance due to other reason, the declaration document for the original revenue and the original export contract shall be examined.

Financial institutions processing foreign exchange settlement or transfer for return remittance for foreign exchange payments for trade for enterprises shall examine the declaration document for the original expenditure for return remittance arising from an erroneous outward remittance; for return remittance due to other reason, the declaration document for the original expenditure and the original import contract shall be examined.

Where the interval between the date of return remittance and the date of original receipt or payment is more than 180 days (excluding 180-day) or where return remittance cannot be made pursuant to the provisions of this Article under special circumstances, the enterprise shall first complete foreign exchange registration formalities for trade with the foreign exchange bureau.



shall be the party that receives payments from importer for the imported goods. The consistency of Cash Flow and Goods Flow will be checked by the competent Customs upon the declaration of the goods and inspected by the account bank of the enterprise designated by the local SAFE upon the payment of price of the goods.

Under the business structure in Phase I, Company A will be the importer and the suppliers will be the exporter. However, due to business arrangement, Company A will purchase the goods from and make the payment to the agents, i.e. Agent C and Company B instead of the suppliers (exporter) of the Imported Equipment. As the result, there exists the discrepancy between the Cash Flow and the Goods Flow.

The PRC laws and regulations do not provide samples to interpret whether the business structure under Phase I is in compliance with the consistency requirement of cash flow and the goods flow, but our anonymous consultation with the local Customs and commercial banks qualified to handle the overseas payment business confirms it will be regarded as complying with the laws and regulations, provided the transactions between Company A, Agent C/Company B and overseas suppliers are true and genuine.

To verify the transactions are true and genuine, following supporting documents shall be submitted to the competent Customs and commercial banks:

- i. The competent Customs  
Upon the declaration of the goods, below supporting documents shall be submitted to the competent Customs together with the Customs Declaration Form:
- Relevant contracts (under the current busi-

ness arrangement, the sales contracts to be submitted include: (a) sales contract between Company A and Agent C/Company B; and (b) sales contract between Agent C/Company B and suppliers);

- Relevant invoices;
- The packing list;
- The cargo manifest;
- Bills of lading (delivery notes); and
- Other documents as required by the competent Customs.

ii. The Commercial Banks

The commercial banks handling the procedure of the payment of foreign exchange funds will check below supporting documents before the payment of foreign exchange funds:

- Sales contract between Company A and Agent C/Company B;
- Invoice issued by Agent C/Company B to Company A; and
- Other documents as required by the SAFE or the commercial banks for the payment of foreign exchange funds.

Please note that the above documents are based on our general consultation with the competent Customs and several commercial banks. The specific documents and requirements might be changed as per the applicable laws and regulations and commercial banks' internal formality from time to time. Therefore, it is recommended to consult the in-charge Customs and its local account bank to confirm the formality requirements in advance.

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- (4) Transfer of the Ownership and Risks of the Equipment

Company A will sign relevant sales contracts with Agent C/Company B regarding the Imported Equipment ("International Trade Contracts") and relevant sales contracts with the Chinese suppliers regarding the Chinese Equipment ("Local Sales Contracts").

Below matters are worthwhile being noticed upon the concluding of the International Trade Contracts and Local Sales Contracts:

i. International Trade Contracts

Under the International Trade Contracts, the choice of Incoterms rules will allocate the delivery obligations, time point for transfer of ownership of the goods, insurance responsibilities etc. between both parties. The final decision of which Incoterms rule will be applied to the International Trade Contracts shall be subject to the business arrangements between transaction parties.

ii. Local Sales Contracts

Under the Local Sales Contracts, for the best interests of Company A, in case the Chinese suppliers agree, both parties may adopt the "payment after delivery" mode, i.e. the Chinese suppliers deliver the China Equipment to Company A at first, the full amount of the price of China Equipment will be paid upon the completion of acceptance of China Equipment. Please note that the sequence for delivery and payment shall always be subject to the negotiation and business arrangement between contractual parties.

Notwithstanding the above, under the PRC laws

and regulations, generally, the ownership and the risk of the goods will be transferred to the buyer upon the delivery of the goods unless otherwise pursuant to the PRC laws or agreed by both parties. The transfer of risk means that the buyer shall undertake any loss or damage occurred to the goods thereafter and its payment obligations shall still be satisfied regardless of the loss or damage occurred.

❖ Tax implications

Phase I of the Envisaged Business Arrangements is feasible. The import goods may be shipped by a supplier (i.e. suppliers of Company B and Agent C in Australia and Europe) rather than the exporter (i.e. Company B).

Phase I is a general goods trading transaction from Chinese Customs and tax perspective, which is subject to CD and import VAT at Customs clearance. The importer (i.e. Company A) shall be the taxpayer of CD and VAT.

(1) CD

The tariff rate is determined by the HS code of the import goods and the applicability of the agreement tariff rate under the PRC-Australia FTA as mentioned in section 4.2. In the case that the import goods are originated and shipped from Belgium and Italy to Company A directly but the sales and purchase agreement ("SPA") is signed between Company B (or Agent C) and Company A, the import tariff rate is applied in accordance with the country that the goods are originated.

(2) Import VAT

The import VAT is calculated based on the sum of



CIF2 price and CD. The VAT rate of 13% would apply to goods imported after April 1, 2019.

The import VAT may be used as the input VAT of Company A and deduct against its output VAT.

## 4.3.2 Phase II

Company A will engage Company D to assemble the Equipment collected in Phase I to the Finished Modules. Once the assembly is completed, Company D will sell the Finished Modules to Company A.

### ❖ Legal implications

- (1) Company D's Qualifications to Perform the Assembly Service

To assemble the Finished Modules, Company D shall have corresponding business scope to carry out said business.

- (2) Contractual Relationship between Company A and Company D

To obtain the Finished Modules from Company D, Company A could either purchase the Finished Modules through a goods sale and purchase agreement or purchase the assembly service through an assembly service agreement. However, if Company A has intention to receive a VAT invoice for the sale and purchase of goods with the product name in consistent with the HS Code of the Finished Modules, in such circumstance, the contractual relationship between Company A and Company D shall be (i) Company A as the

seller selling Equipment to Company D as the buyer ("SPA1"); and (ii) Company D as the seller selling the Finished Modules to Company A as the buyer ("SPA2"). SPA1 and SPA2 could be signed at the same time but shall be regarded as two separate transactions and invoices shall be issued by the seller under each transaction to the buyer.

- (3) Transfer of the Ownership and Risks of the Equipment

Under the PRC laws and regulations, generally, the ownership and risk of the goods will be transferred to the buyer upon the delivery of the goods unless otherwise pursuant to the PRC laws or agreed by both parties. The transfer of risk means that the buyer shall undertake any loss or damage occurred to the goods thereafter and its payment obligations shall still be satisfied regardless of the loss or damage occurred. In consideration that under Phase II arrangement, the parties may agree to offset the payment under SPA1 and SPA2 to minimize the influence to the cash flow, for the interest of Company A, it is worthy to agree on the transfer of ownership and risk of the goods in each agreement.

Under SPA1, it is advisable to agree that the ownership of the Equipment will be transferred to Company D upon the fully payment of consideration and the risk of the Equipment will be transferred to Company D upon delivery of Equipment, while the definition of delivery shall be carefully defined in SPA1 according to the delivery arrangement. Since Company D will not actually pay the consideration under SPA1, the ownership of the Equipment shall be legally retained by Company A.

<sup>2</sup> CIF refers to cost, insurance and freight. It is a type of pricing for goods in international trading.

- iii. Exportation Permission

The PRC laws and regulations have classified the exported goods into three categories, i.e. (a) prohibited; (b) restricted; and (c) allowed categories.

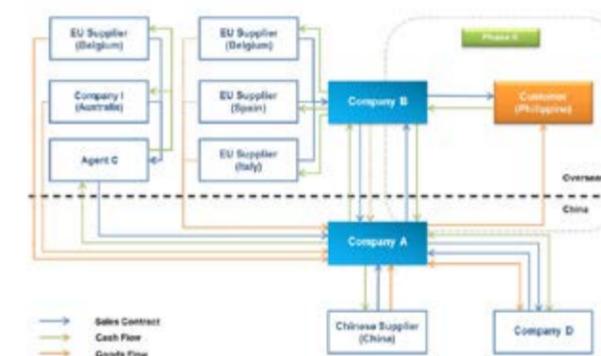
Goods fall into the prohibited category are not allowed to be exported out of the PRC. Goods fall into the restricted category will need the special export license or quota to be exported out of the PRC. Goods not indicated in the prohibited and restricted categories shall be regarded as falling into the allowed category, which generally are allowed to be exported out of the PRC without restriction.

## Conclusion

Provided Company A has corresponding business scope, has obtained the Qualifications and the exported goods has not fallen into the restricted or prohibited categories, it shall be entitled to conduct Phase III business without restriction.

- (2) Foreign Exchange Control  
As we analyzed in Phase I, SAFE regulates the receipt and payment of the foreign exchange of the enterprises conducting cross border trading according to the classification of the enterprise. Please refer to section 4.3.1 for detailed analysis.
- (3) Consistency of Cash Flow and Goods flow of the Finished Modules

Under Phase III, the cash flow and the goods flow of the Finished Modules is as follows:



Furthermore, Company A could consider requesting Company D to provide the payment guarantee issued by the commercial bank under SPA 1 to lower the risk of not receiving payment from Company D, especially when the parties are not able to agree on the above transfer of ownership and risk arrangement.

Under SPA2, it is advisable to agree that the ownership and the risk of the Finished Modules upon delivery of Equipment to Company A, same as SPA1, the definition of delivery shall be carefully defined in SPA2 according to the delivery arrangement.

### ❖ Tax implications

There are two domestic sales transactions involved in Phase II, including:

- (1) SPA1: the import goods would be sold to a domestic customer, Company D, as a domestic sales transaction of goods, which is subject to VAT, local tax surcharges and EIT. Company A is the taxpayer of the said taxes.

- VAT and local tax surcharges

When Company A sells the import goods to Company D, VAT is calculated at the selling price of the goods. The selling price of the goods shall be reasonable. Otherwise, the tax authority may adjust the selling price.

The VAT rate of 13% would apply to goods sold after April 1, 2019, whereas local tax surcharges are calculated at a certain percentage of VAT ranging from 5% to 11% in Shanghai. The said percentage is subject to the location of Company A and the applicable tax rate determined by the competent tax authority.

- EIT

The standard EIT rate is 25% of taxable profit. If Company A has accounting profit in each quarter, EIT may be paid in the form of prepayments for the quarterly EIT filings.

- (2) SPA2: Company D would sell the Finished Modules to Company A after the completion of assembly services. Similar to SPA1, VAT, local tax surcharges and EIT would arise on the sales transaction. However, the taxpayer is Company D.

## 4.3.3 Phase III

Company B will enter into a goods sales and purchase agreement with Company A for the purchase of the Finished Modules and the Finished Modules will be exported by Company A to Company B with the final destination to the Philippine Customer.

### ❖ Legal implications

- (1) Licenses, Qualifications and Administrative Procedure

- i. Business Scope of Company A

To carry out the business under Phase III, Company A shall have corresponding exportation business in its registered business scope.

- ii. Licenses and Qualifications

For the exportation of the Finished Modules, other than the corresponding business scope, Company A shall also obtain the Qualification indicated in Section 4.3.1.

As required by the PRC laws and regulations, the Cash Flow shall be consistent with the Goods Flow. Specifically speaking, the exporter of the goods indicated in the Customs Declaration Form shall be the party receiving the payment for the price of the exported goods and the importer of the goods indicated in the Customs Declaration Form shall be the party making the payment to the exporter for the price of the exported goods. The consistency of Cash Flow and Goods Flow will be checked by the competent Customs upon the exportation of the goods and inspected by the account bank of the enterprise designated by the local SAFE upon the receipt of price of the goods.

Under the business structure in Phase III, Company A will be the exporter and the Philippine Customer will be the importer. However, due to business arrangement, Company A will receive the payment from Company B instead of the Philippine Customer of the Finished Modules. As the result, there exists the discrepancy between the Cash Flow and the Goods Flow.

The PRC laws and regulations do not provide samples to interpret whether the business structure under Phase III is in compliance with the consistency requirement of cash flow and goods flow, but our anonymous consultation with the local Customs and commercial banks qualified to handle the overseas payment business confirms it will be regarded as complying with the laws and regulations, provided the transactions between Company A, Company B and Philippine Customer are true and genuine.

To verify the transactions are true and genuine, following supporting documents shall be submitted to the competent Customs and commercial banks:

- i. The competent Customs
 

Upon the declaration of the goods, below supporting documents shall be submitted to the competent Customs together with the Customs Declaration Form:

  - Relevant contracts (under the current business arrangement, the sales contracts to be submitted include: (a) sales contract between Company A and Company B; and (b) sales contract between Company B and Philippine Customer);
  - Relevant invoices;
  - The packing list;
  - The cargo manifest;
  - Bills of lading (delivery notes); and
  - Other documents as required by the competent Customs.
- ii. The Commercial Banks

The commercial banks handling the procedure of the payment of foreign exchange funds will check below sup-

porting documents before the receipt of foreign exchange funds:

- Sales contract between Company A and Company B;
- Invoice issued by Company A to Company B; and
- Other documents as required by the SAFE or the commercial banks for the payment of foreign exchange funds.

Please note that the above documents are based on our general consultation with the competent Customs and several commercial banks. The specific documents and requirements might be changed as per the applicable laws and regulations and commercial banks' internal formality from time to time. Therefore, it is recommended to consult the in-charge Customs and its local account bank to confirm the formality requirements in advance.

- (4) Legal Implications regarding the Sale of the Finished Modules
 

Company A will sign a sales and purchase agreement with Company B for the sale of the Finished Modules. As we mentioned in Phase I, the choice of Incoterms rules in such sale contract will allocate the delivery obligations, time point for transfer of ownership of the goods, insurance responsibilities etc. between both parties which shall be subject to the business arrangements between Company A and Company B and the agreement between Company B and Philippine Customer.

#### ❖ Tax implications

The goods may be exported from Company A (i.e. exporter) to Company B (i.e. importer) but shipped directly to the Philippine Customer (i.e. consignee).

As analyzed in section 4.1, the applicability of the agreement tariff rate shall be determined by Philippine Customs upon the import of Finished Modules. On the other hand, the export of Finished Modules from China would have the following tax implications:

Company A is a Trader that may export goods and services without the capacity of production. From the PRC tax law perspective, the VAT refund mechanism of exemption and refund ("ER") shall be adopted for the Trader with exportation business. The Finished Modules purchased from Company D for export may apply the ER method at the VAT refund rate of 13%.

The amount of VAT refund and VAT payable for goods exported by the Trader (excluding goods under processing, maintenance and repair upon authorization) shall be calculated on the basis of the amount indicated on the special VAT invoices for the purchased goods from Company D.

To calculate the amount of VAT "exemption and refund" for goods exported (excluding goods by third-party processing, maintenance and repair) by the Trader, the following formula shall be adopted:

**Tax payable for the current period** = output VAT for the current period - (input VAT for the current period - taxes prohibited from exemption and offset for the current period ("A"))

**A** = Purchase price × (tax rate applicable to exported goods - tax refund rate for exported goods)

**Amount of VAT refund** = basis for calculating the amount of tax refund (exemption) × Tax Refund Rate for exported goods

#### 4.4 Alternatives

##### 4.4.1 Business Scope Expansion

Company A may consider the possibility of expanding its business scope to conduct assembly business by itself, which may enable Company A to control the assemble quality by itself and lower the risk which might be generated in the goods sales transactions analyzed under Phase II. In such circumstance, Company A may consider transferring its enterprise type from "trading company" to "manu-

facturing and trading company" by modifying its current business scope. To assemble the Finished Modules, the business scope for consideration is "design, manufacture and sale of the mechanical equipment and machinery for construction". The description of business scope is subject to prior communication with the in-charge authorities, e.g. local counterpart of the Ministry of Commerce ("MOFCOM") and the State Administration for Market Regulation ("SAMR"), and the business to be conducted by Company A.

