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THE FIRST GLOBAL SICHUAN ENTREPRENEURS "BELT AND ROAD" UK CONFERENCE

首届全球川商一带一路英国论坛

Hosted by

UK Sichuan Business Association

Supported by

Sichuan Provincial Department of Commerce

Sichuan Provincial Investment Promotion Bureau

Sichuan Overseas Exchanges Association

Sichuan Provincial Federation of Industry and Commerce

THE FIRST GLOBAL SICHUAN ENTREPRENEURS "BELT AND ROAD" UK CONFERENCE

CONTENTS

Welcome Extended

- 08 Mr Yang Chunxuan
14 Mrs Song Wenli
17 Mr Saul M Froomkin OBE, QC
19 Professor Barry Rider OBE

Opening Addresses

- 23 The Hon Minister Counsellor
Mr Jin Xu
25 The Hon Minister Counsellor
Mr Jiang Sunan
29 Professor Zhang Qihuai

Closing Remarks

- 129 Mrs Song Wenli

Speeches

- 32 Councillor George Pippas
34 Mr Luo Erwu
36 Councillor Wendy Mead OBE CC
38 Ms Lai Min
41 Councillor Christopher Hayward CC
43 Ms Lan Jihong
47 Mr George Littlejohn
52 Mr Luo Yulong
55 Mr Richard Page
58 Mr Wang Shiquan
60 Mr Oleg Preksin
65 Mr Richard Parlour
67 Professor Dayanath Jayasuriya
71 Professor Antonello Miranda
76 Mr Richard Pascoe
81 Ms Zheng Yumei
87 Dr Oonagh McDonald CBE
90 Mr Robert Rhodes QC
96 Mr Stefan Gannon
99 Mr Song Yongtai
102 Mr David Porter
105 Mr P . Mukundan
108 Dr Richard Alexander
111 Professor John Henning
116 Professor Konrad Raczkowski
119 Professor Philip Rutledge
121 Dr Ingrida Kerusauskaite
123 The Hon Justice O Faji
125 Professor Bogdan Mróz

01 19th Party Congress: 7 key themes from
President Xi Jinping's work report

06 Work Together to Build the Silk Road
Economic Belt and The 21st Century Maritime
Silk Road Extracts from the speech by H. E.
President Xi Jinping People's Republic of
China

19th Party Congress: 7 key themes from President Xi Jinping's work report



Chinese President Xi Jinping spent almost 3½ hours delivering a speech on China's achievements during his first five-year term as the Communist Party chief. 26th Oct. 2017, 1:30 PM

BEIJING - Chinese President Xi Jinping on Wednesday (Oct 18) delivered his closely watched work report at the start of the 19th Communist Party Congress.

He spoke for almost 3½ half hours, giving some 2,300 delegates a lengthy 30,000-character report card of China's achievements during his first five-year term as the party chief, the country's challenges ahead, as well as its policy direction in the next five years.

Here are seven key themes which emerged from his speech at Beijing's Great Hall of the People.

1. China offers an alternative model

In a speech televised live worldwide, President Xi Jinping espoused what he called "Chinese wisdom" and the "Chinese approach" to problems facing mankind.

He said the China Model offers a "new option" for developing countries that want to accelerate their development while at the same time maintain their independence.

The political system of socialism with Chinese characteristics is a great creation of the Chinese Communist Party and the Chinese people, Mr. Xi said.

"We have every confidence that we can give full play to the strengths and distinctive features of China's socialist democracy, and

make China's contribution to the political advancement of mankind."

"We should not just mechanically copy the political systems of other countries," he said, alluding to Western-style democracy.

In what is seen as a reference to the rising protectionism and anti-globalization sentiments in the United States and Europe, Mr. Xi said: "No country alone can handle all the challenges that mankind faces and no country can retreat into self-isolation."

Among other things, China will take the lead in international cooperation on climate change to ensure the survival of mankind, he added.

2. A more powerful China on world stage

China's soft power and her international standing have risen like never before, Mr. Xi proclaimed.

"China stands tall and firm in the east," he said in a speech marked by repeated mentions of "Fuxing", or national rejuvenation, and the Chinese Dream.

He also briefly touched on aggression by foreign powers during the Opium Wars, which is regarded as a period of national humiliation in China.

Once ridiculed as the Sick Man of East Asia, China has come a long way to recovering its place as a global power. And it was clear from Mr. Xi's speech on Wednesday that he wants to set things right.

"This is an era that will see China move closer to the center of the world and make more contributions to humankind," he said to loud applause from delegates.

At the same time, Mr. Xi attempted to assuage concerns about an overbearing China.

He said China will never seek hegemony or engage in expansion "no matter what stage of development it reaches".

China will never pursue development at the expense of others' interests and China's development does not pose a threat to any other country, he said.

"We endeavor to uphold international fairness and justice, and oppose acts that impose one's will on others or interfere in the internal affairs of others as well as the practice of the strong bullying the weak," he said.

China should become a nation with pioneering global influence by 2050, he said.

3. A new guiding ideology for CCP

"Socialism with Chinese characteristics for a New Era" is the name of a new ideological guiding principle for the Chinese Communist Party.

Mr. Xi on Wednesday unveiled a 14-point basic policy for the new principle, with one central idea being that the Chinese Communist Party should lead in each and every aspect of life in China.

From building more "new-style think tanks with Chinese characteristics", creating a better education system to serve the "socialist

cause" to the modernization of the Chinese military, Mr. Xi linked many priorities to China's brand of socialism, which he says must keep up with the times.

During the 17th Party Congress, then president Hu Jintao spoke about his Scientific Outlook on Development ahead of its being written into the party's Constitution.

This year's party congress is widely expected to cement the clout of Mr. Xi, whose political ideas will be written into the party Constitution although it was not clear how it would be worded.

So, when he introduced "Socialism with Chinese characteristics for a New Era" during his opening address, it raised questions among reporters and China observers.

Having his thoughts on governance written into the party charter - without his full name - will mean a minor setback for Mr. Xi, perceived to be the most powerful leader since the Deng Xiaoping era.

The political thinking of Mr Xi's predecessors Jiang Zemin and Hu Jintao are known as The Three Represents and Scientific Outlook on Development respectively in the party's charter.

Both Jiang, 91, and Hu, 74, were seated beside Mr Xi at Wednesday's opening session in a show of party unity.

4. A world-class military by 2050

An army that not only can fight, but also win wars. That's the goal Mr Xi has set for the People's Liberation Army (PLA) which grew out of the Red Army.

The party will build a powerful and modernised army, navy, air force, rocket force, and strategic support force; develop strong and efficient joint operations commanding institutions for theatre commands; and create a modern combat system with distinctive Chinese characteristics, he said on Wednesday.

"A military is built to fight," he said. "But it must also be able win wars."

He said China pursues a defensive national defence policy and remains firm in pursuing an independent foreign policy of peace.

But China will never give up its legitimate rights and interests.

"No one should expect us to swallow anything that undermines our sovereignty, security and developmental interests," he said.

China will complete the modernization of its armed forces by 2035, and achieve a world-class military by 2050, said Mr. Xi, who is also the chairman of the Central Military Commission which oversees the PLA.

Mr. Xi, who has implemented significant structural reforms to the PLA in his first term that had eluded his two predecessors, stressed that the transformation of the world's largest standing army will "gather momentum and persist" to meet China's evolving national needs.

The PLA, the world's largest military, has about two million service personnel.

5. World's second largest economy to keep doors open

For foreign investors watching for clues of any possible shift in China's broad economic policy direction, they can heave a sigh of relief.

The world's second largest economy will open further to the world, Mr. Xi promises.

"Openness brings progress for ourselves, seclusion leaves one behind. China will not close its doors to the world, we will only become more and more open," Mr. Xi said.

He said that China will also deepen market-oriented reform of its exchange rate as well as its financial system, and at the same time strengthen the role of state firms in the economy.

He vowed to "protect the legitimate rights and interests of foreign investors" and said "all businesses registered in China will be treated equally".

"Our economy has moved from a stage of high growth to a stage of high quality growth," he said, adding that innovation will be the primary force driving development of a modernized economy.

He called for more efforts to make China into a country of innovators as well as reach new frontier areas in the field of science and technology.

"We will strengthen basic research in applied sciences, launch major national science and technology projects, and priorities innovation in key generic technologies, cutting-edge frontier technologies, modern engineering technologies, and disruptive technologies," he said.

Efforts in these areas will provide powerful support for building China's strength in science and technology, product quality, aerospace, cyberspace, and transportation, as well as for building a digital China and a smart society, he said.

6. Firm warnings to separatist forces in Taiwan and elsewhere

China will defend its sovereignty and not tolerate a repeat of history where the country was broken up, said Mr. Xi.

"We will never allow anyone, any organization or any political party, at any time or in any form, to separate any part of Chinese territory from China," he said.

"We have sufficient abilities to thwart any form of Taiwan independence attempts," said Mr. Xi, while holding out an olive branch for talks and unobstructed exchanges between the two sides.

The caveat? Taiwan must recognize the 1992 consensus that both China and Taiwan belong to one China, with each side having a different interpretation of what this meant.

Taiwan's President Tsai Ing-Wen has not acknowledged the 1992 consensus since she took office in May last year. Since then Beijing has cut off official communication with Taiwan, and taken steps to further squeeze its international space.

Beijing considers Taiwan as a renegade province and Mr Xi's goal is to push for a peaceful unification.

Mr. Xi on Wednesday cited a leaders' meeting with former president Ma Ying-Jeou, which took place in Singapore in 2015, as a highlight in cross-strait relations during his first five-year term as party chief.

Mr. Xi also said that it was imperative to implement the policy of "one country, two systems" in Hong Kong and Macau.

China faces growing calls for greater autonomy in Hong Kong, which returned to Chinese rule in 1997. A wave of pro-independence movement has swept over the special administrative region in recent years, with young Hong Kong people demanding more democratic rights and less interference by Beijing into the city's affairs.

7. No let-up in sweeping anti-graft campaign

Calling corruption "the greatest threat" the Chinese Communist Party faces, Mr. Xi said the fight against corruption remains grave and complex.

"We must remain as firm as a rock in our resolve to build on the overwhelming momentum and secure a sweeping victory," he said.

He stressed the party's zero tolerance for corruption, saying those who take bribes and those who offer them will be punished and interest groups will not be allowed within the party.

Mr Xi also said wherever offenders may flee, they shall be brought back to China to face justice.