The shareholder of Company A shall approve the change of business scope and amend the Articles of Association in the form of shareholder decision, then Company A shall register the updated business scope before the competent SAMR and file such change before the competent MOFCOM. Other certificates and registrations, such as tax registration information, foreign exchange registration, information of bank account, foreign trade operator filing, SAFE name list registration, Customs registration, E-port registration etc., shall be updated accordingly.

In addition, the change of Company A from trading company to manufacturing company may trigger the project filing/approval and/or environmental assessment. The applicable administrative procedure will be decided based on the actual business and the adopted manufactural craft.

##### 4.4.2 Bonded Business Model

Company A may also consider adopting another trade mode to perform the Transaction, i.e. Processing Trade. According to the *Measures of the People's Republic of China Customs on Supervision of Processing Trade Goods*, processing trade means that the business activities whereby a business enterprise imports all or part of the raw and auxiliary materials, parts, components, and packaging materials for processing or assembly, and re-exports the finished products, including "processing of supplied materials" and "processing of imported materials" ("Processing Trade").

Comparing the traditional trade mode, the most beneficial characteristic of Processing Trade mode is

"bonded supervision", which could, to some extent, relieve the cash flow burden of the Operating Company for taxes and/or imported materials (if applicable).

Under the Processing Trade mode, the company who signs the import and export contracts with the overseas party will be defined as the operating company ("Operating Company") while the company who processes or is engaged to provide the processing service will be defined as processing company ("Processing Company"). The Operating Company could either process the imported material by itself or engage a Processing Company to provide the processing service. In this case, Company A is the Operating Company while Company D is the Processing Company.

#### Processing of Imported Materials

Processing of imported materials shall mean the business activities whereby the imported materials are imported by the business enterprise which makes foreign currency payment, and the finished products are exported by the business enterprise for overseas sales ("Processing of Imported Materials").

#### ❖ Legal implications

- (1) Licenses, Qualifications and Procedures

In order to enjoy the tax benefit under such mode, in addition to the licenses, qualifications and procedure issues we discussed under section 4.3, the Operating Company and Processing Company shall strictly comply with below requirements stipulated by the Customs:

- i. Manual of Processing Trade Goods

The Operating Company shall handle the procedures for setting up of the manual of processing trade goods ("Manual") with the competent Customs where the Processing Company located.

Unless otherwise stated, when handling the formalities for the setting up of the Manual, the Operating Company shall faithfully report to the Customs the trade method, unit



consumption, ports of import and export, as well as the commodity names, commodity numbers, specifications and types, prices, origins and other information of the imported materials and finished export products and shall submit the international trade contract. Where the Operating Company outsources the processing service to a Processing Company, it shall submit the processing service contract entered into by and between it and the Processing Company.

The processing and exportation the finished products shall be within the prescribed time limit and shall report to Customs for verification and writing-off within 30 days from the day of export of the last batch of finished products under the Manual or the day of expiration of the Manual.

## ii. Qualifications of the Processing Company

The Processing Company shall either obtain the Certificate of Production Capacity of Processing Enterprise in Processing Trade or fill out the information via the online system of the Production Capacity of Processing Enterprise in Processing Trade and make commitment to the authenticity of the information.

Besides, the Processing Company shall be equipped with the plant, processing equipment and workers corresponding to its business.

## iii. The Usage and Storage of Processing Materials

Materials for processing trade goods shall be used for their designated purposes only. Besides, the processing trade goods/materials and non-processing trade goods/materials shall be stored separately. Processing trade goods/materials shall be stored at designated places registered with Customs. Where the place of storage of processing trade goods/materials changes, the Operating Company shall inform the Customs in advance, and file for the change of the place of storage.

## iv. Additional Guarantee

In the event of any of the following circumstances, the competent Customs may require the Operating Company to provide guarantee of the same value as that of the payable taxes or provide a letter of guarantee from a bank or a non-banking financial institution while handling the formalities for the setting up of the Manual:

- Leasing of the plant or equipment;
- Engaging in the processing trade for the first time;

- Having applied for an extension of the Manual more than two times (inclusive);
- Handling the formalities of processing trade in different locations; and
- Being suspected of breaking rules and Customs has placed the case on file for investigation and the case has not yet been concluded.

## (2) Contractual Relationship between Operating Company and Processing Company

Under the mode of "processing of imported materials", Company A, as the Operating Company, shall enter into a processing service contract with the Processing Company, such as Company D, which will not cause the transfer of the ownership of the Equipment. The Processing Company will collect processing fee from the Operating Company. The corresponding service contract shall also be submitted to the competent Customs upon the application for setting up the Manual.

## (3) Legal implications of Processing Service Contract

Under the processing service contract, the ownership of the Equipment will not be transferred to Company D but remained with Company A. Therefore, in case the Equipment and/or the Finished Modules is damaged or lost due to force majeure event, Company A shall undertake the risk by itself. However, in case the Equipment and/or the Finished Modules is damaged or lost due to the reasons attributable to Company D, it shall compensate Company A for such damage or loss.

Our analysis on the legal implications under section 4.3.1, 4.3.2 and 4.3.3 shall also apply for the Processing of Imported Materials mode.

## ❖ Tax implications

The bonded business model refers to the purchase of Imported Equipment by Company A as bonded goods for processing (i.e. Processing of Imported Materials, in Chinese "进料加工"), which may be delivered to the bonded warehouse located outside the free trade zone as agreed by Chinese Customs during the Customs declaration. Company A may further request Company D to perform the assembly services and issue special VAT invoices to Company A for the assembly services (i.e. outsourced processing with imported materials, in Chinese "进料加工委托加工"). In this regard, Company A would maintain the ownership of goods and enter into a service agreement with Company D.



From the PRC tax perspective, the bonded business model has the following tax implications:

- No CD and import VAT when Company A imports the Imported Equipment.
- No output VAT, local tax surcharges and EIT when Company A sells the Imported Equipment to Company D.
- Company D shall issue the special VAT invoice at a VAT rate of 13% for the assembly services to Company A. The input VAT incurred from the assembly services may be deducted against Company A's output VAT.
- The VAT ER method may only apply to the Imported Equipment. The VAT ER method is not applicable to the assembly service fee.

In comparison with the Envisaged Business Arrangements, the Processing of Imported Materials provides the tax benefits of improving the cash flow of Company A. However, certain Customs procedures would be required to carry out the bonded business model. Implementation details are not further analyzed in this report and may be provided upon your further request.

## Processing of Supplied Materials

Processing of supplied materials shall mean that the business activities whereby the imported materials are provided by an overseas enterprise, and the business enterprise, without the need to make foreign currency payment for importation, carries out processing or assembly based on the requirements of the overseas enterprise and collects processing fee only, with the finished products being sold by the overseas enterprise ("Processing of Supplied Materials").

Generally speaking, the overseas enterprise involved in the Processing of Supplied Materials mode shall be the same one and the Operating Company shall return the finished products to the overseas enterprise that provides the imported material. Since under current Transaction, the Finished Modules shall be delivered directly from China to Philippine by Company A to Philippine Customer, the Processing of Supplied Materials mode is not suitable for the envisaged business arrangement.

This article is for illustration purpose only, and shall not be regarded as a comprehensive or formal legal opinion concerning the subject contained in them. The article is presented solely to analyze the major legal and tax issues relating to the subject therein and is prepared based on our understanding of the relevant laws and regulations in the PRC which are currently applicable. Taking into account the particulars in specific case and the constant renovation of the Chinese legal environment and change of interpretive criteria of relevant government authorities, it is advised to have an analysis on specific cases that might incur in future. ☑

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# REUSE & RECYCLE IN eBUSINESS

The “Reduce-Reuse-Recycle” initiative is a joint effort by all households, schools, businesses, and every community to preserve the environment and avoid excessive pollution.

By Rose Salas

One major contributor of wastes in the environment are retail stores, which use plastics and extravagant paper wraps in their packaging. In eBusiness, millions of tons of plastics are consumed yearly, such as plastic bubble wraps, boxes, and thick boards to ensure that the products will be delivered in good condition, without any damage or leaks.

Since the development of internet technology, eBusiness came sprouting non-stop. Because of this, there are millions of electronic devices like mobile phones, desktop computers, laptops, and tablets that become obsolete or disposed of each year. We call these things as “e-waste,” or electronics and gadgets that reached the finish line of their lifespan. With the increasing disposal rate of e-wastes, million metric tons of these electronics were gathered per year. Almost 90% of these wastes go into landfills. However, dumps are not helpful when it comes to proper recycling of e-wastes. By adequately recycling them, various metals can be recollected, which helps in the prevention of environmental pollution and saving of natural energy.

## WHAT ARE THE CONTRIBUTIONS OF EBUSINESS TO REUSE AND RECYCLE PRODUCTS?

- **eBusiness use paperless transactions and ads.**

Once a customer purchases from a shop, an invoice or receipt is recorded in the account user's subscription. Instead of printing out their brochures and marketing campaigns, online companies use the internet technology to promote their products. Millions of tons of papers are eliminated annually, because online store owners do not use paper anymore to print out product leaflets, catalogues, order and sales forms. Aside from saving from operational expenses, they help the community to grow greener!

- **eBusiness provides project management with Recycle & Reuse Materials Mobile App.**

Not many people or even companies have the complete knowledge of how they can recycle and reuse products. For example, there are construction companies who have materials for disposal that can still be used and recycled after a project is completed. What the Mobile App does is, it allows you to list the materials that are available for recycling or reusing. The lists are saved in the Cloud server of the app maker, which can then be printed or emailed to non-profit organization or group you'd like to donate it to. This initiative helped a lot of communities, especially those who receive donations of any kind. There are hundreds of apps available about Reduce, Reuse and Recycle, which can teach even the young kids to be environment-friendly. These apps are both accessible in any Apple or Android gadgets. This greatly helps in reducing waste that causes environmental impacts.

- **eBusiness use Reverse Logistics.**

Reverse logistics is a strategy wherein a company collects and reuse parts of their distributed goods. For example, the courier company UPS allows customers to reuse boxes to ship out items. They even have their own recycling services where they pick up goods and properly dispose it. Telecommunications company now

supports this campaign by allowing its consumers to return unused or old smart phones and get discount offers when they purchase a new one. Clothing stores also encourage their patrons to donate old clothes, which they will recycle, and these clothes are turned into All-Recycled Clothing line. With this reverse logistics, a company can not only save in their material costs, but most of all, reduce harmful waste in the environment.

## HOW CAN THE EBUSINESS SECTOR HELP IN THE REUSE AND RECYCLE CAMPAIGN?

There are even more ways on how eBusiness can improve and develop practical ways to reuse and recycle. Here are a few things you need to consider now if you have an online business:

### 1. RETURN AND REUSE

Reusable shopping bags became very popular for many years now. You can see them being used by shoppers, especially in grocery stores. Online retailers can use the same concept when sending parcels like what Royal Mail in the UK uses, which is a reusable bag, called Repack. It is an excellent alternative to bubble wraps since the designer made it with a cushion inside. Once delivered, the bag can be returned so it can be reused. This bag can last up to 200 cycles, therefore reducing the use of heavy plastics that can produce a harmful impact on the environment.

### 2. USE ECO-WRAPS AND PACKAGING MATERIALS

Avoid too much use of plastic and paper in your items. Use eco-friendly packaging alternatives when shipping products to your buyers. For example, instead of using plastic bubble wraps when shipping fragile items, use an option like a wrap made of environment-friendly materials, like corrugated cardboard. This cushion paper will replace the use of the traditional bubble wraps and films and protect the delicate items while in transit on delivery. There are plenty of alternatives that you can find like corrugated paper and enclosures, boxes, air pillows, and parcel envelopes, which are made of recycled contents.

## 重复使用和回收在电子商务行业的实践

“减少 - 再利用 - 再循环”倡议所有家庭、学校和企业共同努力保护环境。环境中废物的主要来源是零售商店，他们在包装中使用塑料和奢侈纸包装。在电子商务行业中，每年消耗数百万吨塑料，如塑料泡沫包装，盒子和厚纸板，用以确保产品交付状况良好，没有任何损坏或泄漏。自互联网技术发展以来，电子产品快速更新迭代。每年都有数以百万计的电子设备，如手机，台式电脑，笔记本电脑和平板电脑被淘汰，这些电子设备已经过时或需要处理掉。随着电子废物处理率的提高，这些废物中有近 90% 进入垃圾填埋场。通过充分回收它们，可以回收各种金属，这有助于防止环境污染和节约自然能源。

### 电子商务对重复使用和回收的贡献是什么？

- 使用无纸化交易。一旦客户从商店购买，发票或收据就会记录在帐户用户的订阅中。每年消除数百万吨纸张，因为在线商店所有者不再使用纸张来打印产品传单，目录，订单和销售表格。除了节省运营费用外，它们还有助于社区变得更加环保！

- 移动应用程序为回收和再利用材料提供项目管理。很少人完全了解如何回收和再利用产品。有数百种有关重复使用和回收的应用程序，甚至可以教育幼儿环保。这些应用程序都可以在任何 Apple 或 Android 商店中下载。这极大地有助于减少造成环境污染。

- 逆向物流。逆向物流是一种策略，公司收集和重复使用其货物的一部分。例如，快递公司 UPS 允许客户重复使用箱子运送物品。电信公司允许他们的消费者返回未使用或旧的智能手机，并在购买新手机时获得折扣优惠。服装店还



### 3. NO TO STYROFOAM

When you need loose fills for your packaging, use the biodegradable and eco-friendly loose fill packing peanuts. It is made from non-toxic sources, like wheat and corn starch. It easily dissolves in water, unlike the Styrofoam that releases toxic substances and does not break down easily, causing them to persist in the environment even for many years.

### 4. PROMOTE AND SELL ECO-FRIENDLY PRODUCTS

If you can get and choose a supplier with green alternatives to the product you are selling, it would be a great idea to switch to it. Natural and organic products can keep your buyers away from dangerous, hazardous, or toxic chemicals that can be life-threatening. Your business can help protect and save the environment in many ways and, at the same time, help your buyers become aware of healthy-living as part of a habit and lifestyle. This can set you apart from your competitors and improve the sustainability of your business.

### 5. RECYCLE ELECTRONIC WASTE

If you're an online retail owner, you must be equipped with the latest electronic gadget that you use for your business. You must help in taking care of the environment by reducing e-wastes and recycling them. For example, if the gadgets

are already defective and broken, you can search from the Internet of the nearest E-Waste Recycling Drop-Off location in your area. If you are buying or upgrading, you can take advantage of the exchange, and send-back offers from companies like Samsung, Sony, LG, Dell, etc. for your mobile phones, computers, and tablets. If you are generous enough, your old gadgets can also be donated.

Many countries globally are already shifting to eco-friendly packaging systems for their online businesses. Yet, some are still not ready for the transition due to cost or operating expense it will incur, particularly to small scale sellers. However, it will not take a long time for everyone to be in this direction, since we all want to protect the only planet we live in. Soon, even the vehicles that are used for delivering the products will become eco-friendly cars and trucks. This is the future of eBusiness in terms of saving the environment.

eBusiness can make a big impact in this 3R campaign. Online sellers can significantly contribute to making people become aware and more conscious about protecting the environment. More often than not, buyers are only concerned about their buying practice, spending, and shopping; but with the efforts that the online community of retailers and shops to take their part in this campaign will give, consumers will soon become eco-friendly enthusiasts. They will realize not only the importance of using biodegradable packaging, but more importantly, patronize brands that will improve the quality of life, protect them from diseases or illnesses, while supporting long life and good health through natural, organic products. 