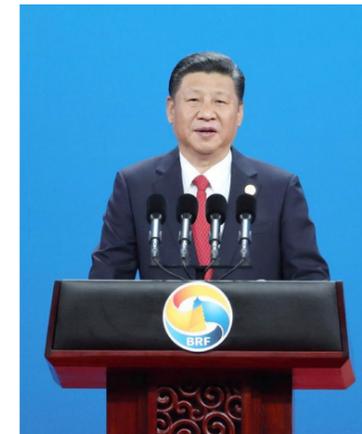
He said that China will push ahead with the adoption of national anti-corruption legislation and create a corruption reporting platform that covers both disciplinary inspection commissions and supervision agencies. He also said that the public awareness of the rule of law has increased from five years ago.

More than 1.4 million party members or officials have been punished since the anti-graft crackdown started in late 2012.

Work Together to Build the Silk Road Economic Belt and The 21st Century Maritime Silk Road

Extracts from the speech by H. E. President Xi Jinping

People's Republic of China



14th May 2017. (Xinhua News)

“ Over 2,000 years ago, our ancestors, trekking across vast steppes and deserts, opened the transcontinental passage connecting Asia, Europe and Africa, known today as the Silk Road. Our ancestors, navigating rough seas, created sea routes linking the East with the West, namely, the maritime Silk Road. These ancient silk routes opened windows of friendly engagement among nations, adding a splendid chapter to the history of human progress”

“ Spanning thousands of miles and years, the ancient silk routes embody the spirit of peace and cooperation, openness and inclusiveness, mutual learning and mutual benefit. The Silk Road spirit has become a great heritage of human civilization.”

“ Peace and cooperation. In China's Han Dynasty around 140 B.C., Zhang Qian, a royal emissary, left Chang'an, capital of the Han Dynasty. He traveled westward on a mission of peace and opened an overland route linking the East and the West, a daring undertaking which came to be known as Zhang Qian's journey to the Western regions. Centuries later, in the years of Tang, Song and Yuan Dynasties, such silk routes, both over land and at sea, boomed. Great adventurers, including Du Huan of China, Marco Polo of Italy and ibn Batutah of Morocco, left their footprints along these ancient routes. In the early 15th century, Zheng He, the famous Chinese navigator in the Ming Dynasty, made seven voyages to the Western Seas, a feat which still is remembered today. These pioneers won their place in history not as conquerors with warships, guns or swords. Rather, they are remembered as friendly emissaries leading camel caravans and sailing treasure-loaded ships. Generation after generation, the silk routes travelers have built a bridge for peace and East-West cooperation.”

“ Mutual learning. The ancient silk routes were not for trade only, they boosted flow of knowledge as well. Through these routes, Chinese silk, porcelain, lacquerwork and ironware were shipped to the West, while pepper, flax, spices, grape and pomegranate entered China. Through these routes, Buddhism, Islam and Arab astronomy, calendar and medicine found their way to China, while China's four great inventions and silkworm breeding spread to other parts of the world. More importantly, the exchange of goods and know-how spurred new ideas. For example, Buddhism originated in India, blossomed in China and was enriched in Southeast Asia. Confucianism, which was born in China, gained appreciation by European thinkers such as Leibniz and Voltaire. Herein lies the appeal of mutual learning.”

“ History is our best teacher. The glory of the ancient silk routes shows that geographical distance is not insurmountable. If we take the first courageous step towards each other, we can embark on a path leading to friendship, shared development, peace, harmony and a better future.”

“ In terms of reality, we find ourselves in a world fraught with challenges. Global growth requires new drivers, development needs to be more inclusive and balanced, and the gap between the rich and the poor needs to be narrowed. Hotspots in some regions are causing instability and terrorism is rampant. Deficit in peace, development and governance poses a daunting challenge to mankind. This is the issue that has always been on my mind.”

“ China has reached a new starting point in its development endeavors. Guided by the vision of innovative, coordinated, green, open and inclusive development, we will adapt to and steer the new normal of economic development and seize opportunities it presents. We will actively promote supply-side structural reform to achieve sustainable development, inject strong impetus into the Belt and Road Initiative and create new opportunities for global development.”

“ China will enhance friendship and cooperation with all countries involved in the Belt and Road Initiative on the basis of the Five Principles of Peaceful Co-existence. We are ready to share practices of development with other countries, but we have no intention to interfere in other countries' internal affairs, export our own social system and model of development, or impose our own will on others. In pursuing the Belt and Road Initiative, we will not resort to outdated geopolitical maneuvering. What we hope to achieve is a new model of win-win cooperation. We have no intention to form a small group detrimental to stability, what we hope to create is a big family of harmonious co-existence.”

“ China will endeavor to build a win-win business partnership with other countries participating in the Belt and Road Initiative, enhance trade and investment facilitation with them, and build a Belt and Road free trade network. These efforts are designed to promote growth both in our respective regions and globally”

“ The Belt and Road Initiative is rooted in the ancient Silk Road. It focuses on the Asian, European and African continents, but is also open to all other countries. All countries, from either Asia, Europe, Africa or the Americas, can be international cooperation partners of the Belt and Road Initiative. The pursuit of this initiative is based on extensive consultation and its benefits will be shared by us all.”



Mr Yang Chunxuan

杨春轩先生

*Deputy Director General of
Sichuan Provincial Department of Commerce*

Speech by Mr Yang Chunxuan

I . Social and Economic Development in Sichuan

1. Sichuan, hailed as “the land of abundance” since ancient times, is one of the major provinces in terms of economy, population, natural resources, science and education development in China. Sichuan is the 5th largest province with an area of 485,000km² and the 3rd most populous province in China with a population of 90 million.

As a major economic Province, Sichuan produces about one quarter of GDP, gross grain output, gross industrial output and total retail sales of consumer goods of 12 western provinces and municipalities, the biggest producer in every field. 2016 saw a GDP of over 3.2 trillion CNY in Sichuan, making it the 6th in China and the 1st in western China.

As a province with rich natural resources, Sichuan has abundant agricultural resources, 120 million kw of technically exploitable hydropower resources (one quarter of national total), and the biggest proved reserve of natural gas in China. In terms of mineral resources, 52 mineral resources in Sichuan are in the top 5 reserves in China. What is more, Sichuan has the largest reserves in China for 16 mineral resources among the above 52 ones and the largest reserves in the world for vanadium and titanium.

As a province famous for culture and tourism, Sichuan, home to World Natural Heritages of Jiuzhai Valley and Huanglong, and Giant Panda habitats, World Cultural Heritage of Mount Qingcheng and the Dujiangyan Irrigation System, and World Natural & Cultural Heritage of Mount Emei (including Leshan Giant Buddha), receives 200 million visitors from home and abroad every year.

As a major player in science and education, Sichuan boasts 24 academicians of the Chinese Academy of Sciences, 34 of the Chinese Academy of Engineering, 16 National Engineering Research Centres, 13 State Key Laboratories, 109 colleges and universities, and 2.92 million professionals and technical personnel. Especially as Chinese economy grows fast and continuously, Sichuan becomes more competitive owing to its advantages in natural resources, markets, industries and labour, playing a more important role in the big picture of national development.

2. Sichuan, with an open and inclusive cultural tradition, has always been in the frontier of western China’s opening up.

In ancient times, Sichuan was the starting point of “Silk Road in Southern China”. During the course of reform and opening up in China, Sichuan has always been a pioneer in the comprehensive opening up in western China. In recent years, faced with global economic globalization and regional economic integration, Sichuan spares no effort in fully capitalizing on the strategy of opening up and cooperation, pushing forward the opening up and cooperation in an all-round way, and speeding up to integrate into global industrial chain and value chain. Chengdu Shuangliu International Airport has launched 175 domestic air routes and 100 international (regional) air routes, handling more than 46 million passengers every year. It will take China Railway Express only 10 days to dispatch from Chengdu to Europe, the fastest direct freight train from China to Europe. This year, 1000 China Railway Express will be put into use, almost 3 trains dispatched per day. 321 companies of Fortune Global 500 have operated in Sichuan,

among which 232 are foreign companies. Now Sichuan has established economic and trade relations with 221 countries and regions and become an international friendly city and friendly partner with 217 foreign cities. 16 countries have been approved to set up consulates in Sichuan, making Sichuan rank 3rd in Chinese mainland to boast most consulates.

3. In a great development momentum, Sichuan is ready to brace a series of overlapping historic opportunities.

- China (Sichuan) Pilot Free Trade Zone accelerates its construction, booming the facilitation for investment and trade.

- Tianfu New Area is upgraded into a National New Area.

- There is a historic opportunity for Sichuan to integrate into national development strategies of “Belt and Road Initiative”, Yangtze River Economic Belt Development Program and West China Development. As a converged point for all these strategies, Sichuan becomes more competitive with its geographic advantage.

- China has implemented “Chengdu-Chongqing Economic Zone Programme”, making it another growth area in China. Regional economic sectors in the whole Sichuan province will be improved at all fronts.

- China is now promoting “Comprehensive Innovation Reform Pilot Zone” systemically. This will accelerate Sichuan to develop into a new engine of economic growth.

All these significant opportunities have not only created more favourable environment for Sichuan, but also presented a broader stage for investors.

II . Economic and Trade Exchanges and Cooperation between Sichuan and the UK

1. Foreign Trade

2016 witnessed a total export-import volume of 872 million US dollars between Sichuan and the UK, a year-on-year increase of 0.8%. Sichuan exported goods worth 799 million US dollars to the UK, a year-on-year increase of 7%, including mechanical and electrical products, audio and video equipment and their parts, shoes, hats, umbrellas, feather products, miscellaneous products, textile materials and textile products. Sichuan imported goods worth 72.94 million US dollars from the UK, a year-on-year decrease of 39%, including mechanical and electrical products, audio and video equipment and their parts, optical instruments, medical instruments, vehicles, ships, aircrafts, base metal and base metal products.

The first quarter of 2017 saw a total export-import volume of 177 million US dollars between Sichuan and the UK, a year-on-year increase of 8%. Sichuan exported goods worth 140 million US dollars to the UK, a year-on-year decrease of 5% and imported goods worth 36.45 million US dollars from the UK, a year-on-year increase of 135%.

2. Foreign Investment

As of the first quarter of 2017, Sichuan had approved 144 UK funded enterprises in accumulation, using British investment of 279 million US dollars in real terms. The UK invested in fields of agriculture, food chemistry, biological pharmacy, mechanical manufacturing, electronic information, trade and commerce, and finance in Sichuan. Major companies, including Shell, Kingfisher,

Unilever, GSK, and AstraZeneca, all of Fortune Global 500, have invested and operated in Sichuan.

3. Foreign Trade and Economic Cooperation

As of the first quarter of 2017, Sichuan enterprises had invested and established 12 companies in the UK with a registered investment reaching 95.59 million US dollars, covering the following fields:

- design, manufacturing, sale and display of color lights and simulated dinosaurs;
- planning and implementation of Chinese traditional culture exchange events;
- commerce and trade;
- chain business of hotels and high-end Chinese buffet;
- product research and development, manufacturing, promotion and digital service in the field of 3D scanning technology;
- digital visual creativity service;
- real estate development and related trade;
- development and sale of drugs.

Major investment projects are indicated below:

- Chengdu Geeya Technology Co., Ltd. acquired Harvard International Plc with 50 million US dollars;
- Sichuan Huiyu Pharmaceutical Co., Ltd. invested 16 million US dollars to establish SEACROSS Pharmaceuticals in the UK.
- Sichuan Fule Group invested 8.35 million US dollars to establish Manchester West Group Co., Ltd.

III . Proposal about Future Actions

1. We ask that British enterprises pay attention to, and participate in, construction of Sichuan Pilot Free Trade Zone, and integrate themselves into “Belt and Road Initiative”. Sichuan is now working hard to press ahead with construction of Sichuan Pilot Free Trade Zone, implementing “Three-year Action Plan” and International Industrial Capacity “111” Cooperation Program for further integration to “Belt and Road Initiative”. We hope that more and more British enterprises will invest in Sichuan, and participate in our endeavours in fields of municipal and public utilities, traffic, water conservancy, and environmental protection. We hope the Economic and Commercial Counsellor’s Office of the Embassy of the People’s Republic of China in the Kingdom of Norway can promote Sichuan and organize British enterprises to visit and go sightseeing in Sichuan, helping Sichuan to develop its Sichuan Pilot Free Trade Zone and to integrate better into “Belt and Road Initiative”.

2. We ask that British enterprises pay attention to and participate in the development of manufacturing industry in Sichuan. Sichuan now is implementing “Made in China 2025- Sichuan Action Plan” to develop five high-end growth industries of shale gas, energy saving and environment friendly equipment, information security, aviation and gas turbine, and new energy vehicles and key industries including rail transit and graphene, accelerating its steps to form a more complete industrial chain

and a relatively concentrated industrial cluster. We welcome British enterprises to seize the chances to invest in Sichuan, bring high-end industrial projects, cutting-edge frontier technologies and top-notch research teams to Sichuan, and activate an effective connection of capital, projects and talents.

3. We ask that British enterprises pay attention to and participate in Sichuan’s modern services development focusing on modern finance. Sichuan, the largest market for commodities and production factors in western China, serves and affects almost 400 million people in Sichuan and areas around it. At present, we are pushing ahead with building a western financial center, working hard to develop five emerging pioneering service industries of e-commerce, modern logistics, modern finance, science and technology service and old-age health care and other modern services of modern tourism, sports and fitness and domestic service. We welcome British enterprises to launch more quality service projects in Sichuan to reap the development benefits.

4. We ask that British enterprises pay more attention to and participate in tourism development in Sichuan. Britain is a beautiful country, where cultural relics can be found everywhere, natural landscapes are scenic, and tourism resources are abundant. Many British cities, such as London -“Flower of Cities”, Edinburgh -“Athens of the North”, university towns of Oxford and Cambridge, antique York City, and Stratford - William Shakespeare’s birthplace, are well-known across the world. Located in southwestern China, Sichuan boasts fertile land, rich natural resources, long history and splendid ethnic culture, forming the diverse natural and cultural tourism resources. Different natural heritages and development courses in the UK and Sichuan bring about unique tourism resources, which can complement each other. We hope that we can conduct bilateral cooperation, becoming each other’s tourism source and destination as well as boosting tourism economic belt growth, building tourism zone with features, cultural and ecotourism, and healthcare tourism.

5. We ask that British enterprises pay more attention to and participate in cultural industry development in Sichuan. Britain has unique advantages in cultural creative industry, while Sichuan has a favorable cultural industry in western China, presenting a good momentum in industries of art performance and entertainment, cultural creative design service, gaming and animation, music entertainment, and films. We welcome British enterprises to increase investment in cultural industries in Sichuan, helping Sichuan improve its competitiveness in this industry and sharing the “Ba Shu Culture” (Local Culture in Sichuan and Chongqing) with the rest of world.

6. We ask that economic and trade affairs offices of the UK government settle in the “Belt and Road” Economic Liaison Base. In order to build Chengdu, capital city of Sichuan province, into a new window in foreign exchange, Sichuan and Chengdu launch the “Belt and Road” Economic Liaison Base, providing support for government departments, enterprises and talents from countries along the “Belt and Road” in the “China-Europe Center” building. This building, located in central area of 5th Tianfu Street, High-Tech. Zone, Chengdu, Sichuan, is 192 meters high, with 46 floors and gross floor area of about 210,000 m2.

Rent reduction and exemption and a once-for-all decoration subsidy up to 1.5 million CNY shall be given to government departments, economic promotion offices from Europe and countries along “Belt and Road” to set up offices in the “China-Europe Center”. A once-for-all decoration subsidy up to 4 million CNY (no more than 2000 CNY/m2, no more than 2000 m2) and a once-

for-all launching fund up to 5 million CNY will be given to well-known enterprises and institutions from Europe and countries along "Belt and Road" to set up Regional Headquarters, R&D Centers and Joint Research Institutes in the "China-Europe Center". What is more, "Belt and Road" Economic Liaison Base will facilitate international innovation and technology service institutions, high level business start-up talents, national and international well-known goods and trade companies to settle in "China-Europe Center".



Mrs Song Wenli

宋汶栗会长

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Welcoming Remarks by President Song Wenli

Dear Guests, Friends, Ladies and Gentlemen,

Cambridge in September is beautiful and the Autumn weather most kind. Today, we all, from different parts of the world, meet in this magical place – Cambridge: to discuss the challenges and opportunities brought by the Belt and Road Strategy of China. I, on behalf the Forum Committee and UK Sichuan Business Association, give our sincere respect and warm greetings to all our friends in this forum and also to the representatives from the press.

The ancient Silk Road of China stretches thousands of miles and has lasted for thousands of years. It has created a Silk Road spirit with core conceptions of “Peaceful Cooperation, Mutual Learning, and Mutual Benefit”, which leave us with eternal civilization. In 2013, the President of China, Mr Xi Jinping, raised the strategy of the Belt and Road, backed up by the Silk Road spirit. It is not only a development strategy of China, but also a development strategy of the world. This strategy is a perfect solution to the problems of “Peace Deficit, Development Deficit, and Governance Deficit” of the world.

The Belt and Road Strategy has been already raised for four years so far. It has significantly facilitated road connection, increased the flow of trade, reforming communications and human interaction. It has achieved great effect in promoting political mutual trust and economic integration, and created a global community of interest which includes Eurasia. By now, more than 100 countries and areas have supported and participated in the construction of the Belt and Road.

Dear guests and friends,

China is a country with a big population, large production, huge consumption and a great culture. It is a not only a country that contributes most significantly to the economic growth of the world but also a country of responsibility. This May, China held another International Cooperation Summit Forum of the Belt and Road. Once again President Xi Jinping introduced a series of new thoughts, threads, and measures in his keynote speech. Now we host a Global Belt and Road forum of Sichuan Merchants, with the purpose of gathering new thoughts, threads and requirements, and helping Sichuan Merchants to fit in the Belt and Road strategy. Sichuan is a key point on the ancient Silk Road, and now an important province of the Belt and Road strategy. Sichuan has been renowned as the Land of Abundance for a long time. It is a province with the largest population in China, 9.1 thousand million which ranks third in China and its permanent residents number 8.4 thousand million which ranks fourth in China. Sichuan is also a large province in terms of its economy. Its economic aggregate in 2016 reached 3.28 trillion, which ranks 6th in China; The total financial volume is 10 trillion, which ranks 7th in China; three hundred and twenty (320) companies from world top 500 enterprise have established branches in Sichuan; the development index of Sichuan ranks 7th in China. Sichuan has been maintaining trade relationship with more than two hundred and twenty (220) countries and areas. The logic of development is that “not to advance is to go back”. From a new starting point, the Belt and Road strategy has brought us with new, significant, and strategic opportunities. How to recognize opportunities? How to seize opportunities? And how to start a new phrase of Open Development, Cooperation Development, Win-win development for Sichuan Merchants will be a difficult question for all of us. Our forum of this time is themed with “cooperation, development and mutual benefit”. All the people here can communicate and

discuss with each other comprehensively, deeply and freely. Please feel free to demonstrate your passion, wisdom and talent. Besides, we are very honoured that we are hosting so many scholars and experts from the faculty of law from University of Cambridge. They will discuss and explore the opportunities and challenges of the Belt and Road development together with us, and other important matters like Vision and Practice, Cooperating and Sharing and Legality and Security. During the forum, we will organise inspection, project introduction, and academic communication of education, finance, energy, technology, life science etc. Please take an active part in the project inspections.

Dear guests and friends,

We, UK Sichuan Business Association, are extremely honoured to host this International Forum. During your stay in the UK, please do feel free to ask anything you might require or wish to seek further information about. We will spare no effort to work as co-ordinator and attendant for you.

I wish everyone good health!

And I wish the forum a complete success!



Mr Saul M Froomkin OBE, QC

索尔·福姆金

Symposium Chairman, Chairman of CIDOEC, former Attorney-General of Bermuda and Director of Criminal Law, Canada and currently Director of Litigation, BeesMont Law Ltd, Bermuda and member of the Advisory Council, UKSCBA

Welcoming Remarks by Saul M. Froomkin OBE, Q.C

I am deeply honoured on behalf of the International Symposium on Economic Crime which is holding its 35th. annual symposium at Jesus College, Cambridge.

We are most pleased to see such a large group of businessmen and academics gathered together to discuss the involvement of Sichuan province in the "One Belt - One Road" concept introduced by President Xi Jinping.

Special recognition must be given to Mrs. Wenli Song and her U.K. Sichuan Business Association whose vision made this meeting possible.

The experts brought together here today will be discussing not only the route of the new "Silk Road ", but also the bumps and diversions which will no doubt be encountered on this new and exciting venture.

They will discuss the difficulties in moulding the traditional Chinese civil law with that of jurisdictions along the road, with different legal principles and concepts. The means of resolving commercial disputes and financial differences is a matter which will require novel approaches. It will take a concerted effort by all concerned to ensure that those investing in the potential projects will feel secure engaging with those trading along the "Road", and satisfied that highest principles of international business will be applied and followed.

Although the task is daunting, I am satisfied that with the knowledge and experience of those gathered here, with goodwill and the desire to make President Xi Jinping's dream become a reality, you will succeed.