鼓励他们的顾客捐赠他们将回收的旧衣服,并将这些衣服变成全再生服装系列。通过这种逆向物流,公司不仅可以节省材料成本,而且最重要的是减少环境中的有害物质。

#### 电子商务部门如何帮助重复使用和再循环运动?如果您有在线业务,需要考虑以下几点:

1. 循环和重复使用  
多年来,可重复使用的购物袋变得非常受欢迎。你可以看到它们被购物者使用,特别是在杂货店。在发送包裹时,在线零售商可以使用相同的概念,例如英国皇家邮政使用的包裹,这是一个名为 Repack 的可重复使用的包装。一旦交付,袋子可以返回,因此可以重复使用。这种袋子可以持续 200 个循环,因此减少了可能对环境产生有害影响的重塑料的使用。

2. 使用生态包装材料  
避免在物品中过多地使用塑料和纸张。将产品运送给买家时,请使用环保包装替代品。例如,在运输易碎物品时,不要使用塑料泡沫包装,而是使用像瓦楞纸板等环保材料制成的包装。您可以找到许多替代品,如瓦楞纸和外壳,盒子,空气枕头和包裹信封,这些信封由再生成分制成。

3. 拒绝聚苯乙烯泡沫塑料  
当您需松散填充包装时,请使用可生物降解且环保的松散填充包装。它由小麦和玉米淀粉等无毒来源制成。它很容易溶解在水中,不像聚苯乙烯泡沫塑料释放有毒物质而且不易分解,导致它们在环境中持续存在多年。

4. 推广和销售环保产品  
天然和有机产品可以使您的买家远离可能危及生命的有毒化学品。企业可以通过多种方式帮助保护环境,同时帮助买家了解健康生活,这可以使您与竞争对手区分开来,提高业务的可持续性。

5. 回收电子废物  
如果您是在线零售业主,必须配备用于业务的最新电子产品。您可以通过减少电子废物和增加回收利用来保护环境。例如,如果手机或电脑已经存在缺陷或损坏,您可以从互联网上搜索您所在地区最近的电子废弃物回收地点,将其进行回收。

全球许多国家已经为其在线业务提供环保型包装系统。然而,由于成本或运营费用,一些人仍然没有为转型做好准备,特别是小规模卖家。电子商务可以产生重大影响。在线卖家可以帮助人们意识到保护环境。随着零售商和在线商店参与将会促使消费者更快成为环保爱好者。他们不仅要意识到使用可生物降解包装的重要性,更重要的是,光顾品牌将改善生活质量,保护他们免受疾病的影响,同时通过使用天然有机产品促成长寿和健康。

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## FOOD DELIVERY FIRM, MEITUAN, POSTS THE FIRST QUARTERLY PROFIT SINCE LISTING

China's Meituan Dianping (3690.HK), an online food delivery-to-ticketing company, posted its first quarterly profit as a listed firm, as a surge in summer food delivery orders helped it beat competition from rivals, including Alibaba-backed Ele.me.

Meituan, backed by Chinese gaming giant Tencent Holdings Ltd (0700.HK), said profit increased to 875.8 million yuan (\$123.66 million) in the three months ending June 30th, compared with a loss of 7.72 billion yuan in the year-ago period, its first profit since listing in last September.

The results were driven by the company's food delivery segment, which accounts for more than half of its revenue, as it also achieved positive adjusted operating profit for the first time, said chairman and chief executive, Wang Xing.



Drivers of food delivery service Meituan are seen in Shanghai, China on June 25th, 2018. REUTERS/Aly Song

Meituan is a so-called super app, offering travel bookings, restaurant recommendations, movie ticketing, ride-hailing, bike sharing and mapping, as well as food delivery.

Source: Reuters

## APPLE IS TURNING TO A CHINESE FIRM FOR PREMIUM IPHONE SCREENS

Apple is in the final stages of certifying premium smartphone displays from Chinese tech firm BOE Technology Group for the iPhone, according to a report from the Nikkei.

The Nikkei, citing sources, said that Apple was "aggressively testing" BOE's flexible organic light-emitting diode (OLED) displays, adding that the company would decide by the end of the year whether to take the company on as a supplier of the panels.

The move is aimed at cutting costs and reducing Apple's reliance on Samsung, the Nikkei reported.

The U.S. tech giant is expected to unveil its new flagship phones in September, and speculation has grown over what Apple will bring to the table with the latest Source: CNBC



Man holding his son as they look at iPhones on display at an Apple store

## CHINESE FIRM WANTS TO GIVE CLONED PETS THE ORIGINAL'S "MEMORIES"

Garlic is a fluffy feline furball with a pink nose and tiny grey ears — just like the cat he was cloned from. "My cat died of urinary tract disease," Garlic's owner, Huang Yu, told the Global Times. "I decided to clone him because he was so special and unforgettable." But while Garlic is biologically identical to his predecessor, he's not the same cat — he has his own personality and is forming his own memories.

Now that China's Sinogene Biotechnology Company has unveiled the nation's first cloned cat, however, it says the next

level will be to use artificial intelligence to transfer memories from a beloved pet to its clone.

Sinogene's general manager told attendees at a press conference that "to make the cloned animal share the same memories with the original, the company is considering the use of artificial intelligence or man-machine interface technology to store them or even pass the memories to cloned animals," wrote the Global Times, a paper run by the Chinese communist party.

Source: Futurism.com

Source: techcrunch.com

## NO HUMANS NEEDED: CHINESE COMPANY USES AI TO READ THE NEWS, BOOKS

At the China Online Literature+ conference held last week, Chinese search engine, Sogou, announced plans to create artificial intelligence-powered avatars that look and sound like two of the country's most famous authors — taking the experience of listening to an audiobook to an entirely new level.

The first authors to get the A.I. avatar treatment will be Yue Guan and Bu Xin Tian Shang Diao Xian Bing. But if the project is successful, it could be a jumping off point for the industry to create avatars of even more authors.

The audiobook industry is already big business in China and is expected to be worth more than \$1 billion in the country by next year, according to iiMedia Research Group. A.I. avatars have the potential to give that an even greater boost.

There are some clear benefits to employing A.I. avatars to read books. Authors can spend weeks in the recording studio reading their own books for the audio version, or they can



Chinese search engine, Sogou, is showing how there are so many potential future use cases for their lifelike, artificially intelligent avatars.

opt to use text to speech technology that can sound robotic and lack human inflection. Sogou has been able to create A.I. doppelgangers using a combination of tech to speech technology, video clips of the humans they're mimicking, and machine learning to bring the avatars to life.

Source: Fortune.com

## PAY JUST WITH YOUR FACE

A TikTok video spotted by Chinese technology expert, Matthew Brennan, shows how facial recognition is seeping into everyday life in China.

Brennan posted what appears to be a Chinese TikTok video to Twitter, showing a young woman buying a drink from a vending machine using only facial recognition as payment verification. At no point does she pay with card, cash, or her phone.

The video shows the woman walking up to the machine, standing in front of it for her identity to be verified, then opening the vending machine door to retrieve a drink.

The use of facial recognition payments has been picking up speed according to a July article from the South China Post. These are in part facilitated by the ubiquity of apps like WeChat and Alipay, which are used on a day-to-day basis by the population. According to the South China Post (which is owned by Alipay's parent company Alibaba), Alipay has now installed its Dragonfly facial recognition system in over 300 cities in China after rolling it out late last year.

In a TikTok video a young woman is paying for a drink with facial recognition



Source: Businessinsider.com

## BAIDU INVESTS \$202 MN IN NEUSOFT HOLDINGS, TO DEVELOP SMART CITY, HEALTHCARE & EDUCATION TECHNOLOGY

Baidu China's search engine giant recently announced that it has invested 1.4 billion in technology firm Neusoft Holdings to develop smart city, healthcare, and education solutions. Baidu's chief technology officer, Wang Haifeng, will serve as a board director for Neusoft, which was founded in 2011 in the north-eastern Chinese city of Dalian.

Baidu has shown continued interest in Neusoft over the course of the year, signing a partnership deal with Neusoft Corporation and investing in Neusoft Medical Systems,

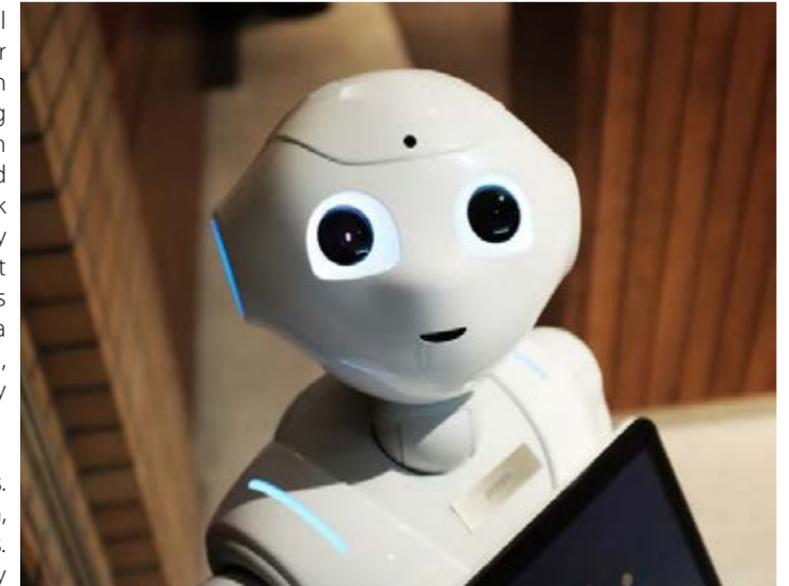
subsidiaries of Neusoft Holdings. In the medical field, the companies will work together to develop services, including AI medical diagnosis, hospital cloud services, medical big data, and healthcare management, our sister site TechNode Chinese reported. In education, Baidu and Neusoft plan to develop AI-driven education services, as well as online courses. The companies will also work on smart city, smart transportation, smart government, and industry cloud applications.

Source: it.toolbox.com

## THE FUTURE OF LOGISTICS TECH: A CHINESE CENTURY?

The U.S. has historically enjoyed a global economic advantage in part due to superior supply chains. In 1956, Malcom McLean invented the modern intermodal shipping container. Beginning in 1979, deregulation of the U.S. transportation sector enabled companies to thrive in non-asset truck brokerage. FedEx spearheaded next-day logistics via its high-volume overnight centre in Memphis. And Amazon.com is driving even more aggressive changes via its Amazon Prime membership program, conditioning consumers to expect same-day delivery.

Today, we are in the world of digital logistics. Robotics is rippling through the supply chain, and automation is poised to reshape logistics. The global warehouse robotics market today is approximately \$3bn, growing at close to 20 percent annually. Robots can be used for a variety of applications, including storage; retrieval; transportation; pick, pack and ship; forklifts, and more. As e-commerce continues to expand, robotics adoption will also accelerate. Nowhere are these investments more aggressive than in China. Today, China leads the world in industrial robots, representing more than 30 percent of the market. Close to 150,000 robots will be bought in China this year. China is also expected to exceed the U.S. and Europe in the installed base of robots in factories this year.



These trends will accelerate. The Chinese government has established a series of goals to transition from low-cost labour to high-value intellectual property. In 2013, China's Ministry of Industry and Information Technology announced "Guidance on Promotion of Development of the Robot Industry." China intends to produce at least 100,000 robots per year by 2020, as part of a program to build industrial parks and provide tax incentives to drive adoption. These policies are already starting to bear fruit, as robotics manufacturers, such as ABB, are now building in China.

Source: supplychainbrain.com

## VTB IN TALKS WITH CHINESE COMPANIES OVER POTENTIAL EN+ INVESTMENT

Russian bank VTB is in talks with Chinese companies over a potential investment in energy-to-aluminium group EN+, people with knowledge of the talks told the Financial Times. London-listed EN+, which was under US sanctions until January this year, controls Rusal, Russia's largest aluminium producer and the world's largest outside China. VTB, the Kremlin-controlled bank that owns 21.68 per cent of EN+, has been approached by two Chinese state-related industrial groups about a potential share sale, according to two people briefed on the talks.

The interest from the unnamed Chinese groups was primarily driven by environmental concerns in China that have increased desire for low-carbon industrial production assets, the second person said: "Chinese companies want



US sanctions against EN+ were lifted in January

to be renewable and so EN+ fits that profile." EN+ and VTB declined to comment.

Source: Financial Times

## THE STRATEGY BEHIND TIKTOK'S GLOBAL RISE

Few tech start-ups have taken off as quickly as Beijing-based ByteDance, the creator of the highly popular 15-second video app, TikTok. In just two years, TikTok has emerged to rival companies like Netflix, YouTube, Snapchat, and Facebook with more than one billion downloads in 150 markets worldwide and 75 languages. On the app, homemade videos showcase everything from comedy to lip syncs to dog grooming tips that users create and share on their phones. The scrappy, goofy, fast-moving content has hooked young audiences around the world.



Since little translation is required, TikTok reaches well beyond other successful Chinese apps, such as Tencent's messaging app WeChat, which is ubiquitous in China, but mostly used elsewhere among Chinese communities keeping in touch with people back home. Chinese entrepreneurs, such as ByteDance founder, Zhang Yiming, are showing that they can succeed in an openly competitive market internationally rather than only in China. His strategy of dual versions of Tik Tok – one for China's internet censored market and another for the rest of the world – could be a new model for other digital content companies aiming for such global reach – including China-based digital start-ups with new ambitions to venture out beyond the home market.

From the start, Zhang, a former Microsoft engineer and Chinese serial entrepreneur, had the goal of running a borderless company. Zhang, 36, is among a new generation of home-grown Chinese tech leaders with an international vision inspired by the early success of China's tech pioneers of the late 1990s, such as Robin Li of Baidu, Jack Ma of Alibaba, and Pony Ma of Tencent. ByteDance has a valuation of \$78 billion – one of China's 86 "unicorns" in 2018.

Source: Harvard Business Review

## PTT AND CHINESE COMPANY TEAM UP TO MAKE EVS IN THAILAND

National oil and gas conglomerate, PTT Plc, announced on Tuesday that it will team up with Chinese electric vehicle manufacturer, WM Motors, to study the feasibility of EV car production in Thailand. PTT planned to invest in a manufacturing plant for EVs in Thailand to further develop battery and plastic products under the PTT Group of companies, the company announced on its PTT News Facebook account.



An electric vehicle manufactured by WM Motors, a Chinese firm that will team up with PTT Plc to build EVs in Thailand. (Photo from @PTTNews Facebook account)

relevant businesses in accordance with the government's Thailand 4.0 initiative." PTT aims to be a spearhead on energy innovation and technology in the near future, according to the announcement.

Source: Bangkok Post

"PTT plans to be the EV export hub in Southeast Asia," the announcement said. "The collaboration will be in research and development activities for EV batteries and other

## CHINA OUT IN FORCE AT FRANKFURT CAR SHOW, LED BY BATTERY BUILDERS

Chinese suppliers and manufacturers have stepped up their presence at the Frankfurt auto show, capitalizing on a strong position in electric technologies forced on European carmakers by regulators seeking to curb pollution.



The "Hongqi S9" is displayed at the 2019 Frankfurt Motor Show (IAA) in Frankfurt, Germany, on September 10th, 2019. REUTERS/Wolfgang Rattay/File Photo

Though the number of exhibitors has fallen to 800 in 2019 from 994 in 2017, Chinese automakers and suppliers now make up the biggest foreign contingent, with 79 companies, up from 73.

Several European and Japanese carmakers, including Fiat, Alfa Romeo, Nissan and Toyota, have skipped the show as the industry cuts costs. Europe's automakers face

multibillion-euro investments to develop electric and autonomous cars, forcing them to rely on Chinese companies for key technologies, such as lithium ion battery cell production, an area where Asian suppliers dominate.

Source: Reuters

## WHY CHINESE VENTURES ARE GAINING ON SILICON VALLEY START-UPS

In Shenzhen's glitzy financial district, a five-year-old outfit creates a 360-degree sports camera that goes on to win awards and draw comparisons to GoPro. Elsewhere in the Pearl River Delta, a niche design house is competing with the world's best headphone makers. And in the capital Beijing, a little-known start-up becomes one of the biggest purveyors of smartwatches on the planet.



Huami chief executive, Wang Huang, celebrating his company's IPO on the floor of the New York Stock Exchange in February, 2018. The company is now shipping in excess of 5 million of its \$20 fitness bands per quarter. Reuters

Insta360, SIVGA and Huami join drone maker DJI Technology among a wave of start-ups that are dismantling the decades-old image of China as a clone factory — and adding to Washington's concerns about its fast-ascending international rival. Within the world's No 2 economy, Mr Trump's campaign to contain China's rise is, in fact, spurring its burgeoning tech sector to accelerate design and invention.

Source: China Daily

The threat they pose is one of unmatched geography: by bringing design expertise and innovation to the place where devices are manufactured, these companies are able to develop products faster and more cheaply.

# NANOTECH COULD MAKE HUMANS IMMORTAL BY 2040

By Stella Law

In 30 or 40 years, we'll have microscopic machines traveling through our bodies, repairing damaged cells and organs, effectively wiping out diseases. The nanotechnology will also be used to back up our memories and personalities

Anyone alive come 2040 or 2050 could be close to immortal. The quickening advance of nanotechnology means that the human condition will shift into more of a collaboration of man and machine, as nanobots flow through human blood streams and eventually even replace biological blood.

That may sound like something out of a sci-fi movie, but research well underway today is leading to a time when a combination of nanotechnology and biotechnology will wipe out cancer, Alzheimer's disease, obesity and diabetes.

It'll also be a time when humans will augment their natural cognitive powers and add years to their lives.

It's radical life extension. The full realization of nanobots will basically eliminate biological disease and aging. I think we'll see widespread use in 20 years of [nanotech] devices that perform

certain functions for us. In 30 or 40 years, we will overcome disease and aging. The nanobots will scout out organs and cells that need repairs and simply fix them. It will lead to profound extensions of our health and longevity.

Of course, people will still be struck by lightning or hit by a bus, but much more trauma will be repairable. If nanobots swim in, or even replace biological blood, then wounds could be healed almost instantly. Limbs could be regrown. Backed up memories and personalities could be accessed after a head trauma.

Today, researchers at MIT are already using nanoparticles to deliver killer genes that battle late-stage cancer. The university reported just last month the nano-based treatment killed ovarian cancer, which is considered to be one of the deadliest cancers, in mice.

And earlier this year, scientists at the University of London reported using

nanotechnology to blast cancer cells in mice with "tumour busting" genes, giving new hope to patients with inoperable tumours. So far, tests have shown that the new technique leaves healthy cells undamaged.

With this kind of work going on now, by 2024 we'll be adding a year to our life expectancy with every year that passes. "The sense of time will be running in and not running out," he added. "Within 15 years, we will reverse this loss of remaining life expectancy. We will be adding more time than is going by."

And in 35 to 40 years, we will basically be immortal. Adding microscopic machines to our bodies won't make us any less human than we are today or were 500 years ago.

"The definition of human is that we are the species that go beyond our limitations and change who we are," he said. "If that wasn't the case, you and I wouldn't be around because at one

point of life expectancy was 23. We've extended ourselves in many ways. This is an extension of who we are. Ever since we picked up a stick to reach a higher branch, we've extended who we are through tools. It's the nature of human beings to change who we are."

But that doesn't mean there aren't parts of this future that don't worry him. With nanotechnology so advanced that it can travel through our bodies and affect great change on them, come dangers, as well as benefits.

The nanobots, he explained, will be self-replicating and engineers will have to harness and contain that replication.

"You could have some self-replicating nanobot that could create copies of itself... and ultimately, within 90 replications, it could devour the body it's in or all humans if it becomes a non-biological plague." "Technology is not a utopia. It's a double-edged sword and always has been since we first had fire. **B**

## NANOBOTS WILL SOON WIPE OUT CANCER, BACK UP MEMORIES AND SLOW AGING

## 20年后纳米技术 可使人“长生不老”

### 纳米机器人将有望攻克 癌症，延缓衰老

20年后，我们使用微型机器进入我们的身体，修复受损的细胞和器官，有效地消灭疾病。纳米技术将用于备份我们的记忆和个性。

到2040年或2050年时任何人都可能接近不朽。纳米技术的快速发展意味着人类的状况将转变为人与机器的更多合作，因为纳米机器人流经人体血液并最终甚至取代生物血液。

这是激进的生命延伸。纳米机器人全面实现后将基本消除生物疾病和衰老。30或40年后，我们将战胜疾病和衰老。纳米机器人将侦察需要修理的器官和细胞并简单地修复它们。它将促成我们的健康和长寿。

当然，人们仍会被闪电击中或被公共汽车撞击，但更多的创伤将是可修复的。如果纳米机器人取代生物血液，那么伤口几乎可以立即愈合。四肢可以重新生长。头部创伤后可以重获记忆。

现在，麻省理工学院的研究人员已经在使用纳米粒子来传递与晚期癌症作斗争的致命基因。该大学上个月报道了基于纳米的治疗方法可以杀死卵巢癌，卵巢癌被认为是老鼠最致命的癌症之一。

今年早些时候，伦敦大学的科学家们报道了使用纳米技术在“肿瘤破坏”基因的小鼠体内爆破癌细胞，给无法手术的肿瘤患者带来了新的希望。到目前为止，测试表明新技术使健康细胞完好无损。当然这并不意味着这个未来没有风险。纳米技术非常先进，可以进入我们的身体，这一巨大变化，同样带来风险。纳米机器人将是自我复制的，工程师必须利用并控制其复制。

可能会有一些自我复制的纳米机器人可以创造自己的副本，最终，在90次重复中，如果它成为一种非生物性的瘟疫，它可能吞噬它所在的身体或所有人类。

“技术不是乌托邦。它是一把双刃剑，自从我们第一次使用开始一直都是这样。



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# FORGET THE 4P'S AND WELCOME THE 4E'S OF MARKETING



By Andy Marsh

The marketing world is changing. While most of us grew up with the 4P's of marketing - product, price, place, and promotion - they are now old news, and it is the era of the 4E's - experience, exchange, everyplace and evangelism - of marketing.

Previously, the environment was different as marketers were sovereign, product differences lasted long, and the audiences were large, and an extensive media campaign was enough to get to them. However, the current market has fragmented audiences, product differences last a few seconds, and the customers are in control.

If the market were as it was before, the 4P's would be reigning supreme.

However, it has changed, and marketers have to embrace the 4E's.

## 1. PRODUCT TO EXPERIENCE

Traditional marketing advises us to focus on product features. It recommends finding one consumer benefit and promoting it repeatedly to the target audience.

This tactic would have worked in the past as product differences lasted for years. However, you will be lucky to get a product difference advantage of more than six months. Product differences only last for a few weeks in the financial sector and a matter of minutes in e-commerce.

In a world, where it is increasingly difficult to differentiate your product,

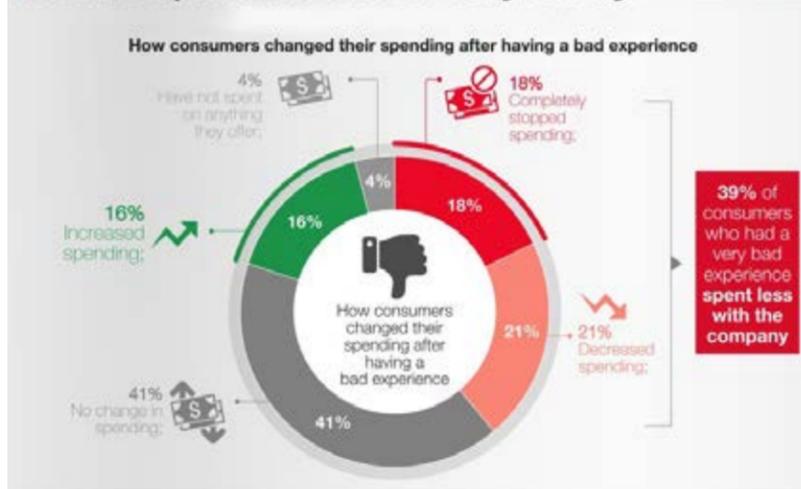
we recommend you focus on customer experience. Start by discovering the customer journey; how, when, and where they shop, the influencers, and even what happens after they buy. Then focus on a pain point in the customer journey and solve that.

Improving customer experience increases loyalty and repeat sales.

## 2. PLACE TO EVERYPLACE

Owing to limited options, retail was the only place customers could access products. However, customers can now create their paths to purchase. It can be in store or online. It can be on social media or an online store. It can be via phone or a laptop. It is now upon

## A Bad Experience Can Be Very Costly



customers to embrace the concept of everyplace over a place.

To be effective, you have to intercept - instead of interrupting - people when they are receptive to engaging with you and your product.

However, this strategy can be the typical case of the snake biting its tail. Though e-commerce is growing, it only accounts for about 10% of sales, while retail sales account for about 90%. Therefore, everyplace does not have to be online, and it can be improving face to face and customer to customer experience.

Nevertheless, here is an infographic that can help you drive more sales through your online channels. Solving these pain points will improve your everyplace strategy drastically.

## 3. PRICE TO EXCHANGE

Price was as simple as giving a product for the money. Marketers and retailers, therefore, focused on keeping the price down, so they can be competitive. However, this is a race to the bottom, and price takes a back seat when dealing with high potential customers. Therefore, to attract high-value customers, it's time that marketers focus on exchange over amount.

Exchange involves being aware of the value of things and using this as the unique selling point. Marketers have to know what could drive customers to give them attention and even permission, which are a premium now. It could be anything from respecting

the customer's time, a pay-it-forward gift, or a simple thank you making the customer feel appreciated.

## 4. PROMOTION TO EVANGELISM

Finally, it is time that marketers focus on evangelism over product promotion. Though repeatedly promoting a product to your target audience was effective, evangelism has emerged as a more powerful and affordable way to drive sales.

Evangelism marries the oldest form of persuasion word of mouth, which drives 13% of sales with its newest, which is social networking. However, 2/3 of word of mouth is still person to person, and thus you should focus on improving the customer experience.

You should craft a mission statement that elicits emotion, and passion and ensure it relates to your target audience. By finding energy and passion in what you are selling, potential customers will plug in, become emotionally invested, and eventually, brand ambassadors (evangelists).

## CONCLUSION

The 4P's have been instrumental in business growth, but it is about time that retailers and marketers evolve. Embracing the 4E's, experience, exchange, evangelism, and everyplace puts you and your business in a better place for success. **B**

## 营销:4P正在倒下, 4E开始走来

营销世界正在发生变化。虽然我们大多数人都是在4P的营销理念里长大 - 产品, 价格, 地点和促销 - 但它们现在已成为旧闻, 现在正处于4E的时代 - 产品体验, 交易, 各种场所和口碑传播。过去环境不同, 营销人员有主动权, 产品之间存在差异持续很长时间, 观众人数众多, 广泛的媒体宣传活动足以让他们接受。然而, 目前的市场受众已经分散, 产品差异持续不了几秒钟, 客户掌握主动权。如果市场像以前一样, 4P将是至高无上的。然而, 它已经改变了, 营销人员必须拥抱4E。

### 1. 产品体验

传统营销建议我们专注于产品功能。它建议找到一个消费者利益并反复向目标受众推广。由于产品差异持续多年, 这种策略过去一直有效。现在产品差异仅在金融领域持续数周, 在电子商务中仅需几分钟。在一个越来越难以区分您的产品的世界中, 我们建议您专注于客户体验。专注于客户旅程中的痛点并解决这个问题。改善客户体验可提高忠诚度并重复销售。

### 2. 放置到任何地方

由于选择有限, 零售是客户唯一可以访问产品的地方。但是, 客户现在可以创建他们的购买路径。它可以在商店或在线。它可以在社交媒体或在线商店。它可以通过手机或笔记本电脑。现在, 客户可以在任何地方。

### 3. 交易本身

价格就像给钱的产品一样简单。因此, 营销人员和零售商专注于保持价格下降, 以便他们具有竞争力。然而, 在与高潜力客户打交道时, 价格会退居二线。因此, 为了吸引高价值的客户, 营销人员应该专注于交易。

交易涉及了解事物的价值并将其作为独特的卖点。营销人员必须知道什么可以促使客户给予他们注意。它可以是尊重客户的时间, 付费转发的礼物, 或简单的感谢让客户感到被欣赏。

### 4. 宣传口碑

最后, 现在是营销人员关注产品推广口碑的时候了。虽然向目标受众反复宣传产品是有效的, 但口碑传播已成为推动销售的更有力和更实惠的方式。口碑结合了最古老的口口相传形式, 其推动了13%的最新销售, 即社交网络。然而, 2/3的口口相传仍然是人与人之间, 因此您应该专注于改善客户体验。

### 结论

拥抱4E, 产品体验, 交易本身, 口碑传播, 营销无处不在这些新理念都将您和您的企业置于更成功之地。

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# ARE COMPANIES FACING SKILLS SHORTAGES TODAY?

By Barbara Ross

Businesses are quite concerned about skills shortage worldwide, and it is for a very good reason. As it becomes more and tougher for them to assess their future needs, they tend to find a serious gap in skills shortage. This is gravely affecting the quality and efficiency of their workforce and productivity.

Research states that two-third of employers will be facing skills shortages in the current year, whereas the war for emerging and new talent has long been on the agenda for Human Resource, which measures are being implemented to take care of skill shortage today. The Office for National Statistics revealed that the productivity and unemployment levels currently are 20 percent less than what was predicted a decade ago. This has greatly impacted the UK's economic progress, which indicates that the state could be left straggling behind due to lack of skilled professionals.

Though the reasons behind skill shortages are complex, there are two main forces at play: growing demand for technical skills and experts due to rapid innovation and record-high employment levels. In a candidate-driven market, the most experienced, skilled and expert candidates have several options in hand when it comes to deciding on their next job. As a result, the Human Resource teams are facing challenges to compete and offer professionals attractive perks to ensure they find the right people for the right job. Hence, they advertise the gains in a way which helps them resonate with their target candidates. One other aspect which is in trend is the number of students remaining in the higher education rather than jumping right from the college into the working arena or choosing career prospects in high-tech digital companies, leaving others short of crucial skills. New graduates help bring fresh thinking and

new expertise to businesses, and therefore, HR should consider building allegiances with universities and stay connected with students to address the skills shortage demands and boost the flow of graduate recruitment, which is crucial to a flourishing economy.

While pipelining emerging talent is crucial to handling the skills shortages crisis, so too is retaining the experts. Research states that 1 in every 5 employees leaves their job role after probation, it's essential to screen candidates properly, manage their expectations and establish a strong relationship with them right from the start. This ensures that employees stay motivated and contented.

Demonstrating the progression and prospects a business has to offer will only incentivize the candidates further, increasing their morale and also help foster an encouraging work environment.

One other aspect Human Resource team must consider here is to embrace the Artificial Intelligence and digital revolution. If utilized properly, technology can greatly help companies worldwide retain and give their employees more autonomy and time to revamp their skills with Artificial intelligence focusing on the less important activities. This shows that companies do not necessarily have to maintain a constant flow of emerging talent if AI capabilities, which benefit the employees, can be developed within and planned activities, such as AI training and on-job training programs are incorporated.

Training existing workforce according to the prevailing trends help businesses engage employees who are on the outlook to learn and, as a result, it benefits the organization by not only increasing the productivity levels, but also help them retain workforce and polish their skill set.

## HOW CAN COMPANIES ADDRESS THE SKILLS SHORTAGE CRISIS?

Below are some of the vital means as to how companies can address

skill shortages and keep their routine operations smooth.