This is a most exciting undertaking and one which will no doubt ensure to the benefit of all concerned.

The collective wisdom of those speaking to you and sharing their professional, business and academic experiences is a most positive step towards the goals set for you.

With the support of people and organizations like Mrs. Wenli Song, the Sichuan Business Association and the commitment of The Peoples Republic of China, success is inevitable. I for one look forward to the early completion of the " One Belt - One Road " project with the anticipated benefit to all involved.

I wish you well in all your endeavours.



Professor Barry Rider OBE

巴瑞·瑞德教授

Symposium Co Chairman and founder; Professorial Fellow of the Centre for Development Studies, University of Cambridge; Professor of Comparative Law, Renmin University, China and Professor of Public Law, Zhongnan University, China and former Standing Counsel to the Peoples Bank of China.

Welcoming Remarks by Professor Barry Rider OBE

The Master and Fellows of Jesus College, Cambridge are delighted and honoured that the first conference to be organised under the auspices of the UK Sichuan Business Association took place in its new conference centre, West Court. While the College is one of the oldest in the University of Cambridge the new centre which is very much involved in and with China, is one of the newest conference facilities in the UK. We are very mindful of the fact that this conference could not have taken place if it was not for the tremendous efforts and support of the chair of the UK Sichuan Business Association, Mrs Wenli Song. It is perhaps helpful to put this important conference on the 'One belt One Road' strategy in context and in particular explain its relationship with the very well established and respected Cambridge International Symposium on economic matters, which is now in its thirty-fifth year.

At a meeting of ministers of justice and senior law officers in Winnipeg, Canada in 1977 concern was expressed about the vulnerability of in particular developing, transition and more fragile economies to the threat of serious economically motivated crime and corruption. A major review of the then existing arrangements for mutual legal assistance and co-operation between law enforcement and other relevant agencies was commissioned by the British government, Commonwealth Secretariat and General Secretariat of ICPO-Interpol and undertaken by myself. The findings and recommendations of my review were received by Commonwealth ministers and attorneys-general and chief prosecutors in Barbados in May 1980. It was recognised that then conventional mechanisms for co-operation were inadequate in protecting vulnerable economies and merely police force to police force did not work. As a direct result of this a special unit was established under my direction within the Commonwealth Secretariat, with full diplomatic immunity, to spearhead at an intelligence level the better collaboration and co-operation between not just traditional police agencies but all agencies concerned with promoting stability and security in the context of economic crime and related activity. In many respects this unit was the first financial intelligence unit and certainly the first to operate at a supra-national level.

While the world was a very different place in 1980, Hong Kong played a very important role in this initiative. Consequently, it was not long before we had very close relations with agencies of the Chinese Government including the Supreme People's Procuratorate. Indeed, the young official - Dr Ye Feng, who was appointed to liaise with became a close friend and has played a major role over the years in fostering mutual legal co-operation between our two countries and legal systems.

In an attempt to bring together those individuals and organisations concerned with promoting the prevention of economic crime and especially corruption, a conference was organised with the support of the University of Cambridge in 1982 at Jesus College, Cambridge. This was the first Cambridge international symposium on economic crime and was attended by 156 participants from 25 countries - including China. The thirty-fifth symposium took place, in Jesus College, during the first week of September 2017 and had well over 1,800 participants from over 100 countries. Participants included ministers, legislators, senior officials, regulators, law enforcement, intelligence and security personnel, diplomats, judges, prosecutors, academics and many in the business and financial sectors and those who professionally advise them. Last year the symposium as its primary these questioned

where in preventing and controlling economically motivated misconduct the 'buck stopped'. This year, the symposium questioned whether those responsible were up to the job? Of course, not with standing the importance of the over-arching theme over 50 specialist workshops focussed on a wide range of other issues including, for example, legal professional privilege, debarment regimes and big data. Over the last thirty-five years there have been numerous and not insignificant developments in all aspects of addressing the threats presented by economic crime. However, one concern that repeatedly manifested itself throughout this year's symposium was the need for personal contacts which could facilitate trust and thus facilitate meaningful co-operation over and above all the developments that have occurred in institutionalising mutual assistance and improving the efficacy and integrity of communication. While perhaps gratifying for those who have been involved in the symposia over the years, it is perhaps surprising that in many ways we have come full circle in recognising that at all levels of inter-agency interface, whether domestic or trans-national, human beings require personal contact, perhaps albeit indirect, to provide that vital element of trust for commitment.

Of particular note has been the concern and willingness of China to engage in debate on and to an increasing degree action against trans-national economic crime. China has long recognised the dangers to stability and development presented by economically motivated crime and in large measure the present campaign against corruption reflects this. The practical difficulties that Chinese investigators and especially prosecutors have faced in this context in securing effective co-operation from many overseas authorities has led to more attention being given, at the highest levels of government, to fostering better facilities for mutual legal and regulatory co-operation. An illustration of this is the enthusiastic support from within China, spearheaded by Mrs Wenli Song and her UK Sichuan Business Association to join with the Cambridge symposium in exploring in a wholly constructive manner, the risks that might be encountered in China's one belt one road strategy. Consequently, within this year's symposium a conference entitled 'One belt one road initiative - the new Silk Road - The road to sound, stable and honest business' was organised at Jesus College, Cambridge. This parallel programme attracted well over 100 participants from China including diplomats, officials and representatives from business organisations. A number of non-Chinese experts were helpful in their articulation of the risks, as they see it, facing this ambitious long term project. In particular concern was expressed as to the adequacy of the Chinese legal system and business laws in supporting this initiative. The Chinese government is aware of the need to improve both the content of certain laws and their administration. For example, over the last couple of years members of both the People's Supreme Court and our Supreme Court have met regularly in a 'round-table' discussion which has focussed on a number of issues relating to substantive law and dispute resolution. Indeed, Lord Toulson, a member of the UK Supreme Court and a Fellow of Jesus College played a key role in this until his untimely and sad death in June 2017.

In his discussions with President Xi Jinping, then Prime Minister David Cameron addressed how inter alia the UK might better assist China in fostering a legal system which is better able to serve China's increasing role as one of the world's leading economies. Of course, there have been specific projects for many years relating to judicial training and the like. It is also the case that while China is a traditional civil law jurisdiction it has particularly in the context of opening its economy been influenced by legal models from common law countries. However, what is now being put in place is rather more ambitious and is being supported by the UK Prosperity Fund. In part, numerous initiatives are based on the notion that the common law is more

facilitative of trade and commerce and better promotes the rule of law. While this might be debated, China has been receptive to technical and other advice in this regard. For example, there are experiments taking place within China involving greater application of common law principles and procedures in dispute resolution. Indeed, special 'common law friendly' courts are being established to address commercial and financial disputes 'around' Hong Kong. In several major cities there are pilot projects adapting the civilian criminal procedure to one more recognisable by common lawyers. There are also significant developments in legal education and practise. Indeed, I had the honour of writing a substantial report for the UK Government on how better to foster mutual legal education and practise between our countries earlier this year.

While China recognises that the UK's intentions are not entirely self-less and are increasingly mandated by trade related considerations the willingness of Chinese officials to consider 'reforms' that would ten years ago have appeared revolutionary is commendable. The important role that the Chinese Communist Party has played in promoting stability, both politically and economically, is a crucial factor and it seems that it wishes to re-assert its guiding influence in areas such as the supervision of banks and other financial institutions. In recent months the anti-corruption campaign has been taken into the financial sector. Before then it was largely albeit by no means exclusively, confined to officials - both in government and the party. Now investigators from both the Party and the Supreme People's Procuratorate are pursuing a number of senior bank officials and directors and also regulators. The Party is also strengthening its involvement in the selection and monitoring of the management of many key financial institutions. While some in the West may well look askance at these developments it was pointed out by many commentators at the symposium that our own models of governance have failed in recent history. In the context of China, the importance of ensuring that the financial institutions and markets are responsive to the ambitious programme for development and contribute to the over-riding objective of stability is non-negotiable. The sharing of ideas and in particular experience in addressing the common threats faced by us all is a major contribution from this conference and one that we look forward to repeating in the second conference next September at Jesus College!



The Hon Minister Counsellor Mr Jin Xu

金旭公参

Minister Counsellor, Embassy of China, London, UK

Opening Remarks by The Hon Minister Counsellor Mr Jin Xu

The "Belt and Road", a major initiative proposed by President Xi Jinping in 2013, contains rich connotation of a road to peace, prosperity, opening up, innovation and civilization. At present, it is also one of the most important topics regarding international cooperation. The initiative has been widely accepted by and won great attention from the British academic and business circles. Britain is the first Western power to apply for a membership in the Asian Infrastructure Investment Bank (AIIB), a long-time staunch supporter and participant of the "Belt and Road Initiative". Sichuan is an important western province of China with its hard-working, diligent and pragmatic businessmen actively taking part in the China-UK economic and trade exchanges. The Belt and Road Forum held by Cambridge University has enormous significance. I hope that the forum will enable Sichuan enterprises to further expand the British market, deepen exchanges and cooperation. In the meantime, I call for more British enterprises to seize the cooperation opportunities brought by the "Belt and Road Initiative" to seek for investment opportunities in Sichuan and all over China.



The Hon Minister Counsellor Mr Jiang Sunan

蒋苏南先生

Minister Counsellor, Embassy of China, London, UK

Opportunities for Cooperation of Science, Technology & Innovation in The Belt - The Road

In September 2016, The Science, Technology and Innovation Cooperation Plan for Promoting B&R Initiative jointly published by MOST, NDRC, MFA and MOFCOM.

1. Background

- At similar stages of development, China, with its advanced, applicable technologies and high-tech professionals, has a lot to offer to many countries along the Belt and Road (B&R).
- Science, technology and innovation cooperation has a head start, providing a sound basis for policy coordination, infrastructure connectivity, unimpeded trade, financial integration and people-to-people bonds.
- Science, technology and innovation (STI) has contributed positively to B&R initiative. China has forged sound science and innovation partnerships with most countries along the B&R, and jointly we have launched platforms for research cooperation, technology transfer and resource sharing. China has also organized technology training and hosted a large number of top young scientists from these countries.

2. Principles

- Mutual development and sharing for win-win outcomes
- People-to-people exchanges for enhanced mutual trust
- Targeted approach with a focus on priorities
- Institutional innovation for strengthened coordination
- Market-led approach with government guidance

3. Content

(1) Enhance communication and exchanges of personnel

- Jointly train S&T professionals with B&R countries, and increase the number of top young scientists working in China; Build a group of training centres for the training on applicable technologies, S&T management and policies, S&T evaluation, high-tech start-ups, etc.
- Facilitate international TTF Programme by providing technical services to meet technical needs along B&R countries.
- Jointly organize science education and outreach events, particularly exchanges among young people.
- Increase STI policy coordination, and support capacity building in B&R countries.
- Build multi-level platforms for P2P dialogue in S&T.