### Invest in on-job Training

Smaller companies understandably feel that they do not have the required resources to fulfil the cost of training; either the cash to pay for training programs or the depth of staffing to release their workers for training sessions. However, if the company is facing skills shortage, ignoring on-job training can perhaps be a false economy – it is likely easier to train employees on the job than hiring new employees.

### Expand The Search

If businesses cannot find the right people for the right job, it is very much possible that they are not looking at the right place. Consider different approaches to recruitment – that could be anything from attending job fairs to posting jobs on different portals, especially social media. Keep your website updated with current vacancies.

### Focus on Employee Retention

If the company is struggling hard to find new talent, it just cannot afford to lose the skilled employees it already has. Successful businesses work hard at creating a company culture that encourages their employees to stay. This does not mean more pay – recognition or flexible working environment, for instance, can be just as attractive to some.

Last, but not the least, it is quite evident to fix the current skills shortage crisis, a multidisciplinary strategy is required. A plan that helps boost the way employees execute work and enjoy learning is what will certainly help grow the internal talent and will also help attract new skills. Now more than ever, Human Resource must step in and solve the crisis by championing a system for companies so that they could engage, retain and also skill up their employees to cement a prosperous and bright future workforce. 

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## 当代公司是否正面临技能短缺？

全世界的企业都非常担心技能短缺问题，这严重影响了员工的素质，工作效率以及生产力。

尽管技能短缺的原因很复杂，但有两个主要因素在起作用：

- 由于快速的创新，对技术技能和专家的需求不断增长。

- 另一个因素是，仍留在高等教育中的学生人数超过进入职场的，或者说超过选择高科技数字公司的职业人数，从而使用职场缺乏新鲜血液。

新兴人才对于应对技能短缺危机至关重要，但留住专家也是如此。研究表明，每 5 名员工就有 1 个人在试用期后离开工作岗位，从一开始就正确筛选候选人，管理他们的期望并与他们建立牢固的关系至关重要。

人力资源团队必须考虑的另一方面是拥抱人工智能和数字革命。如果使用得当，技术可以极大地帮助公司留住员工，通过使用人工智能处理次要的工作任务，为他们的员工提供更多的自主权和更多的时间。

根据流行趋势对现有员工进行培训，可以帮助企业吸引有远见的员工学习，不仅可以提高生产力水平，还可以帮助他们留住员工并提高技能，从而使组织受益。

### 如何解决技能短缺危机？

以下是如何解决技能短缺并保持日常平稳运营的重要手段。

- 投资在职培训
- 扩大候选人搜索范围，考虑不同的招聘方式，从参加招聘会到在不同门户网站上发布职位，尤其是社交媒体。

- 关注员工保留
- 最后但并非最不重要的是，非常明显解决当前的技能短缺危机，需要采取多维度教育策略。一项计划需要有助于提升员工执行能力同时又使员工享受学习，这才无疑能助力培养内部人才，也有助于吸引新兴人才。

# Tianjin's Second Annual "Healthy Life" Fair & Back to School BBQ

**9:00AM -- 3:00PM October 13, Sunday**

**Wellington College International Tianjin**

Tickets available at AmCham Tianjin Office and Wellington College International Tianjin

**Individual ticket price**

Adult: RMB150

Children (4-12): RMB80

Children (0-4): Free

\*\*\*Entry fee includes lunch and beverages (including beer), activities for whole family. Tickets should be ordered and paid for in advance. No tickets will be sold at the door.



Please scan this QR code to book tickets.



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天津海关最新政策解读会 - 转让定价、原产地证等 (中文)

09.09.2019.

European Chamber Tianjin Chapter held an exclusive policy updates & QA session with Tianjin Customs on the 9th of September, 2019. Nearly 20 executives from member companies including Airbus, Novo Nordisk and Siemens, etc. attended the meeting and communicated directly with 3 officials from Tianjin Customs. At the meeting, not only were the discussions and explanation on the latest policies elaborated, but the information regarding progress in the researching and surveying work for taxation policy making was shared, as well. It is highly encouraged for EU enterprises to participate in the survey so that the business environment can be collectively optimised with more favourable policies being carried out.



## EUROPEAN CHAMBER: CEO EXCHANGE - LOCAL SUPPORT AND BEST PRACTICES OF INTELLIGENT MANUFACTURING (CHINESE SESSION)

十人餐会 - 跨国公司制造工厂的智能化改造和政策支持 (中文会议) 11.09.2019.



On 11<sup>th</sup> of September, 2019, a CEO exchange on best practices and experiences in the field of intelligent manufacturing transformation and innovation was organized by European Chamber Tianjin Chapter. 10 CEOs from member companies, such as Volkswagen Automatic Transmission (Tianjin), Vestas Wind Technology and GEZE Industries (Tianjin), etc. participated in this special event. Meanwhile, officials from Tianjin Municipal Bureau of Industry and Information Technology also explained the up-to-date policies with regards to this particular field.



### UPCOMING EVENTS

\* Sponsorship Opportunities Available! Please Contact Chamber Staff Ms. Lorraine Zhang at +86 22 5830 7608

**Supply Chain Management Training - S&OP Management (Chinese Session)**  
供应链管理培训系列之“销售与运营规划” (中文授课)

Date: October 11<sup>th</sup>

**2019 European Business Gala Dinner - Say "CHEESE"**  
中国欧盟商会天津分会 2019 “芝士说”商务晚宴

Date: October 25<sup>th</sup>

**PMP Accreditation Comprehensive Training**  
PMP 项目管理考前培训

Date: October 26<sup>th</sup>

**Risk Management Training - How to Handle Crisis Properly in Social Media Age (Chinese Session)**  
社交媒体时代的危机管理 (中文课程)

Date: October 29<sup>th</sup>

**CEO Exchange - Risk Management of Branches of Multinational Company in China (English Session)**  
十人餐会 - 跨国公司分公司/工厂的突发事件处理 (英文会议)

Date: October 29<sup>th</sup>



Room 4216, 41F, Tianjin World Financial Centre, 2 Dagubei Road, Heping District  
 Tel: +86 22 5830 7962  
 tianjin@bj.china.ahk.de

**UPCOMING EVENTS**

**7th German Chamber Soccer Cup Tianjin 2019**  
 Date: October 20<sup>th</sup>  
 Time: 09:00-17:00  
 Venue: Wellington College International Tianjin

**International Assignment**  
 Date: October 23<sup>rd</sup>  
 Time: 13:00-17:00  
 Venue: GCC Tianjin Office

**Kammerstammtisch Tianjin**  
 Date: October 30<sup>th</sup>  
 Time: 19:00-22:00  
 Venue: Paulaner Tianjin

**Interpretation of Foreign Investment Law**  
 Date: October 31<sup>st</sup>  
 Time: 13:30-16:00  
 Venue: GCC Tianjin Office

**ROUNDTABLE - LEADING A GERMAN COMPANY AS A CHINESE GENERAL MANAGER**  
**21.08.2019**

On August 21<sup>st</sup>, 2019, the German Chamber of Commerce Tianjin invited the Chinese general managers of German enterprises to the kick-off event of our new GM roundtable series "Leading A German Company as A Chinese General Manager" at the Chamber office.

With more than one third of the locally-based member companies in Tianjin now being managed by Chinese leaders - comparing to the pure expat management at the early stages - the German Chamber of Commerce has identified that the need to cater to this unique customer group has slowly taken shape over the past years. Our new event-series are therefore specially designed for the Chinese general managers of German enterprises to get connected and exchange their experience on our platform.

The roundtable began with the welcome speech from Mr Hongtao Qu, General Manager of a Hartrodt Tianjin Logistics Co., Ltd. and member of German Chamber Advisory Council Tianjin, and a brief introduction about the Chamber and its services by Ms Xiaolei Zhang, Regional Manager of German Chamber - Tianjin office. After that, 10 Chinese leaders attending the event introduced themselves and their business activities. Through more than 4 hours' discussion, the participants got acquainted with each other and exchanged ideas and experience on some common management issues.



**NEW INDIVIDUAL INCOME TAX LAW UPDATE**  
**10.09.2019.**

On Tuesday, September 10<sup>th</sup>, the German Chamber of Commerce (GCC) organized a half-day seminar on the topic of "New Individual Income Tax Law Update" at the GCC Tianjin Office.

Recently, the Chinese tax authority released several individual income tax ("IIT") regulations on foreign expatriates in China, which finally clarified many unclear issues in previous practices. Comparing to the old IIT scheme, the new regulations indeed can be considered as a big relief to certain extent, in particular regarding the six-year rule. For foreign expatriates holding high management positions, or with dual positions in the group, or receiving share-based incentives and bonus, the new regulation also provides general guidance on relevant IIT treatments.

During this event, the speakers outlined the changes in the IIT law, presented implications for labour contracts and salary packages and also shared experiences in foreign expatriates' tax compliance in China. 18 attendants took part in this seminar and discussed about the ambiguous issues in the Q&A session, which need to be noticed in future practice. In the end, the speakers summarized the future IIT investigation trends.



**CONRAD HOTELS & RESORTS**  
**DEBUTS IN TIANJIN**

CHINA'S HISTORIC CULTURAL CITY

- *Opening of Conrad Tianjin Underscores Hilton's Strong Growth in China*
- *A New Iconic Landmark Brings Innovative Architectural Design and an Inspirational Luxury Stay Experience to Tianjin*



perfect destination that will garner recognition from Chinese, as well as international, guests, ensuring they feel relaxed and inspired throughout their stay in this historic city."

**STYLISH LOCALE**

Conrad Tianjin is located in the heart of the vibrant Nankai District, and nestled within the premier Luneng Ecological Zone, comprising offices, residences and a high-end shopping plaza. The hotel offers a prime location near government offices, the Central Business District and Tianjin Meijiang Convention Center, and is adjacent to the Tianjin Zoo and Tianjin Water Park, two of the city's largest recreational areas. With its proximity to Nankai University, the district is also renowned for its vibrant culture.

Exploring the city is made easy with the Metro situated just half a kilometer away. Guests can easily connect to transportation hubs with the Tianjin Binhai International Airport a convenient 22 kilometers from the hotel and Tianjin Train Station just seven kilometers away.

**Conrad Tianjin** is located at 46 Tianta Road, Nankai District, Tianjin, China.



On August 20<sup>th</sup>, 2019, Hilton announced the opening of Conrad Tianjin, a new 10-story, 375-room, state-of-the-art hotel in Nankai District. Located in the heart of a thriving business hub, the property takes its design inspiration from the city's historical and cultural landmarks, reminiscent of architecture from the late 19 and early 20 centuries. With stately hotel rooms enclosing a European courtyard, and stunning interiors that showcase a blend of modern chic and Art Deco, Conrad Tianjin is primed to be a destination for the world's smart luxury travelers.

Plan," said Qian Jin, area president for Greater China and Mongolia, Hilton. "With the opening of Conrad Tianjin, Hilton will accelerate the region's tourism development and fulfill the ever-growing demands of business and leisure customers, consistently delivering personal services and curated experiences that elevate their journeys."

"As we continue to debut landmark properties in the world's most sought-after destinations, it is a tremendous honor to introduce our Conrad brand to Tianjin. With intuitive service, culinary excellence and a design inspired by the city's heritage, Conrad Tianjin is set to exceed the expectations of global travelers, whether they are long-stay business guests or new adventure seekers," said Martin Rinck, executive vice president and global head, Luxury & Lifestyle Group, Hilton. "Conrad Tianjin is the

"Tianjin is not only one of China's most strategically important cities, but one of Hilton's as well, as investments are pumped into developing the city as a global centre for industry, business and culture through the Beijing-Tianjin-Hebei Integration

# OPENING CEREMONY

## Phase II & R&D Centre of Schlote Automotive Parts (Tianjin) Co., Ltd.



The foreign media, **Business Tianjin**, was invited to present and conducted an exclusive interview with CEO of Schlote Group, Mr. Jürgen Schlote, on the topic of Schlote Group's development strategy in China.



Schlote group CEO Mr. Schlote, CTO Mr. Schulz, and SCT GM Mr. Gao Jiangang, along with all the staff, extended warm welcome to all the distinguished guests to witness the historical moment.



Schlote group CEO Mr Schlote and SCT GM Mr GaoJiangang made opening remarks.

The opening ceremony started at 14:08 with "Water Drum" show, which prays for blessing.

"Schlote Group expressed warm welcome and sincere gratitude to all the guests, and whole company staff. With great support of the government, business partners and the hard working employees, SCT has achieved leapfrog development in just five years. 2019 marks its 50th anniversary of Schlote Group, in this year the on schedule hand over of phase II plant, and the successful completion of the R&D centre have greatly boosted Schlote Group's development in Asia Pacific area. Schlote Group will base on Tianjin with a brand-new image and draw on science and technology to bolster the prosperity of airtropolis economy, not only to serve Asia, but also brush a magnificent chapter into the history of Sino-German intelligent manufacturing."



Mr. Xu Ning delivering a speech on behalf of ZF (China) Investment Co., Ltd.

"As an important strategic partner of Schlote Group, a concerted effort has been achieved in Europe, the United States, and Asia over the past three decades. After both sides' concerted efforts and deep exchange, the 8HP project was finally successfully introduced from Germany to China, realizing the first localization of the 8-gears transmission. Today is a new stage of development for Schlote. On behalf of ZF Group, I'd like to express my warm congratulations and wish SCT a prosperous future and bright prospect."

"Since 2014 HFT and SCT have grown synergetic coordinated on DQ project of Volkswagen Automatic Transmission Tianjin. In 2018, we worked together for BMW oilpan project. In 2019, the Phase II plant of both sides was completed to serve ZF 8 HP project. And now we are here to celebrate SCT opening ceremony of the Phase II and R&D centre. In the future, Handtmann Group sincerely hopes to carry out all aspects to cooperate with Schlote Group hand in hand to create brilliant things and explore the market for our common promising future."



Mr Schmidt made a speech representing Handtmann Group, an important strategic partner of Schlote Group

"The 19th National Congress proposed the new task of socialist construction. SCT Phase II plant as a key project of Tianjin Airport Economic Area, Tianbao always adhere to the Party's Spirit to ensure the implementation of project progress as planned. After two months of planning and eight months of construction, the plant was handed over on the committed date to realize the operation. Tianbao will adhere to the guiding principle of socialism to serve enterprises to support SCT for bright prospect."

Schlote Group CEO Mr Schlote, CTO Mr Schulz, SCT General Manager GaoJiangang, ZF (China) Mr Xu Ning, ZFTS Mr Xu Zhiwei, Handtmann Group CEO Mr Schmidt, HFT Mr Markus Handtmann, CMBC Tianjin Mr Liu Hang, Jiangsu Rovma Group Mr Wu and Tianbao Mr Li were invited for ribbon-cutting ceremony to open a new chapter of Schlote Group: connecting the intelligence and innovation from Tianjin to Asia-Pacific.



Mr Li, the General Manager of Tianjin Tianbao Construction & Development Co., Ltd., delivering a speech.

The experience of 50 years of stormy trials, only the glory and achievements of today. The opening ceremony is not only the witness, it is also a signal of Schlote Group to become a centre enterprise, to open a new development chapter in Asia-Pacific. With the concept of "Excellence in Precision" Schlote Group has continuously in technology research to seize the opportunity, meet the challenges for a win-win future.

DINING

TIANJIN

Chinese

**Tian Tai Xuan**  
A: 1<sup>st</sup> and 2<sup>nd</sup> Floor, The Ritz-Carlton, Tianjin, No. 167 Dagubei Road, Heping District, Tianjin  
T: +86 22 5809 5098  
天泰轩中餐厅  
和平区大沽北路167号天津丽思卡尔顿酒店一楼和二楼

**Din Tai Fung**  
A: No. 18, the junction of Zi Jin Shan Lu and Binshui Dao, Hexi District  
T: +86 22 2813 8138  
W: [dintaifung.com.cn](http://dintaifung.com.cn)  
鼎泰丰  
河西区滨水道与紫金山路交口18号

**New Dynasty**  
A: 2F, Renaissance Tianjin Lakeview Hotel No.16 Binshui Road, Hexi District, Tianjin  
T: +86 22 5822 3388  
天宾楼  
河西区滨水道16号万丽天津宾馆2层

**Qing Wang Fu**  
A: No. 55, Chongqing Road Heping District  
T: +86 22 8713 5555  
+86 22 5835 2555  
E: [info@qingwangfu.com](mailto:info@qingwangfu.com)  
W: [qingwangfu.com](http://qingwangfu.com)  
庆王府  
和平区重庆道55号

**Riverside Chinese Restaurant**  
A: 3F, Holiday Inn Tianjin Riverside Phoenix Shopping Mall East Haihe Road, Hebei District  
T: +86 22 2627 8888 ext. 2211  
海河轩中餐厅  
河北区海河东路凤凰商贸广场天津海河假日酒店3楼

**JIN House**  
A: 7/F, Four Seasons Hotel Tianjin, 138 Chifeng Road, Heping District, Tianjin  
T: +86 22 2716 6262  
津韵·中餐厅  
和平区赤峰道138号天津四季酒店7层

**Ying**  
A: 2<sup>nd</sup> Floor, Conrad Tianjin, No. 46, Tianta Road, Nankai District, Tianjin  
T: +86 22 5888 6666  
瀛轩  
南开区天塔道46号天津康莱德酒店二层

Japanese

**Kawa Sushi Lounge**  
A: 7/F, Four Seasons Hotel Tianjin, 138 Chifeng Road, Heping District, Tianjin  
T: +86 22 2716 6262  
川·寿司酒廊  
和平区赤峰道138号天津四季酒店7层

**Café Vista**  
A: 1F, Wanda Vista Tianjin, 486 Bahao Road, Da Zhi Gu, Hedong District  
T: +86 22 2462 6888  
美食汇全日餐厅  
河东区大直沽八号路486号天津万达文华酒店一层

**Seasonal Tastes**  
A: 1F, 101 Nanjing Road, Heping District  
T: +86 22 2389 0168  
知味全日餐厅  
和平区南京路101号一层

**Seitaro**  
A: 2 F, Sheraton Hotel Tianjin Zi Jin Shan Lu, Hexi District  
T: +86 22 2731 0909  
清太郎日本料理  
河西区紫金山路喜来登大酒店

**SôU**  
A: 49F, Tangla Hotel Tianjin, No.219 Nanjing Road, Heping District  
T: +86 22 2321 5888 ext.5106  
思创  
南京路219号天津唐拉雅秀酒店49楼

Southeast Asian

**Bam Bou**  
A: 1<sup>st</sup> Floor, Conrad Tianjin, No. 46, Tianta Road, Nankai District, Tianjin  
T: +86 22 5888 6666  
竹影  
南开区天塔道46号天津康莱德酒店一层

Bakeries & Desserts



**Gang Gang Bread & Wine**  
A: 104, Olympic Tower, Chengdu Dao, Heping District  
T: +86 22 2334 5716  
冈冈葡萄酒 & 面包店  
和平区成都道126号奥林匹克大厦1层104



**LE CROBAG – Tianjin Store**  
A: Room 109, Buliding A2 , Binshui West road, Nankai District  
T: +86 22 2374 1921  
Le Crobag德国面包房 (奥城店)  
南开区奥城商业广场A2商9



Western

**Promenade Restaurant**  
Featuring gorgeous views of the Hai River, **Promenade** provides the exclusive dining experience with South East Asia flavors, Indian gourmet, Chinese and Western traditional cuisine and more.  
A: 1F, The St. Regis Tianjin No. 158, Zhang Zizhong Road Heping District  
T: +86 22 5830 9959  
O: 06:00 - 22:00  
河岸国际餐厅  
和平区张自忠路158号天津瑞吉金融街酒店一层(哈密道正对面)

**Riviera Restaurant**  
Riviera brings the casually elegant refined dining experience to Tianjin featuring modern Mediterranean -French dishes paired with selections from an supurb list of international wines.  
A: 1F, The St. Regis Tianjin. No. 158, Zhang Zizhong Dao, Heping District  
T: +86 22 5830 9962  
O: 11:30 - 14:30; 17:00 - 22:00.  
蔚蓝海餐厅  
和平区张自忠路158号天津瑞吉金融街酒店一层



**ZEST**  
A: 1 F, The Ritz-Carlton, Tianjin, No. 167 Dagubei Road, Heping District, Tianjin  
T: +86 22 5809 5109  
香溢 - 全日餐厅  
和平区大沽北路167号天津丽思卡尔顿酒店一楼

**Prego Italian Restaurant**  
A: 3F, The Westin Tianjin, No.101, Nanjing Road, Heping District  
T: +86 22 2389 0173  
Prego意大利餐厅  
和平区南京路101号天津君隆威斯汀酒店3层

**Qba - Latin Bar & Grill**  
A: 2F, 101 Nanjing Road, Heping District  
T: +86 22 2389 0171  
Q吧 - 拉丁酒吧&烧烤  
和平区南京路101号二层

**Pizza Bianca**  
A: No.83 Chongqing Lu, Min Yuan Stadium, Heping District  
T: +86 22 8312 2728  
比安卡意大利餐厅  
和平区重庆道83号民园体育场内

**Churchill Wine & Cigar Bar**  
A: 1F, Wanda Vista Tianjin, 486 Bahao Road, Da Zhi Gu, Hedong District  
T: +86 22 2462 6888  
丘吉尔红酒雪茄吧  
河东区大直沽八号路486号天津万达文华酒店一层

**Brasserie Flo Tianjin**  
A: No.37, Guangfu Road Italian Style Town, Hebei District  
T: +86 22 2662 6688  
福楼  
河北区意大利风情区光复道37号

**Browns Bar & Restaurant**  
A: No.108-111, 1st Floor Min Yuan Stadium, Heping District  
T: +86 22 88370588/88370688  
E: [info@browns-tj.com](mailto:info@browns-tj.com)  
勃朗斯英式酒吧餐厅  
和平区重庆道83号民园广场西楼一层108-111号

**Maxim's De Paris**  
A: No.2 Changde Dao, Heping District  
T: +86 22 2332 9966  
马克西姆法餐厅  
和平区常德道2号



**Hard Rock Cafe, Tianjin**  
A: No.56 Tianta Road, Nankai District  
T: +86 22 2351 7625  
天津硬石餐厅  
南开区天塔道56号, 水上公园正门斜对过



**Drei Kronen 1308 Brauhaus**  
A: 1F-2F, bldg. 5, Jinwan Plaza, Jiefang Bei Lu, Heping District  
T: +86 22 2321 9199  
路德维格-1308 德餐啤酒坊  
和平区解放北路津湾广场5号楼1-2层



**blue frog (Riverside 66)**  
A: Unit 3009, Riverside 66, No.166 Xing'an Road, Heping District  
T: +86 22 23459028  
蓝蛙 (恒隆广场店)  
和平区兴安路166号恒隆广场3009室

**blue frog (Joy City)**  
A: 1F-J02, Joy City, No.2 Nanmen Wai Dajie Street, Nankai District  
T: +86 22 27358751  
蓝蛙(大悦城店)  
南门外大街大悦城如果街1F-J02

**Prego Italian Restaurant**  
A: 3F, The Westin Tianjin, No.101, Nanjing Road, Heping District  
T: +86 22 2389 0173  
Prego意大利餐厅  
和平区南京路101号天津君隆威斯汀酒店3层

**Qba - Latin Bar & Grill**  
A: 2F, 101 Nanjing Road, Heping District  
T: +86 22 2389 0171  
Q吧 - 拉丁酒吧&烧烤  
和平区南京路101号二层

**Pizza Bianca**  
A: No.83 Chongqing Lu, Min Yuan Stadium, Heping District  
T: +86 22 8312 2728  
比安卡意大利餐厅  
和平区重庆道83号民园体育场内

**Churchill Wine & Cigar Bar**  
A: 1F, Wanda Vista Tianjin, 486 Bahao Road, Da Zhi Gu, Hedong District  
T: +86 22 2462 6888  
丘吉尔红酒雪茄吧  
河东区大直沽八号路486号天津万达文华酒店一层

**Brasserie Flo Tianjin**  
A: No.37, Guangfu Road Italian Style Town, Hebei District  
T: +86 22 2662 6688  
福楼  
河北区意大利风情区光复道37号

**Browns Bar & Restaurant**  
A: No.108-111, 1st Floor Min Yuan Stadium, Heping District  
T: +86 22 88370588/88370688  
E: [info@browns-tj.com](mailto:info@browns-tj.com)  
勃朗斯英式酒吧餐厅  
和平区重庆道83号民园广场西楼一层108-111号

DINING

**Brasserie on G**  
A: 1<sup>st</sup> Floor, Conrad Tianjin, No. 46, Tianta Road, Nankai District, Tianjin  
T: +86 22 5888 6666  
美庭  
南开区天塔道46号天津康莱德酒店一层

**1863 Bistro & Terrace**  
A: 1F Astor Wing, The Astor Hotel, A Luxury Collection Hotel, Tianjin No. 33, Tai'er Zhuang Lu Heping District  
T: +86 22 2331 1688 ext. 8918  
1863别致西餐厅&花园  
利顺德翼, 和平区台儿庄路33号天津利顺德大饭店豪华精选酒店一层

**Café Majestic**  
A: 1F Haihe Wing, The Astor Hotel, Tianjin. No. 33, Tai'er Zhuang Lu, Heping District  
T: +86 22 2331 1688 ext. 8910  
凯旋咖啡厅  
海河翼, 和平区台儿庄路33号天津利顺德大饭店一层

**Café Venice**  
A: 2F, Holiday Inn Tianjin Riverside Phoenix Shopping Mall East Haihe Road, Hebei District  
T: +86 22 2627 8888 ext. 2271  
威尼斯咖啡厅  
河北区海河东路凤凰商贸广场天津海河假日酒店2楼

**Le Rosso Pizza & Steak**  
A: 24 Ying Chun Li, Wu Jia Yao Er Hao Road (near Xi Kang Lu) He Ping District  
T: 15602172289, 17526573687  
Le Rosso 意大利餐厅  
和平区吴家窑二号路迎春里24号楼底商 (靠近西康路)



**THE CORNER-CHANCE**  
A: No.101-102 Harbin Rd, Heping District, Tianjin  
T: +86 22 8321 9717  
考恩餐饮&文化空间  
和平区哈尔滨道102增101号

**The CORNER-ACADEMY**  
A: No. 86 Harbin Rd., Heping District, Tianjin  
T: +86 22 2711 9871  
考恩预约品鉴店  
和平区哈尔滨道86号



**Pomodoro (International Plaza)**  
A: 1<sup>st</sup> floor, International plaza, Nanjing road, Heping District, Tianjin (infront of Catholic Church)  
T: +86 22 2346 0756  
小蕃茄意大利餐厅 (国际商场店)  
天津和平区南京路国际商场B座底商 (近西开教堂)



**Habuka the Butcher**  
A: No.187, Chengdu Road, Heping District, Tianjin  
T: +86 22 8338 5251  
+86 157 2205 2242  
羽深肉铺  
和平区成都道187号

Bars

**The St. Regis Bar**  
The most beautiful bar in town with stunning river view. A rare haven of refined luxury, **The St. Regis Bar** is a place for guests to enjoy the enduring tradition of St. Regis Afternoon Tea and a wide selection of refreshing drinks.  
A: 1F, The St. Regis Tianjin. No. 158 Zhang Zizhong Road, Heping District  
T: +86 22 5830 9958  
O: 09:30 - 01:30.  
瑞吉酒吧  
和平区张自忠路158号天津瑞吉金融街酒店一层

**FLAIR Bar and Restaurant**  
A: 1 F, The Ritz-Carlton, Tianjin, No. 167 Dagubei Road, Heping District, Tianjin  
T: +86 22 5809 5099  
FLAIR餐厅酒吧  
中国天津市和平区大沽北路167号天津丽思卡尔顿酒店一楼

**The Lobby Lounge**  
A: 1<sup>st</sup> Floor, The Ritz-Carlton, Tianjin, No. 167, Dagubei Road, Heping District, Tianjin  
T: +86 22 5857 8888 ext. 5091  
W: [ritzcarlton.com/tianjin](http://ritzcarlton.com/tianjin)  
大堂酒廊  
中国天津市和平区大沽北路167号天津丽思卡尔顿酒店一楼

**Gusto Bar**  
A: 9/F, Four Seasons Hotel Tianjin, 138 Chifeng Road, Heping District, Tianjin  
T: +86 22 2716 6264  
9吧  
和平区赤峰道138号天津四季酒店9层



Biking Tianjin Adventurer Club

🚴 • Tianjin, Tianjin • Invite-Only  
Biking Tianjin Adventurer Club (BTAC). Weekend social road biking group who enjoy exploring Tianjin and surrounds. Send us a note and join us for a ride in Tianjin!  
E: [thestinos@msn.com](mailto:thestinos@msn.com)

SERVICES

Golf

**FYLA GOLF International Golf Academy**  
A: Senao Golf Driving Range, Aoti Road, Nankai District, Tianjin  
T: 18526437988  
飞乐国际高尔夫学院  
天津市南开区奥体道森奥高尔夫练习场

Education



**UPI**  
A: New Taiyuan Rd, No.189, Jiefang North RD, Heping District, Tianjin.  
T: +86 22 23319485  
**UPI**  
天津市和平区解放北路189号, 靠近新太原道一侧 (近丽思卡尔顿酒店)

**KIDS 'R' KIDS Learning Academy, Tianjin No.1**  
O: 8:00-17:00  
A: Yunjin Shijia Community, No.65, Ziyang Rd, Zhongbei Zhen, Xiqing Dist, Tianjin  
T: +86 22 5871-6901  
+86 22 5871-6900  
Wechat: KidsRKidsTianjin  
W: [www.kidsrkids.com](http://www.kidsrkids.com)  
[www.kidsrkidschina.com](http://www.kidsrkidschina.com)  
E: [contact-tianjin@kidsrkidschina.cn](mailto:contact-tianjin@kidsrkidschina.cn)  
凯斯幼儿园, 天津雲锦幼儿园  
西青区中北镇紫阳道65号雲锦世家中

**I Fitness GYM CLUB / Indoor Badminton Court**  
A: No.3 Jingming Road, Jinnan District, Tianjin  
T: +86 22 2628 9999  
爱动力健身俱乐部/羽毛球馆  
天津市津南区景茗道3号体育中心

**I Fitness Meijiang**  
A: Area C, Jindian Times Square, Meijiang Area, Hexi District  
T: +86 22 8836 7567  
爱动力健身工作室  
天津市河西区梅江津典时代广场C区

**I Fitness Fuli Jinmenhu**  
A: West area of Jiangwan Plaza, Fuli Jimenhu, Xiqing District  
T: +86 22 2628 9999  
+86 22 8836 7567  
爱动力健身游泳俱乐部  
天津市梅江富力津门湖江湾广场西区底商



**Wellington College International Tianjin**  
A: No. 1, Yide Dao, Hongqiao District  
T: +86 22 8758 7199 ext. 8001  
M: +86 187 2248 7836  
E: [admissions.tianjin@wellingtoncollege.cn](mailto:admissions.tianjin@wellingtoncollege.cn)  
W: [www.wellingtoncollege.cn/tianjin](http://www.wellingtoncollege.cn/tianjin)  
天津惠灵顿外籍人员子女学校  
红桥区义德道1号

**Tianjin International School**  
A: No.4-1, Sishui Dao, Hexi District  
T: +86 22 8371 0900 ext. 311  
天津国际学校  
河西区泗水道4号增1