(2) Build platforms to facilitate technology transfer

- Joint laboratories/research centres
- Technology transfer centres
- Applicable technology demonstration bases

(3) Support major engineering projects, and facilitate S&T resource connectivity

- Enhance road connectivity by developing key technologies for railway and highway construction under harsh environments and integrating technical standards.
- Accelerate connectivity of communication networks by developing and upgrading power grids in B&R countries with ultra-high-voltage, smart technologies.
- Facilitate sharing of resources such as scientific instruments and facilities, research data, documentation and germplasms.

(4) Build science parks to encourage business innovation and entrepreneurship

- Encourage high-tech parks, innovation demonstration zones, agriculture parks, ocean technology industry parks, green industry parks, and environment-friendly building material industry parks in China to collaborate with their counterparts in B&R countries.
- Encourage businesses to jointly establish science parks, in diverse forms, with their partners in B&R countries.
- Encourage tech businesses to carry out innovation and entrepreneurship in B&R countries.

(5) Increase joint research with a focus on generic technologies

Basic research: major scientific issues, such as high-energy physics, bio-physics, bio-climate, astronomical observation, extreme weather events, snow belt and its relationship with climate change, etc.

Grand challenges: eco-environment, energy security, population and health, food security, natural disaster, cultural heritage protection, etc.

4. Cooperation fields

- (1) Agriculture
- (2) Energy
- (3) Transportation
- (4) ICT
- (5) Resources
- (6) Environment
- (7) Ocean
- (8) Advanced manufacturing
- (9) New materials
- (10) Space
- (11) Health & medicine
- (12) Disaster prevention and mitigation

President Xi announced the launch of the Belt and Road Science, Technology and Innovation Cooperation Action Plan at B&R Summit for International Cooperation in May 2017:

President Xi Jinping: China will enhance cooperation on innovation with other countries. We will launch the Belt and Road Science, Technology and Innovation Cooperation Action Plan, which consists of the Science and Technology People-to-People Exchange Initiative, the Joint Laboratory Initiative, the Science Park Cooperation Initiative and the Technology Transfer Initiative. In the coming five years, we will offer 2,500 short-term research visits to China for young foreign scientists, train 5,000 foreign scientists, engineers and managers, and set up 50 joint laboratories.



Professor Zhang Qihuai

张起淮教授

Senior Partner, Lanpeng Law Firm, Beijing, Professor of Law at among other universities, the University of South China, Beijing Institute of Technology and China University of Political Science and Law; member of the Executive Committees of the Chinese Society of Criminology and the China Academy of Arbitration Law and former Chief of Staff, China Air Force, People's Republic of China

Speech by Professor Zhang Qihuai

Greetings ladies and gentlemen!

It's my honor to be a part of this First Belt and Road UK Forum of Global Sichuan Merchant with many representatives from various fields in China and UK. This forum serves as the opening of the series of activities in response to B&R, which has been in the spotlight since its preparation. It has become the largest and most influential international forum ever held in Cambridge since "B&R" was proposed.

In September and October of 2013, the president of China Xi Jinping proposed the Silk Road Economic Belt and the 21st-Century Maritime Silk Road for the first time. On March 28, 2015, the Chinese National Reforms Development Commission, Ministry of Foreign Affairs, and Ministry of Commerce jointly announced the Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road. The B&R shall follow the trends of world multi-polarization, economic globalization, cultural diversification, and social informatization. It becomes not only the most important international development master plan of China, but also admitted and supported by many adjacent countries, which strengthens many countries' determination of further cooperation.

The improvement of legal system is the basic and guaranty of regional economic cooperation. The Silk and Belt Road goes across the Afro-Eurasia continent and radiates up to 66 countries, including at least three major legal systems, which are the civil law system, common law system, and Islamic law system, plus seven major legal sources, which are Indian Buddhism law traditions, Buddhism law traditions, Soviet Union law traditions, ASEAN law circle, Arab League law circle, EU law circle and WTO law circle. It enriches the content of legal globalization and meanwhile proposes new tasks for the legal construction and legal cooperation of adjacent countries.

First, the form and target of legal globalization begin to change.

Cultural backgrounds, customs and traditions, and legal systems can be much different in countries. The B&R requires the legal development of adjacent countries to further respect legal traditions, legal awareness, and detailed current regulations of other countries. It also raises new demands of diversity, mutual-benefit, and balance in the layout of legal system.

Therefore, the adjacent countries start to learn from others, improve their domestic legislation, establish legal systems and legal cooperation systems that match B&R, eliminate conflicts and disputes, and finally reach the win-win situation.

Second, international transactions and regional cooperation bring troubles in law enforcement.

"the Belt and Road Initiative" involves a great number of countries, a broad geographical distribution, and frequent exchanges and cooperation. Even though the unification and standardization of laws are achieved through law cooperation mechanism, the complexity of international transactions and financial supervision, as well as the differences between dispute resolution mechanisms, will lead to "implementing difficulty", which will become challenges in the course of practice.

In this regard, we should sign bilateral or multilateral agreements or treaties, through cooperation between governments, to enrich the legal coordination, and to build a common platform resolving disputes. We should combine them with rational use of international trade rules by investors, to promote "the Belt and Road Initiative" to develop both in scope and in depth.

Third, the prevention and governance of international crime are facing severe condition.

Recently, due to the increase of terrorist activities, coupled with the existence of social evils, such as cultural conflicts and economic inequality, crimes in countries along B&R start to happen with increasing frequency, especially the continuous spread of crimes, like trafficking drug and arms, women and children, smuggling prohibited items, credit card fraud, network laundering. The prevention and governance of international crime are facing severe condition. International and interregional judicial assistance is extremely urgent.

To solve the above problems, we should resort to judicial assistance in signing treaties, agreements and establishing mechanisms, helping countries along B&R to prevent and govern crimes more standardized and collaborative, enabling them to efficiently cope with the new-type crimes' characteristics like massive participants, elaborate division of labor, scattered positions, fast movements, difficulty to obtain evidence, tedious procedures and high cost. Finally, let countries capable to effectively fight against crimes, and to create a safe environment for cooperation and development.

Conclusion

With the progress of modern science and technology and the development of social productive forces, the political, economic, scientific and technological and cultural exchanges between countries are increasing. The proposing of "the Belt and Road Initiative" conforming to the times' development, is the natural product of regional economic cooperation. It marks the deepening of economic integration and legal globalization. Under the guidance of the concept of "being open and tolerant, cooperating for win-win situation", it is necessary to perfect legal systems, strengthen legal cooperation, co-build legal platforms and realize legalized operation, which is conducive to the final realization and the long-term and steady development of "the Belt and Road" initiative. Here, I would like to express my sincere gratitude to this forum for providing this opportunity for us to communicate and discuss. I hope to have in-depth exchanges with all of you present. Let us actively participate in the construction of "the Belt and Road Initiative" and look forward to the better future of B&R.

Finally, I wish this forum a complete success!

Thank you!



Mr George Pippas

乔治·皮帕斯先生

Mayor of Cambridge

Speech by Councillor George Pippas

Besides contributing numerous new ideas to business, Cambridge can also help the Chinese entrepreneurs bring their ideas to the UK, allowing the people of Cambridge to better understand China. I highly admire the way in which Chinese people are promoting themselves and “exporting” Chinese knowledge. Cambridge is considering how to make use of our bilateral talents and enhance connections among talents in cooperation with China. Cambridge is ready to extend its cooperation with China.



Mr Luo Erwu

罗尔伍

Chief Officer , Aba Prefecture Bureau of Commerce

Speech by Mr Luo Erwu

First of all, allow me to extend my great gratitude to all the guests for your concern over the earthquakes in Jiuzhai Valley.

The complex topography and diverse climate of Aba Prefecture constitute a unique geographical environment, making it a famous "gene bank" with rich water, mineral and tourism resources. Here it has kept the tranquility that can hardly be found in the industrial civilization as well as quaint and magnificent natural landscape and unique history and culture with ethnic characteristics. It is also home to World Natural Heritages Jiuzhai Valley and Huanglong, the Giant Panda Habitat of Mt. Wolong - Siguniang and other world-class tourist attractions. Aba Prefecture, the nearest to the provincial capital city among Sichuan ethnic autonomous areas, has a relatively good location with an area of 84,200 square kilometers. It is the only region where the Yellow River flows through in Sichuan, and also an important water source in the upstream of the Yellow River. Aba Prefecture boasts two provincial Economic Development Zones: Sichuan Aba Prefecture Industrial Park and Chengdu-Aba Industrial Park. The infrastructure construction of the two parks has begun to take shape, creating a new highlight and a new growth pole of Sichuan's economic development.

The past three decades since Reform and Opening up has witnessed accelerated economic development in Aba Prefecture. Its agricultural and rural economy grows steadily. Industrial economy continues to boom. Urban and rural markets flourish. Transportation and telecommunications are perfected. Social business thrives. People's lives continue to improve and the comprehensive economic strength has increased markedly.

I warmly welcome all the guests to make investments in Aba Prefecture's tourism.



Councillor Wendy Mead OBE CC

温迪·米德女士

*Chief Commoner of the City of London,
Member of the Common Council of the City of London and
former Sheriff of the City of London, UK*

Speech by Councillor Wendy Mead OBE CC

Ladies and Gentlemen, good evening.

May I first thank UK Sichuan Business Association, the organisers of this The First One Belt-One Road International Conference for the opportunity to address this important event and to add my personal welcome to the Chinese delegation here in Cambridge.

My name is Wendy Mead.... I am the Chief Commoner of the City of London Corporation. For those of you who do not know, the City of London Corporation is the world's oldest continuously-elected local government authority...we provide local government and policing services for the financial and commercial heart of London. Headed by our Lord Mayor, Andrew Parmley ...the Corporation acts as an Ambassador for the UK financial and related professional services sector – both at home in the UK, across the European Union and overseas. China is, and has always been, a valued trading partner for the UK. This importance is reflected in the annual visit of the Lord Mayor of the City of London.

Since 2008, the UK has emerged as a global hub for high tech businesses...in particular financial technology, better known as FinTech. Across the UK FinTech now supports over 60 thousand jobs. In 2016, it was estimated to be valued at more than 20 billion pounds generating 6.6 billion pounds in revenue. This success has led to the emergence of London as THE "FinTech capital of the world". This is an area of increasing importance in China, particularly in Sichuan province. I visited Chengdu in May and I was amazed at their progression towards developing the city as a world class financial centre for Western China.