SERVICES

Hotels

★★★★★ Hotels



**Renaissance Tianjin Lakeview Hotel**

**A:** No. 16, Binshui Dao, Hexi District  
**T:** +86 22 5822 3388  
万丽天津宾馆  
河西区宾水道 16 号



**The Ritz-Carlton, Tianjin**

**A:** No. 167 Dagubei Road, Heping District, Tianjin  
**T:** +86 22 5857 8888  
天津丽思卡尔顿酒店  
和平区大沽北路 167 号



**The St. Regis Tianjin**

**A:** No. 158, Zhangzizhong Road Heping District  
**T:** +86 22 5830 9999  
天津瑞吉金融街酒店  
和平区张自忠路 158 号  
(津塔旁, 哈密道正对面)

**The Westin Tianjin**

**A:** 101 Nanjing Road, Heping District  
**T:** +86 22 2389 0088  
**W:** westin.com/tianjin  
天津君隆威斯汀酒店  
和平区南京路 101 号



**HYATT REGENCY TIANJIN EAST**

**A:** 126 Weiguo Road, Hedong Dist. Tianjin, 300161  
**T:** + 86 22 2457 1234  
**F:** +86 22 2434 5666  
**W:** tianjin.regency.hyatt.com  
天津东凯悦酒店  
天津市河东区卫国道 126 号



**Four Seasons Hotel Tianjin**

**A:** 138 Chifeng Road, Heping District, Tianjin  
**T:** +86 22 2716 6688  
天津四季酒店  
和平区赤峰道 138 号

**The Astor Hotel, Tianjin**

**A:** No. 33, Tai'er Zhuang Lu, Heping District  
**T:** +86 22 5852 6888  
天津利顺德大饭店  
和平区台儿庄路 33 号



**Banyan Tree Tianjin Riverside**

**A:** No. 34, Haihe Dong Lu, Hebei District, Tianjin  
**T:** +86 22 5883 7848  
**W:** www.banyantree.com  
天津海河悦榕庄  
河北区海河东路 34 号



**Holiday Inn Tianjin Xiqing**

**A:** No. 5 Wanhui Road, Zhongbei Town, Xiqing District, Tianjin 300385, P.R. China  
**T:** +86 22 8797 5555  
天津中北假日酒店  
西青区中北镇万卉路5号 邮编 300385

**Holiday Inn Tianjin Riverside**

**A:** Phoenix Shopping Mall Haihe Dong Lu, Hebei District  
**T:** +86 22 2627 8888  
天津海河假日酒店  
河北区海河东路凤凰商贸广场

**Holiday Inn Tianjin Aqua City**

**A:** No. 6, Jieyuan Dao, Hongqiao District  
**T:** +86 22 5877 6666  
天津水游城假日酒店  
红桥区芥园道 6 号



**Shangri-La Hotel, Tianjin**

**A:** No.328 Haihe East Road, Hedong District Tianjin, 300019 China  
**T:** + 86 22 8418 8801  
天津香格里拉大酒店  
河东区海河东路 328 号



**PAN PACIFIC TIANJIN HOTEL**

**A:** No. 1 Zhang Zi Zhong Road, Hong Qiao District  
**T:** +86 22 5863 8888  
**E:** infor.pptsn@panpacific.com  
天津泛太平洋大酒店  
天津红桥区张自忠路 1 号

**Hotel Indigo Tianjin Haihe**

**A:** No.314 Jiefang South Road, Hexi District, 300202, Tianjin  
**T:** +86 22 8832 8888  
**F:** +86 22 8832 6868  
天津海河英迪格酒店  
中国天津市河西区解放南路 314 号



**Tianjin Goldin Metropolitan Polo Club**

**A:** No.16, Hai Tai Hua Ke Jiu Lu, Bin Hai Gao Xin Qu, Tianjin  
**T:** + 86 22 8372 8888  
**W:** www.metropolitanpoloclub.com  
天津环亚国际马球会  
滨海高新区海泰华科九路16号

**Tangla Hotel Tianjin**

**A:** No. 219, Nanjing Lu, Heping District  
**T:** +86 22 2321 5888  
天津唐拉雅秀酒店  
和平区南京路 219 号

**Tianjin Yan Yuan International Hotel**

**A:** Zi Jin Shan Lu, Hexi District  
**T:** +86 22 2731 3388  
天津燕园国际大酒店  
天津市河西区紫金山路 31 号



**Conrad Tianjin**

**A:** No. 46, Tianta Road, Nankai District, Tianjin  
**T:** +86 22 5888 6666  
天津康莱德酒店  
南开区天塔道 46 号



**Wanda Vista Tianjin**

**A:** 486 Bahao Road, Da Zhi Gu, Hedong District, Tianjin 300170  
**T:** +86 22 2462 6888  
**F:** +86 22 2462 7000  
天津万达文华酒店  
中国天津市河东区大直沽八号路 486 号



**Courtyard by Marriott Tianjin Hongqiao**

**A:** No. 166 Beima Road, Hongqiao District, Tianjin  
**T:** +86 22 5898 5555  
天津陆家嘴万怡酒店  
天津市红桥区北马路 166 号

**Radisson Tianjin**

**A:** 66 Xinkai Road, Hedong District, Tianjin 300011, China  
**T:** +86 22 2457 8888  
**E:** hotel@radisson-tj.com  
天津天诚丽筠酒店  
中国天津市河东区新开路 66 号 邮编 300011

Serviced Apartments



**The Ritz-Carlton Executive Residences, Tianjin**

**A:** No.167 Dagubei Road, Heping District  
**T:** +86 22 5857 8888  
天津丽思卡尔顿行政公寓  
天津市和平区大沽北路167号



**The Lakeview, Tianjin-Marriott Executive Apartments**

**A:** No. 16, Binshui Dao, Hexi District  
**T:** +86 22 5822 3322  
天津万豪行政公寓  
河西区宾水道 16 号



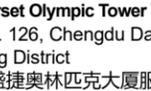
**Fraser Place Tianjin**

**A:** No. 34 Xing Cheng Towers Ao Ti Street, West Weijin South Road, Nankai District  
**T:** +86 22 5892 0888  
**E:** sales.tianjin@frasershospitality.com  
天津招商辉盛坊国际公寓  
南开区卫津南路西侧奥体道星城 34 号楼



**Somerset International Building Tianjin**

**A:** No. 75, Nanjing Lu Heping District  
天津盛捷国际大厦服务公寓  
和平区南京路 75 号  
**T:** +86 22 2330 6666



**Somerset Olympic Tower Tianjin**

**A:** No. 126, Chengdu Dao Heping District  
天津盛捷奥林匹克大厦服务公寓  
和平区成都道 126 号  
**T:** +86 22 2335 5888

**Astor Apartment**

**A:** No. 32, Tai'er Zhuang Lu Heping District  
**T:** +86 22 2303 2888  
利顺德公寓  
和平区台儿庄路 32 号



**Ariva Tianjin Binhai Serviced Apartment**

**A:** No. 35 Zi Jin Shan Road, Hexi District  
**T:** +86 22 5856 8000  
**F:** +86 22 5856 8008  
**W:** www.stayariva.com  
滨海·艾丽华服务公寓  
天津市河西区紫金山路 35 号

**Conrad Residences Tianjin**

**A:** No. 46, Tianta Road, Nankai District, Tianjin  
**T:** +86 22 5888 6666  
天津康莱德酒店公寓  
南开区天塔道46号

**Ariva Tianjin Zhongbei Serviced Apartment**

**A:** No. 80 Xingguang Road, Zhongbei Town, Xiqing District  
**T:** 022-5863 1188  
**F:** 022-5863 1166  
**E:** Reservation.ATZB@stayariva.com.cn  
天津中北·艾丽华服务公寓  
天津市中北镇星光路 80 号

IT



**NNIT (Tianjin) Technology**

**A:** 20 F, Building A, JinWan Mansion, No.358 Nanjing Road, 300100 Tianjin  
**T:** +86 22 58856666  
**W:** www.nnit.cn  
天津恩恩科技有限公司  
南开区南京路 358 号, 今晚大厦 A 座 20 层

Real Estate



**HOUSING CHINA**

大连豪之英物业管理有限公司天津分公司  
**A:** 11F, Golden Valley Center Building No.1, Jinwan Square Binjiang Road, Heping District, Tianjin  
天津市和平区滨江道 1 号津湾广场金谷大厦 11 号楼 11 层  
**T:** +86 22 2315 9629

**A:** 4402-2, Building 4, No.19, Xinhuan West Road, Tianjin ETDZ, Tianjin, China  
天津开发区信环西路 19 号泰达服务外包园 4 号楼 4402-2  
**T:** +86 22 6537 5013  
**W:** www.housing-cn.com/



**Jones Lang LaSalle**

**A:** Unit 3509, The Exchange Mall Tower 1, No.189 Nanjing Road, Heping District.  
**T:** +86 22 8319 2233  
**W:** joneslanglasalle.com.cn  
仲量联行天津分公司  
天津市和平区南京路 189 号津汇广场 1 座 3509 室

SERVICES

Serviced Office

**The Executive Centre**

**A:** 41F, Tianjin World Financial Center, 2 Dagubei Road, Heping District  
**T:** +86 22 2318 5111  
**W:** executivecentre.com  
天津德事商务中心  
和平区大沽北路 2 号天津环球金融中心津塔写字楼 41 层

**Regus Tianjin Centre**

**A:** 8 F, Tianjin Centre, No.219 Nanjing Road, Heping District  
**T:** +86 22 2317 0333  
雷格斯天津中心  
和平区南京路 219 号天津中心 8 层

**Regus Golden Valley Centre**

**A:** 11F, Floor, Block One, Golden Valley Centre, Heping District  
**T:** +86 22 5890 5188  
**W:** www.regus.cn  
雷格斯金谷大厦中心  
和平区金谷大厦一号楼 11 层

Chamber of Commerce

**European Chamber**

**A:** 4108, Tianjin World Financial Center, 2 Dagubei Lu, Heping District  
**T:** +86 22 5830 7608  
**E:** tianjin@european-chamber.com.cn  
**W:** european-chamber.com.cn  
中国欧盟商会天津分会  
和平区大沽北路 2 号天津环球金融中心 4108 室

**American Chamber**

**A:** Room 2918, 29F, The Exchange Tower 2, 189 Nanjing Lu Heping District  
**T:** +86 22 2318 5075  
**F:** +86 22 2318 5074  
**w:** amchamchina.org  
中国美国商会天津分会  
和平区南京路 189 号津汇广场 2 座 2918 室

**German Chamber**

**A:** Room 4216, 41F, Tianjin World Financial Centre, 2 Dagubei Road, Heping District, Tianjin  
**T:** +86 22 5830 7962  
**E:** tianjin@bj.china.ahk.de  
中国德国商会天津办事处  
和平区大沽北路 2 号 天津环球金融中心 41 层 4126 室

Moving & Relocation



**Asian Tigers China - Tianjin**

**A:** Room 2705, The Exchange Tower 2, No. 189 Nanjing Road, Heping District, Tianjin, 300051, China  
**T:** +86 22 2433 3378  
**E:** general.tsn@asiantigers-china.com  
**W:** www.asiantigers-mobility.com  
天津市和平区南京路 189 号, 津汇广场 2 座 2705 室



HEALTH

Hospitals



**Raffles Medical Tianjin Clinic**

**A:** 1F Apartment Building, Sheraton Tianjin Hotel, Zi Jin Shan Road, He Xi District, Tianjin 300074  
**T:** +86 22 23520143  
河西区紫金山路喜来登饭店公寓楼一层, 300074



**Tianjin United Family Hospital**

**A:** No.22, Tianxiao Yuan Tanjiang Dao, Hexi District  
**T:** +86 22 5856 8500 (Reception)  
24 Hour Emergency:  
**T:** +86 22 5856 8555  
**W:** ufh.com.cn  
天津和睦家医院  
河西区潭江道天潇园 22 号



**Women's and Children's Specialized Health**

**A:** No.21, ShuiShangGongYuan East Road, Nankai District  
**T:** +86 22 5898 2012  
400 10000 16  
**W:** amcare.com.cn  
美中宜和医疗集团天津美中宜和妇儿医院  
南开区水上公园东路 21 号

**Arrail Dental Tianjin International Building Clinic**

**A:** Rm 302, Tianjin International Building, No. 75 Nanjing Rd, Heping District  
**T:** +86 22 2331 6219/10/67  
24Hr Emergency Line:  
150 0221 9613  
**W:** arrail-dental.com  
瑞尔齿科  
和平区南京路 75 号  
天津国际大厦 302 室

Tailor Made



**Nasca Linien Tailor Made**

**A:** No. 113 Chong Qing Road (WuDaDao Area)  
**T:** +86 22 23300113  
18522758791  
纳斯卡·理念私享空间  
天津市和平区重庆道 113 号 (五大道风景区)

**A:** 7<sup>th</sup> Floor, @ City, M Plaza, the cross of Binjiang Road and Shanxi Road, Heping District, Tianjin  
**T:** +86 22 2712 1314  
和平区滨江道与山西路口 Mplaza7 层



# CHINESE ACUPUNCTURE

By Rose Salas

Are you afraid of needles? Do you know that inserting and manipulating needles into your skin can heal and relieve pains while relaxing your body? Relaxing your way out of the terrible week should not be as expensive as what others seem to define relaxation. It should make you feel relaxed and energized after each session.

## WHAT IS CHINESE ACUPUNCTURE?

Originated during the Shang Dynasty, acupuncture was discovered to be a beneficial healing procedure for the body. It then became famous in the Western countries around 1971. The traditional Chinese Acupuncture helps a lot in regaining our mind and body and improving the quality of our life and certain pain conditions. In traditional Chinese Acupuncture, practitioners of acupuncture stimulate exact points in our body by injecting thin needles over the skin. It is safe to use and administer to patients as long as the needles are sterilized. Several studies recommend that acupuncture works for some conditions.

## WHAT IS IT USED FOR?

Acupuncture is used as a painkiller for the body and brain. It can also help chronic illnesses of the bones, such as osteoarthritis, lower back pain, and carpal tunnel syndrome. It can also reduce the frequency of tension headaches and migraine.

Acupuncture is also used with other fertility treatments. Research shows that it increases the efficiency of many common medications intake to boost fertility by naturally increasing the hormone levels that go to the ovaries. There are also studies revealed that women, who suffer

Polycystic Ovarian Syndrome or PCOS, were able to regulate and balance their hormones through acupuncture. So, there is more or less thirty-three per cent chance of successful pregnancy during this state.

People with Post-traumatic Stress Disorder or PTSD were recommended to try acupuncture as part of their treatment, because it gives a stress reliever effect to them. Other side effects of PTSD, such as depression, anxiety, and loneliness were also given the option to do acupuncture as soon as the diagnosis has been released. Although the research is very promising, it is entirely new and needs to have more research before being promoted as one of the main treatments for PTSD.

Acupuncture can also alleviate asthma and allergies. The researchers found that when they add acupuncture to the patient's treatment, it makes a significant improvement with their asthma or allergies. During a three-month trial period, it shows a promising result to this treatment.

The benefits of traditional acupuncture treat the whole body, from head to toe, from any form of pain and anxiety. It allows the full access to your body even without removing your clothes. It can effectively treat your issues through specific points on your head, face, arms, hands, lower legs, and feet.

## IS IT STILL IMPORTANT IN THIS MODERN DAYS?

In today's age, even conventional doctors and health professionals are also taking part in treating some diseases with acupuncture, particularly with pain and nausea caused by chemotherapy. They are doing some research to see if acupuncture can also help other cancer treatment-related symptoms, which include lymphoedema, hot flashes, and peripheral neuropathy.