At the forefront of Fintech expansion is the City of London itself.... acting as a leading access point for finance and capital... especially for new kinds of digital financial sector businesses or FinTech, seeking to fund further innovations.... in products as diverse as artificial intelligence, big data, and robotics. And ready as always to engage with partners overseas, exchanging ideas and experience.

London's cluster of strengths provides FinTech entrepreneurs with unique opportunities. Not least, access to London's unrivalled pool of talent – comprising 270 nationalities and 300 languages...including the largest Chinese community in Europe.

There are also many of exciting opportunities ...particularly in terms of the UK's ability to forge new relationships with countries across the world...and our growing participation and collaboration in global projects such as the China-led Belt and Road initiative.

I myself have witnessed, first hand, the enormous opportunities that the Belt and Road Initiative this offers...having recently taken part in an opening ceremony for the Chengdu International Railway Service's new UK Representative Office in London.

Coupled with the growing global demand for infrastructure investment, the foundations are strong for forging an even stronger partnership between our two economies.

Ladies and gentlemen – may I wish you great success forging ever deeper partnerships during this important Conference.

Thank you.



Ms Lai Min

赖敏女士

General manager of Sichuan Wanhui Culture Investment Co.,Ltd

Speech by Ms Lai Min

Distinguished leaders, guests, ladies and gentlemen, good morning.

It's my great honour to attend this international forum and address to all of you as the CEO of Sichuan Wanhui Culture Investment Co. Ltd., one of the representative companies of the UK Sichuan Business Association, led by the President Mrs Wenli Song.

I'd like to express my sincere gratitude to all those who have made enormous efforts over the past 8 months in staging this forum, where together with experts from many countries, we can discuss the development opportunities and challenges to the world and especially Sichuan, brought by the "Belt and Road" Initiative, in the context of emerging global trades with Sichuan merchants and rising international cooperation and exchanges. I wish this forum a complete success, setting out a brand new journey for the "Belt and Road" development.

Representing the host organizer of this forum, Mrs Wenli Song, the President of the UK Sichuan Business Association, Business Representative of Sichuan Provincial Department of Commerce to the UK, the first appointed Chinese Business Ambassador in the history of UK Cambridge City, and head of the board of Sichuan Wanhui Culture Investment Co., Ltd., is not only an excellent Sichuan businesswoman, but also a mother of three children, who has devoted herself to education as well. As her children are furthering studies in the UK, she has never been more aware of the importance of enhancing cultural exchanges between China and the rest of the world. It has been her wish to set up a bridge connecting Sichuan and the UK, to pool talents and wisdom with a more open and plural vision, and to provide the best ever education for more children, thus making greater contribution to the economic cooperation and development of both Sichuan and the UK.

Our company puts education at the core position, with a development vision of "setting up an elite educational system for students of all ages, cultivating innovative students, and building a new type of, and a most influential, dominant, and competitive international model for schools at home and abroad". Currently, our company is constructing a top international elite private school, which while built in China embraces the world, rooted in Chinese traditions while embodies internationalized courses. It is Wanhui International School, a school that is devoted to providing premium educational opportunities to students from primary to senior high stages.

The first Wanhui International School, which covers a total area of 180 mu (29.65) in the famous international tourist city Dujiangyan, is expected to attract a total investment worth of RMB 500-700 million. Among all campus sites, "Wanhui International Primary School" will spearhead this grand undertaking, accomplishing in September 2018 and open to the public for enrollment afterwards. Meanwhile, with vigorous supports from the government and various departments, we're selecting new campus sites in Tianfu New Area of Chengdu, Deyang, Jianyang, and a number of other cities in Sichuan Province, seeking to expand our presence in more places and reaching out to more students every year step by step, reinforcing our campus public images and improving the brand quality at the same time.

The world learns more about the East; China will continue to learn from the west. As a dynamic development drive in Western

China, we're at the convergence of a wide range of historic opportunities, and will be sure to open a new window of opportunity for the whole world. Last but not least, I'd like to, on behalf of Sichuan Wanhui Culture Investment Co., Ltd., thank you again to the "The First Global Sichuan Entrepreneurs "Belt and Road" UK Conference" for successfully building a grand platform for the global business cooperation and exchanges, and for expanding opportunities for Sichuan businessmen around the world.

Thank you



Councillor Christopher Hayward CC

赖克里斯朵夫·哈吾德议员

*Member, Common Council of the City of London and Chairman
of the Planning and Transportation Committee and Member of the
Police Committee of the City of London, UK*

Speech by Councillor Christopher Hayward CC

Both China and the UK are at crossroads of their own respectively. China is at the crossroads of rejuvenating its nation at the global stage and at the same time rebalancing its economy to sustainable growth after nearly four decades of fast growth. The UK is at the crossroads of leaving the EU while pushing for a Global Britain. I believe China and the UK have much to gain by joining hands in their respective crossroads and shape the world together through partnerships.

The One Belt, One Road (OBOR) Initiative, or the Belt and Road Initiative (BRI) undoubtedly will have a large impact on the global economy. According to Oxford Economics, by 2050 the OBOR region (excluding China) will contribute 40 percent of global GDP growth from its share of 28% in 2016, boosted by BRI infrastructure projects. At the same time, BRI will benefit China's economic rebalancing and help China consume the excessive industrial capacity domestically.

However, BRI faces considerable challenges. In addition to building a coherent strategy and seamless internal coordination, China needs to overcome foreign partners' wariness, natural geographic challenges in Central Asia and other regions, geopolitical risks and lacking of expertise with such matters.

This is where I believe the United Kingdom can play an important role helping China in making BRI a success. The UK has already made a significant contribution. It was the first major Western country to seek to join the AIIB and helped putting the bank on a strong international foundation. In AIIB, the UK plays a key role in ensuring that the AIIB embodies the best standards in accountability, transparency and governance.

I believe the UK can go one step further to help China achieving a win-win BRI.

One concrete way of cooperation could be China and the UK jointly establishing a large fund of funds (FoF) targeting BRI infrastructure investments. Such a FoF will give funding to China or UK-based specialist infrastructure asset managers who will lead investments into OBOR subject to certain policy perimeters. Other than receiving incentives through the investment program, the institutional investors will also need to invest their money and share risks with the FoF to align interests. Rather than centralising a balance sheet and lending through AIIB – which is effective for granting loans, on the equity side the FoF will decentralise equity infrastructure investments through outsourcing to professional partners, greatly increase transparency, efficiency and potentially profitability, and reduce friction created by misgivings on the recipient front.

The FoF could be established through a joint funding by Chinese and British governments. Through this partnership, the UK not only helps contribute to BRI's ultimate success, it also puts the UK on a global stage and plays the strength of its financial services sector. Further cooperation can surely arise out of this. By helping China navigating the cross-roads of entering the global stage, the UK makes itself an ever-important global force at the cross-roads of exiting the EU.



Ms Lan Jihong

蓝继红女士

Vice-general manager of Sichuan Wanhui Culture Investment Co.,Ltd, Principal of Wanhui Primary School, Former Principal of Chengdu Caotang Primary School, Former Vice Principal of Chengdu Paotongshu Primary School, Teacher of Special Grade in Sichuan

Longest Journey in Original Aspirations

1. Speech opening

To strengthen the relationship between countries calls for friendship between the people while the friendship between the people facilitates success. The Belt & Road Initiative not only embodies the consensus, wisdom and strength of visionary people from all sides, but also brings our hearts closer and more connected to each other. What we aspire for reflects realities of the society, and defines future directions of the world. There is a saying in Tao Te Ching, an ancient Chinese literary classic that "morality is to the world what stream is to river and sea." I have a shared aspiration with all other educators in the world: to make more children and more of us maintain and inspire the brilliance of humanity based on the current circumstances and to finish the longest journey with our original wish unchanged.

Along the way, more and more friends with common interests and thoughts join us. An academic institution deeply engrained in the Chinese culture and flourishing under the global background – Wanhui International Academic Institution – was hence established. This is an institution that allows all educators to live their dreams.

2. Wanhui's core educational idea

Our core educational idea: giving back kids the world they deserve

The Wanhui International Academic Institution under construction includes Wanhui Kindergarten, Wanhui Primary School and Wanhui Secondary School (from junior high to senior high), which is dedicated to a growth base from toddler to talent needed by the world. We are exploring to use program, task, theme and innovation to enable students to learn independently and deeply. Deeply engrained in the Chinese culture, our children are also able to work and live in any place of China and the world. They can survive competition and cooperate with people of any color or from any area. They can live a happy life in various cultural circumstances and find the meaning of life wherever they are and whenever it is...They will become citizens who never hesitate to take on responsibilities, be a leader in their field and materialize the Chinese dream.

3. Wanhui's core educational strategy

Our top level educational strategy:

Reshaping education for life: connecting education with society and with life; building a socialized and customized learning platform; cultivating children's ability to lead a happy life.

Reconstructing education for future: looking ahead to future and utilizing cutting-edge technology in a rational and efficient way to create a brand new education situation by developing "soft strength" and enabling children to lead a more solid life.

Reestablishing education for children: allowing children to follow their heart and explore in their own way while teachers stand behind as an observer and partner.

4. Wanhui's educational implementation

We ask ourselves:

1.How to understand the qualities that children are born with?

From the perspective of bio-genetics, every person has unique life code. This code not only carries the memory of human civilization, but also contains the capability evolved from our primitive ancestors. Born to be explorers, they will not only adapt to this world but also be creators of the world. Born to be constructors, they play with things and they also comprehend and build. Born to be communicators, they communicate not only with their parents but with other people. Born to be expressers, they express emotions as well as ideas. The qualities they are born with determine that the essence of education is not to impart but to encourage, inspire and enlighten.

2.How to enlighten those qualities that children are born with?

We are amazed at what children's imagination is regarding school. (a series of paintings) in the paintings, children presents their pursuit of tradition, intimacy for flowing water, dreams for flying, fascination for nature, favor for sports, imagination for connection and deep love for everything in this mortal world. The desire and kindness derived from human life is an instinct where you will find in people's memories of cultural matrix as well as original cognition and beautiful expectation for the way of heaven and the passion of humanity. To follow children in their imagination, an ideal school is hence established, whose ethos perfectly echoes the "Original Aspiration".

Rooted in traditional Chinese culture, Wanhui International Academic Institution will nourish children with our spiritual heritages by teaching children the 24 solar terms and inspiring them with sages' classics. Meanwhile, our school will be not only a house full of desks and chairs but a "solid book with ideal education" and an "insightful and benevolent preacher". It enables the city to embrace nature, humanity to integrate into technology, life to contain knowledge, spirit to have freedom and the world to be full of kindness. It helps our children to acquire independent spirit, free thinking and virtue.

3.Wanhui education's new trend?

Thought keeps flowing and learning can also take various forms.

Learning can be in a solid state (sweet home). There is homelike learning space which relatively stays the same. This provides students with relaxing and cozy learning experience. Every "home" is named by children, for instance, learning area for study, lab area for exploration, reading area for books, living area for entertainment. There is also a balcony for planting and small kitchen for gathering...The school is a place not only to learn but also to live in.

Learning can be in a liquid state (sea that integrates all). Integrated curriculum of various disciplines to enable children to absorb knowledge and wisdom spontaneously and allow endless and profound thinking.

Learning can be in a gaseous state (Light of energy). In the switch between knowledge and wisdom and in the flow of children's thinking, it contains the fundamental power of life and children's passion for life, craving for knowledge and amazement at the world...All emotions will be aroused in the flow. (to display photos reflecting children's power, passion, craving and amazement as

well as photos of public space). Just like energy field of Taichi, it flows inside and outside of the campus and is even injected into children's life.

5. The last paragraph corresponds with the first one.

As a Chinese saying goes, "The goal never changes and I will always learn Tao like I did in the first place". We piously get close to life, understand education and usher the future. In the future, the "Belt and Road Initiative" development strategy supported by Silk Road spirit will push the world to turn into a community of shared interest, responsibility and destiny, where countries are closely interconnected and will stand together through thick and thin. To be international citizens, our mindset shall not be limited by regional origins. It must be required to combine awareness and mindset of eastern and western cultures...To follow this mission, Wanhui International Academic Institution will be dedicated to integrating traditional Chinese culture and global modern civilization in a balanced way to help children learn and put to use the qualities accomplished with integration and mutual support of eastern and western cultures. Last but not least, I would like to use a poem to summarize what I sincerely feel and dream of.

Rules and emotions

Both connected with Chinese culture

Self and the world

Both connected with the East and the West

Only if

Rules combine with emotions

Only if

Self integrates with the world's rules

Schooling

Distinguishes no East or West

Modernity

By no means belongs to the West and future only

Tradition

By no means belongs to China and the past only

Good education

Not only in the East or West

But at present and in the future



Mr George Littlejohn

乔治·利特约翰先生

*Senior Adviser, Chartered Institute for Securities and Investment
and former Journalist, The Economist, UK*

One Belt One Road Initiative – the new Silk Road

Introduction

Two years ago, our Chairman, Sir Alan Yarrow, then the Lord Mayor of the City of London, welcomed delegates – many of you here this morning – to the 33rd Cambridge International Symposium. He told us boldly that there would be more infrastructure investment in the next 40 years than in the previous 4,000. He should know; he is an eminent, global banker, formerly Deputy Chairman of one of Germany's biggest banks.

This tremendous gathering today, which I am honoured to address, represents those words made flesh.

A few months ago, in April this year, a freight train pulled out of Barking station in London carrying Scotch whisky, baby milk and engineering equipment. It arrived in Yiwu in eastern China nearly three weeks later, completing the second-longest round-trip train journey ever made (after Yiwu to Madrid and back, a record set in 2014). It cut around a month off the time of a sea journey from Britain to China.

At the same time, The Economist newspaper, my alma mater, spotted what it saw as a "less ballyhooed", less noisy, but potentially more significant event, in the port of Kyaukphyu in Myanmar. Workers started transferring oil from a tanker into a new pipeline that runs from the Burmese port north to Kunming, the capital of Yunnan province in south-western China. The pipeline bypasses the Malacca Strait, through which 80% of Chinese oil imports are shipped. Eventually, energy supplies to Chongqing, the largest city in the west of China, will no longer be vulnerable to political disruption in the strait. That is of immense strategic importance to all of us.

As we all know, China hosted the first Belt and Road Forum (BRF) on May 14-15 in Beijing, to support the One-Belt-One-Road (OBOR) Initiative proposed by President Xi in 2013. It was attended by leaders from 29 other countries, heads of international organisations such as the UN, World Bank and IMF, and official government representatives from some 30 more countries.

The forum was an important political event. The OBOR initiative gained support from many countries in Asia, Europe, Africa, and South America. This reflects China's rising economic gravity as it becomes a major export destination for many countries. Government leaders from most ASEAN members attended, as did President Putin and others from the old west.

"East" and "west" may be becoming redundant, passé, terms; Eurasia is becoming the future. Honeywell, for instance, the American conglomerate, has recently formed a team called "East to Rest" that manages sales and marketing to mainland China firms that are expanding abroad.

Core economic issues

There are two core economic issues under the OBOR initiative. One is to promote trade. For instance, China signed many trade deals with other countries at the BRF, including, for instance, a free trade agreement with Georgia. The other core economic agenda is to promote development through cooperation on infrastructure projects, including by offering concessional financing

support to countries in need.

On infrastructure project financing, so far there are four major Chinese or China-led financial institutions involved. They are: the China Development Bank, the Export-Import Bank of China; the Silk Road Fund, and the Asian Infrastructure Investment Bank (AIIB). At the BRF, President Xi pledged another RMB 100 billion injection to the Silk Road Fund, new lending quota totalling RMB 380 billion to OBOR countries by CDB (250 billion) and the EXIM Bank of China (130 billion), and RMB 60 billion grant support to countries and international organisations involved in the OBOR initiative.

Great enthusiasm

The Economist correspondent also spotted, this summer, a music video called “The Belt and Road, Sing Along” from Xinhua, the news agency. It featured shots of cranes and shipping containers mixed with people enjoying foreign landmarks. A choir of enthusiastic schoolgirls, said the report, sang a song called “Mutual benefit, joint responsibility and shared destiny.”

Western firms, and indeed Russian ones as you will hear this afternoon from my good friend Dr Oleg Preksin from Moscow, are just as enthusiastic. Western firms are certainly doing well out of OBOR itself, but Chinese ones are doing even better. According to information collated recently by the Reconnecting Asia Project, run by the Centre for Strategic and International Studies in Washington, some 86% of OBOR projects have Chinese contractors, 27% have local ones and only 18% have contractors of foreign origin.

Chinese firms are moving beyond contract work to become operators of projects and investors too. Their Western competitors may win significant business in the OBOR countries only for as long as their technological advantages last. That lead in turn will be eroded as Western companies work with Chinese partners on OBOR. In 2016 alone, ABB did business with more than 400 Chinese enterprises, helping them adjust for huge differences in construction and engineering standards across countries. Such firms will learn and advance in the process.

Investment in education and personal development

Learning is a key development issue.

As most of you will know, Kazakhstan has this summer hosted “Expo 2017” in Astana, an international showcase whose theme is “future energy”. The aim has been to create a global debate between countries, nongovernmental organizations, companies and the general public on the crucial question: "How do we ensure safe and sustainable access to energy for all while reducing CO2 emissions?" Incidentally, Expo 2017 is still on, until this coming Sunday, so you have time to visit, if you haven't done so already.

Just a few weeks ago, HE Keirat Kelimbetov, Governor of the Astana International Financial Centre, and Alexander Van de Putte, Professor of Strategic Foresight at IE Business School and Managing Director of the Sustainable Foresight Institute, launched this excellent book “The perfect storm: navigating the sustainable energy transition”. Indeed, they launched it just 10 minutes walk from here, at Christ's College College.

In a chapter considering oil price and sustainable development in the post-petroleum age, Mr Kelimbetov and Professor Van de

Putte strongly stress the importance of investment in education and developing local content as key building blocks of sustainable development.

“Natural resource-rich countries are facing a more complex world, now that we are at the advent of the fourth industrial revolution. Speed, agility, technology and entrepreneurship – not resources – are of the essence to be successful in the next industrial revolution, and this applies to natural resource-rich countries as well,” they say.

As Bank of England economists Mauricio Armellini and Tim Pike put it: “Economists looking at previous industrial revolutions observe that none of these risks have transpired.” By risks here, they mean disruption to companies, industries and countries that could make the way we do things obsolete in a short period of time. They add: “However, this possibility underestimates the very different nature of the technological advances currently in progress, in terms of their much broader industrial and occupation applications and their speed of diffusion.”

Therefore, say Messrs Kelimbetov and Van de Putte: “In addition to physical and digital infrastructure, natural resource-rich countries need to invest in technical and vocational education and training. Often the focus of many governments is on university-level training, but most jobs do not require a university-level education. Switzerland and especially Germany have built their economies based on what is often referred to as “The Dual System.” They argue that vocational skills are best learned under a training contract with a company, where apprentices combine formal training with practice within a company. The skills learned at these vocational training schools are continuously updated based on what is needed in the marketplace.”

In Britain, we have seen a great take-up of such “modern apprenticeships” as we call them across many if not most fields of employment.

CISI support for Chinese wealth management

On the education, training and qualification front, we as an institute are doing our part here, I am delighted to say, on the OBOR project across Eurasia, in particular in China itself.

Qingdao, which has aspirations to become China's centre of wealth management excellence, has chosen us to provide its qualifications in this field. The Shanghai University of Finance and Economics (SUFE) will provide the necessary face-to-face training. The CISI was approached by the Qingdao municipal government as part of its strategy to become the centre of wealth management in China, following which introductions between CISI and SUFE were made by municipal government officials.

The Institute hopes its qualifications, as part of this tri-partite collaboration, will help Qingdao become a financial powerhouse. The CISI, which has 40,000 members in 116 countries, now has a portfolio of learning materials in Mandarin. We launched our first qualification in Qingdao in summer, the International Certificate in Wealth and Investment Management (ICWIM), which is considered an industry benchmark, placed at level 3 on the qualifications registrations framework in the UK.

The CISI is expecting 80% of its candidates will be currently employed in banking in China or from a financial background, with the remainder being made up of students from institutes such as SUFE. We believe that our internationally recognised

qualifications can help successful candidates to improve their contribution to their employers, helping them to hit the ground running and therefore make an immediate impact on a business. Large global banks in China use CISI qualifications and we are hoping to expand the market in Qingdao to include local banks and wealth management institutions.

As our CEO says: "Learning is for life and professional qualifications offer an opportunity to invest in yourself and your future. Since starting this collaborative project we have seen Qingdao join the Global Financial Centres Index for the first time at number 79 in March 2016. Just one year later, it had leapt to number 38. That's up 41 places. If Qingdao can only do half the increase next year it will be ahead of Beijing. I am confident that with skilled personnel and the collaboration between CISI, SUFE and the Municipal Government we will begin to see Qingdao rise further up the global financial centres index."