Modern acupuncture or Cosmetic acupuncture is now getting attention, as it does not only make your body



## 中国针灸

feel good on the inside, but the outside, as well. It promotes subtle and natural-looking changes to the skin over time.

## HOW CAN COSMETIC ACUPUNCTURE BENEFIT YOU?

- It radiates your beauty from within.
- It uses the body's healing mechanisms to stimulate the production of collagen to reduce fine lines from our face and other parts of the skin.
- It helps reduce under-eye bags caused by lack of sleep, allergies, and hormone changes with consistent care and treatment.
- It can also help you with toning and lifting your muscles. By inserting a needle to specific points, it helps your muscle relax, tighten and strengthen. It restores your muscle tissue to become young again and lift it to have a toned appearance.
- Cosmetic acupuncture also helps your body stay hydrated and moisturised. The enhanced nourishment and hydration often produce a "dewy" appearance.
- It also functions as an anti-ageing treatment that helps improve overall health condition, making you feel young and alive.

In this regard, Cosmetic Acupuncture is taking over the ancient practice of acupuncture and incorporating it to our current pursuits of well-being and beauty. We are all entitled to look and feel great about ourselves and blending the two is a compelling way to make it happen! **B**

你害怕针吗?你知道在皮肤上扎针可以治疗和减轻疼痛,同时放松身体吗?

### 什么是中国针灸?

起源于商代,针灸是一种有益身体的治疗方法。它于1971年左右在西方国家流行。中国传统针灸有助于恢复我们的身心,改善我们的生活质量和某些疼痛状况。在传统的中国针灸中,针灸师通过在皮肤上扎细针刺刺激我们体内的穴位。只要针被消毒,就可以安全地使用。

### 这有什么用?

针灸被用作身体和大脑的止痛药。它还可以帮助骨骼的慢性疾病,如骨关节炎,腰痛和腕综合征。它还可以减少紧张性头痛和偏头痛的发生频率。

针灸也用于其他生育治疗。研究表明,通过自然增加卵巢的激素水平,它可以提高许多常见药物摄入的效率,从而提高生育能力。

有创伤后应激障碍的人推荐尝试针灸作为他们治疗的一部分,因为他们能带来缓解压力的效果。

针灸还可以缓解哮喘和过敏。研究人员发现,当患者的治疗增加针灸时,它可以显著改善哮喘或过敏症。

传统针灸的好处是治疗全身,从头到脚,任何形式的疼痛和焦虑。

### 在现代社会里它仍然很重要吗?

在今天这个时代,即使是传统医生和卫生专业人士也使用针灸治疗某些疾病,尤其是化疗引起的疼痛和恶心。

现代针灸或美容针灸备受关注,因为它不仅让你的体内感觉良好,同时使皮肤表面状态良好。随着时间的推移,它会促进皮肤的微妙和自然的变化。

### 美容针灸如何使您受益?

- 利用身体的治疗机制刺激胶原蛋白的产生,减少脸部和其他部位的细纹。
- 减少因睡眠不足,过敏和激素变化导致的眼袋。
- 它还可以帮助您调理和强健肌肉。帮助您的肌肉放松,收紧和强壮。恢复你的肌肉组织,使其再次变得年轻。
- 美容针灸还可以帮助您的身体保持滋润。
- 起到抗衰老的作用,有助于改善整体健康状况。

在这方面,美容针灸正在接续古老针灸的实践,并将其融入我们日常对美的追求中。实现两者融为一体是一种令人信服的方式!

Visit us online:  
[btianjin.cn/191014](http://btianjin.cn/191014)

# AI SUPERPOWERS

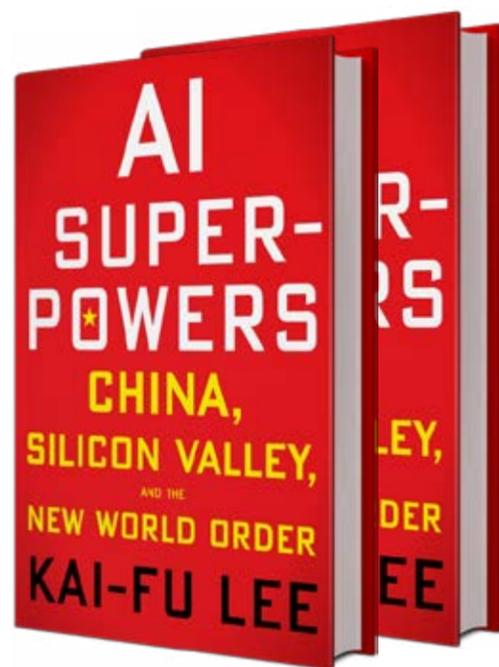
## CHINA, SILICON VALLEY, AND THE NEW WORLD ORDER

By Dr Kai-Fu Lee, 2018



In this book, Kai-Fu Lee expresses his concern on how AI will affect the world order. He says that not only blue-collar jobs will be affected by the drastic advancement in AI technology, but also white-collar ones. He urges the US and China to accept the responsibilities that come with being the top contenders in this field. He offers a description of how each job will be affected and why. If you think that universal basic income is the key, you will come to disagree with Kai-Fu Lee. He believes that the solution to AI taking jobs away from people isn't creating more work. His solution suggests that all it takes is implementing the jobs that can not be done by the AI as a part of every industry.

The book is an interesting read and shows the work done in the US through the eyes of a successful Chinese businessman. Through some fairly interesting anecdotes, your horizons will be expanded and the way you see the world might be changed. **B**



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AI has recently become a fairly widespread phenomenon. The idea of AI has its roots back in the 30s of the last century. Since then, there has been a craze for it in the West. Many companies compete on who will make a superior AI. One thing that has bothered both scientists and philosophers in regards to AI is how far we can get AI and what kind of effect it will have on us. China, on the other hand, has been sleeping on AI until the fateful day when Ke Jie, China's best Go player, lost to Google's AlphaGo back in 2017. This sent the whole of China into a craze and people started getting more and more interested in AI.

This is where Kai-Fu Lee comes into play. He is a former CEO of Google China and is considered to be the number one in China when it comes to AI development. His company, Sinovation Ventures, is said to match the finest the US has to offer when it comes to AI development, and even surpass them.

# TRIBUTE TO TIANJIN (PART I)

By Leoni Botha

If you are new to Tianjin and China, you are probably a little culture shocked and overwhelmed by your new environment. Don't feel alone. Even the bravest among us are testament of the road it takes to adapt and accept and finally, surrender to this beautiful city.

We all have our different stories and reasons why we chose to leave behind our safety nets, families and all that we knew to embark on a journey into the unknown.

When I arrived in Tianjin less than two years ago, I had no idea what was lying ahead, which was, with hindsight, maybe for the better. I might otherwise not have come at all. After two and a half days of flights, lay-overs and airports, I finally landed at Tianjin Binhai airport late in Saturday afternoon. I was met by Ginger, whose job was to meet and take care of the newcomers. Without delay I was booked into a hotel and immediately taken on a whirlwind trip to have a look at apartments, as I had to report at school on Monday. Ginger and the estate agent took me to a late night dinner at an authentic Chinese restaurant and treated me to a feast of traditional Chinese food, which I unfortunately could not enjoy as much as I would have liked to, because I was so utterly tired. The apartment that appealed most to me, through a haze of fatigue, was right in the middle of the city, next to Joy City. I come from a really small town in South Africa and thought that since I was going to live in a big city, I might as well do it properly and stay in the city centre.

Tianjin is listed as the 6th most populated city in the world - I did my

research. But it is not really true. It is the 6th most populated area, with more than 26 million people living in the area that stretches from the Port of Tianjin to the mountainous area of the Huangyaguan Great Wall. Tianjin is widely considered to be the second capital, and there are plans to develop the city in such a way that it will relieve Beijing from its duties as capital.

One of the first things I noticed about Tianjin was the magnificent river Hai He, meandering throughout the city so quietly and serenely. Of course, I was also entranced by all the tall buildings, festively lit in all colours at night.

The first few months I was here, were anything but a walk in the park. I have been thrown into the deep end and had no choice but to learn to swim, and fast. The biggest problem I, and I am sure most of you coming here for the first time, encountered was the language. No-one speaks English! One of the most difficult things for me was not having anyone to talk to over weekends. My colleagues hail from all over the world and they are wonderful. But for months they were the only people I ever spoke to and that was only during the week at school. For the first time in my life, I experienced a devastating loneliness. At that time, I was more than once, ready to pack my bags and go home. I yearned to do that, even asked my principal to send me home. He just laughed and said: "No way". But deep inside I knew I would have to see it through, as I am just not the kind of person who would break my word and signing that work contract was my word. Today, I am so glad that I gave myself a fair chance to make it

work in a foreign city and country.

Fortunately, I had incredible support from my children, family and friends at home. I spent hours talking to them, when the four walls of my very empty apartment threatened to swallow me alive. Everyone had lots of advice, from doing yoga and getting a skipping rope (both which I did) to going out and mingling with people. What they did not understand, is that even when I went out, I could spend a whole evening with people and still not say a single word, because they don't speak English.

Moving and living in a strange city is not so easy when you are older. I just could not see myself going to bars and clubs on my own to meet people.

Ginger gave me a card with the school's address and my apartment's address, so the first days I used a taxi to get to school. Even that was daunting at the time. I had no idea in which direction the school was, and seemed to always get a taxi on a street going in the opposite direction of the school. I had no experience with taxis or subways. For days I walked a few blocks to get a taxi, not knowing that I could walk just up the street from my apartment to get one. One day I decided to be brave and take the subway. I knew the name of the stop where I had to get off, but had no idea that it was in the basement of Joy City Mall. It took me two hours to get out of the mall and to my apartment. I had a landmark which I could see from my apartment and I knew it was part of the mall. I just could not find it. Every exit I took was unfamiliar and even if I walked around, I did not see anything that I recognized. It grew dark and I grew desperate. I envisioned myself

# Last Words

sleeping in the mall and just go back to school from there the next day. Finally, I found someone who understood when I said Burger King and they directed me. What I did not know at that time, was that Burger King was on the other side of the road that runs underneath the bridge in the mall and I just never crossed the bridge.

Taking the subway was a completely new experience for me. I made sure I always had a subway map with me. Oh, how many times did I get on a train going the opposite direction I was supposed to go. Now I am a pro and can go to any place in the city by subway. Even Ginger was impressed when I showed her a shorter route than the one she knew. It is one of the things I enjoy and appreciate about this city. The subway system is so efficient and easy to navigate. When my daughter came for a visit

last December, I was secretly proud that I was able to go everywhere and knew the lines and stops and which exits to take. She thought I was totally cool!

Autumn Festival and a week off school gave me a chance to explore my new city and the area I lived in. I accidentally discovered the Food Street with the stalls offering all varieties of food and delicacies. I learned the quickest route to the subway in the mornings when the mall is still closed. I found parks with inviting little benches and vibrant splashes of late autumn flowers. The river eluded me, though. I so wanted to find the river and spend a few hours there. Whenever I took a taxi, the river was everywhere, smooth and wide. But when I went in search of the river on my many walks, it seemed as if I walked in circles.



## 向天津致敬 (上)

如果你刚到中国天津,你可能会对新环境感到震惊并不知所措。不要感到孤单。即便是我们中最勇敢的人也证明了唯一的出路,是向这个美丽的城市投降。

我们都有不同的故事,因为各种原因我们选择离开我们的家乡,家庭和我们所知道的所有人,一起踏上未知之旅。

当我两年前抵达天津时,我不知道前方是什么,事后想想,这样可能更好。否则我可能根本就不会来。经过两天半的飞行转机,我终于在周六下午晚些时候降落在天津滨海机场。我见到了姜,他帮我预订了一家酒店,并立即安排了去看公寓,因为我必须在周一到学校报到。姜和房地产经纪人带我去一家正宗的中餐馆吃了一顿深夜晚餐,让我吃了一顿传统的中国美食,不幸的是我享受不了这样的美食,因为我非常疲惫。最吸引我的是公寓就在市中心,毗邻大悦城。我来自南非一个非常小的城镇,所以我想既然我将住在一个大城市,我不妨留在市中心。

天津世界上人口最多的第六大城市 - 我做了研究,事实并非如此。它人口超过 2600 万,从天津港一直延伸到黄崖关长城的山区。人们普遍认为天津是第二大城市,并且计划以这样一种方式发展这座城市,这样可以减轻北京作为首都的压力。

我注意到天津的第一点是它壮观的海河,悄悄地在整个城市蜿蜒流淌。当然,我也被所有高楼所吸引,夜晚各种颜色欢快地点亮这座城市。

我在这里的头几个月,只能是在公园散步。我确信我最大的问题是大多数人第一次来到这里都遇到的 - 语言问题。没有人会说英语!对我来说最困难的事情是周末没有人可以交谈。我的同事来自世界各地,他们很棒。但几个月来,他们是我唯一交谈过的人,那只是在学校的一周。在我的生命中,我第一次经历了毁灭性的寂寞。那时,我不止一次,准备收拾行李回家,甚至要求我的校长请把我送回家。他只是笑着说,没办法。今天,我很高兴我给自己一个机会让我能在外国城市和国家工作。

幸运的是,我的孩子,家人和朋友给了我很多支持。我花了好几个小时与他们交谈,每个人都有很多建议,从做瑜伽和跳绳(我都做过)到出去和人交往。他们不明白的是,即使我出去可以与人共度一整夜,但仍然不会说一句话,因为他们不会说英语。

我没有乘出租车或地铁的经验,我不知道学校的方向,姜给了我一张卡片,里面有学校的地址和公寓的地址,所以我可以打出租车去上班。有一天,我决定勇敢地坐地铁。我知道目的地的名字,

但不知道它在大悦城的地下室。我花了两个小时才离开商场却无法到达我的公寓。有一个地标可以从我的公寓看到,我知道它是商场的一部分。可我却找不到它。我开始变得绝望,我设想自己在商场里睡觉,第二天就从那里回到学校。最后,我发现有人在我说汉堡王的时候就明白了,他们指示我。我当时不知道的是,汉堡王是在商场桥下的道路的另一边,我从来没有走过桥去过。

乘坐地铁对我来说是一次全新的体验。哦,我乘坐的地铁有很多次去往我应该去的反方向。现在我是专业人士,可以乘坐地铁前往城市的任何地方。当我展示一条比大家都知道的更短的路线时,即使是姜也留下了深刻的印象。这是我喜欢和欣赏这个城市的事情之一。地铁系统非常高效且易于导航。

秋季一周的假期让我有机会探索我的新城市和我居住的地区。我偶然发现了美食街的摊位提供各种早餐美食,我学会了通往地铁的最快路线。我发现公园里有迷人的小长椅和充满活力的深秋花朵。但是河流让我望而却步。我很想找到这条河并在那里度过几个小时。每当我乘坐出租车时,这条河就到处都是,光滑而宽阔。但是当我在散步中寻找河流时,似乎就消失了。

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## 开业庆典 OPENING CEREMONY



Schlote

笃行敬事 科技引领 立足天津 服务亚洲  
Connecting Intelligence and Innovation from Tianjin to Asia-Pacific



SCHLOTE Group was founded in 1969 with headquarter in Harsum Germany. So far there are 10 subsidiaries worldwide with more than 1,600 employees. The Group is the long-term strategic corporation partner of world-known OEM brands such as Bentley, BMW, Volkswagen, and Lamborghini etc. The first Asian plant was established with tianjin in 2014, and the Opening Ceremony of SCT Phase II & R&D Center was held on September 3, 2019. It means a new chapter of Schlote Group: connecting the intelligence and innovation from Tianjin to Asia-Pacific.



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As a strategic partner of the high-end automotive industry, Schlote already built up a stable relationship with international OEM brands, such as Bentley, Lamborghini, VW, Audi, Daimler and BMW. Adhering to the concept of lean manufacturing and excellence in precision, Schlote strives to provide high-quality products and services to our customers.



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