Conclusion

I leave my final word to The Economist: A goateed singer in the Xinhua music video that I mentioned earlier promises Chinese viewers "when Belt and Road reaches Europe, Europe's red wine is delivered to the doorstep half a month earlier". For years to come, OBOR looks likely to be the toast of Western boardrooms, too.



Mr Luo Yulong

罗宇龙先生

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Sichuan Chaoyu Construction Group President, Sichuan Flying Investment Holding Group President. Splendid Sky Pictures President, Flying Universe Fund President, Sichuan Xinlongmen Industry Co., Ltd. President, Yibin City Commercial Bank/ Yilong RCB Substantial Shareholder, Sichuan General Chamber of Commerce Vice-President the General Association of Sichuan Entrepreneurs Vice-President, China Building Decoration Association Vice-President, Sichuan Society for Promotion of the Guangcai Program Vice-President, Sichuan Industrial & Financial Development Association President, Chengdu CPPCC Member

From Impact on China to Impact of China

Dear Government Representatives, Entrepreneurs, International Experts, and Scholars, ladies and gentlemen, and friends:

I'm very delighted to meet all of you in London on such a beautiful day to discuss the great Belt and Road Initiative.

In the autumn of 2013, President Xi Jinping proposed the initiative of jointly constructing the Silk Road Economic Belt and the 21st-Century Maritime Silk Road. Over the past few years since this initiative was proposed, more and more countries and international organizations have announced their support for, and participation in, this initiative. As an entrepreneur, I'm overjoyed to see the great vision of the Belt and Road Initiative being gradually fulfilled, because the vast space of the Belt and Road will bring unlimited opportunities and challenges to us entrepreneurs.

As the first Western country to apply to join the Asian Infrastructure Investment Bank (AIIB), Great Britain has always been an active responder and participant of the Belt and Road Initiative. Great Britain is a great power that has enormous influence around the world, and its support for the Belt and Road Initiative is exciting to all of us.

Britain and China have a lot in common. Autumn has arrived, and it's a traditional season for people in Britain to appreciate the beauty of the Autumn leaves. In China, we call this season "golden autumn", because it's also our tradition to appreciate red leaves during autumn. Britain has had many great writers and poets in its history, and they are the pride of the country. In China, we are also proud of the numerous great poets and writers in our history. Both the Chinese and British people love tradition and tea very much. These are our commonalities in culture. Now we can say that Britain and China are friends on two different hemispheres of the world, who have a lot in common. Personally, I hope that on this trip to Britain, I can make more friends, because making friends often means sharing opportunities.

The Belt and Road Initiative is aimed at sharing China's development opportunities with countries along the Belt and Road. What is the best way for multiple parties to do a good job together? As a private entrepreneur, I think the best way to do that is for us to make friends with each other and understand each other. The prerequisite for countries to become friends is to first understand each other's cultural characteristics. The development of international relationships requires not only the "hard" support of economic and trade cooperation but also the "soft" support of cultural exchanges. Cultural exchanges and cooperation can facilitate economic and trade cooperation for win-win outcomes.

The Silk Road and Maritime Silk Road have served not only as corridors for economic exchanges but also channels for cultural exchanges, since ancient times. The Silk Road began with silk trading but its significance goes far beyond the scope of trade. It connects ancient civilizations of the world together, creating an artery that connects Asia, Africa, Europe, and the Americas and allows these civilizations to communicate with each other and shine. Now the Belt and Road Initiative once again gives us such an opportunity.

There are many countries along the Belt and Road, and they include numerous different cultural forms, with countless cultural achievements accumulated through a millennium. In the foreseeable active exchanges in the future, these cultural achievements

will bring enormous potential for the cultural industries of Belt and Road countries, including cultural tourism, radio, film, and television, publication copyrights, entertainment, cultural product manufacturing, etc.

In China's modern development, we have been impacted by a lot of cultural trends, and many excellent cultural products have been imported to China, becoming cultural nutrients for generations of Chinese people. For example, British dramatist William Shakespeare's *Romeo and Juliet* is a household name in China. Coincidentally, in the same era as Shakespeare, China had its own great playwright named Tang Xianzu, and his great work, *Peony Pavilion*, tells a love story that exceeds life and death, too. *Peony Pavilion* is in some way similar to *Romeo and Juliet*, but regrettably, not many people in the world know about the beautiful and sad story of *Peony Pavilion*.

In our 5000-year-old civilization history, we the Chinese people have created a time-honored, profound, and distinctive culture. In the Chinese culture, the integral thinking of following the rules of nature and unity of heaven and man, the world view that keeps abreast of the times, and the progressive spirits of continuous self-motivation, self-discipline and social commitment are all unique in the world's civilization history and have compelling appeal as well.

I think all of you are already familiar with the industrial products made by Chinese enterprises. Under the Belt and Road Initiative, I hope that you can see more cultural products made by Chinese enterprises in the future. And as a Chinese private entrepreneur, I'm saying this out of my personal cultural feelings, my love of the Chinese culture, and my expectations of the ample room for cultural industry development under the Belt and Road Initiative. I want to take an active part in promoting China's excellent traditional culture and promoting exchanges and mutual learning between the Chinese civilization and other civilizations in the world. Together with other Chinese enterprises, I want to tell the world about the great story of China.

A cultural scholar once said, the exchanges, communication, and interaction between different cultural patterns are the fundamental momentum for the advancement of human cultures. I believe that the Belt and Road Initiative of our times, like the Silk Road in ancient times, will bring new momentum to our cultural industries and global cultural development. During this process, we will enhance our cooperation and exchanges with our counterparts in other countries, learn about and understand the latest developments in overseas markets, learn from and reference international operating modes, seek overseas opportunities for cultural products and services, and improve the international competitiveness of our own cultural products. In this way, we can not only fulfill our aspiration for corporate development but also contribute to the fulfillment of China's impact.

Last, I wish all of you good health, great success at work, happiness for your family, and good luck in every endeavor. Thank you!



Mr Richard Page

里查德·佩吉先生

former Member of Parliament, Minister, Department of Trade and Industry; Member of the Office of the Deputy Prime Minister; Public Accounts Committee and Chairman of the Parliamentary and Scientific Committee, House of Commons, UK

Speech by Mr Richard Page

Good morning madame chairman, ladies and gentlemen.

Thank you for giving me the opportunity to say a few words about this most exciting of projects, spanning as it does more than 65 countries, four continents and with it the opportunity to raise the living standards of millions of people.

There are numerous points to be made, and as such there are advantages in being a little down the batting order, in that many have been touched on by previous speakers so whilst endorsing what has been said, it does leave me free to concentrate on just two points to fire two rifle shots as against the shotgun approach.

I first became aware of the silk road as an 8 year old boy in short trousers being taught about it at school. I was told of the benefits of trade but with it came stories of all the hardships and dangers which of course held no fears for a brave little boy of 8.

However those dangers were brought home to me some 10 years ago when i was in Azerbaijani i visited what would be called in modern parlance --a silk road sleepover.

It was a circular wall some 5 metres high, and 2 metres thick, no windows, no doors just one massive gate, in all about 40 metres in diameter. Once inside backing all the way around the inside of the wall were what can only be described as concrete cells each with just one stout door, and for those memories stretch back to the second world war, they looked as if a row of anderson shelters had been pushed against the base of the wall.

Once inside the main gate the merchant would haul all of his goods into his cell, bolt the door and have a good night's sleep probably the first for several weeks, safe and secure, provided no one stole his camels.

Now the dangers are not from bandits but from bureaucracy. In march i was fortunate to attend the celebration for the first silk road train to arrive in the UK, and i got talking to a gentleman who was in charge of the rail track in a certain country, who i think should remain nameless.

Amongst other things, he was complaining at the delays at the borders, the fact he had to transfer containers from train to train. We know there are the problems of different rail gauges but there are ways this could be eased. Installation of a third rail perhaps in some circumstances.

He took great pride in that the container transfer time was down to 41 minutes(a remarkably precise figure), but greater cooperation is required by certain countries especially in paperwork. Stories have reached me of time delaying paperwork where instead efforts should be focused to make it smooth and hassle free. So my first rifle shot is to urge users of this one belt one road initiative to put pressure on their politicians, governments and civil servants to smooth the path, not to place obstacles.

Therefore we must support the Chinese president's target of having mutually beneficial free trade agreements in place with 40% of belt and road countries by the end of this year and obviously going on to extend it. So it embraces all that use it.

In may our chancellor Philip Hammond signed up to the "silk road initiative's guiding financing principles". But we must be

proactive, just signing is the first step, having signed now is the time to put it all into practice. Time is money and any delay increases cost.

The second of my two rifle shots is also promoted by this gentleman. In that earlier this year, he was asked by the EU commission to give a presentation on the silk road. He duly arrived and found representatives of all the EU nations, including Ireland with just one exception and that was surprise, surprise, the UK.

But the worry to him was when he was introduced, the first thing he was asked was “now tells us about the silk road”. To say the least, he was rather taken aback by the naivety of the question.

Here is an initiative announced by the Chinese president several years earlier and now years later there were senior EU figures asking to be told about it.

China is both an old and new country and when its president says something is going to happen, it does and we should have been gearing up many months previously.

Especially in the UK where the reality of Brexit means we have to grab every opportunity to increasing trade.

The opportunities seem endless and as an example, there has been an estimate that \$26 trillion will be needed out to 2030 to meet Asia’s infrastructure needs and i believe the UK can be a natural partner in helping deliver this infrastructure supporting the finance, design and delivery to make the president’s vision a reality.

But now it needs actions not words.

Let us never forget, a railway train of goods in gives the opportunity for a railway train of goods out.

In an earlier presentation the words of chairman Mao were quoted.

I could like to finish with a quote from Winston Churchill. In the dark depths of the second world war he would write on reports placed in front of him: “action this day”.

I echo those words and to our government and all involved i say: “action this day”.



Mr Wang Shiquan

王世全先生

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*Adviser of Wuhan university’s school of life science ,Vice-chairman
of China jewelry association pearl branch , The second director
of China South-east Asian Nations (asean) Association , Executive
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The Belt and Road Initiative, Co-construction and Sharing Building a Qinghai-Tibetan Yak IOT to share yaks worldwide

The "Belt and Road Initiative" construction is firstly a process of integrating resources and capacity. In order to capitalize on the organic yak industry and associated cultural and tourism resources of Qinghai-Tibetan plateau characterized by the silk road, the Plateau Treasure takes "Linking the world with Yak IOT" as its mission and is committed to exploring a new development model of "Internet+". By exploring and utilizing modern technologies our goal is to integrate industrial poverty alleviation, pastoral ecological protection, herdsmen's scientific grazing and student aid in the Qinghai-Tibetan Plateau and to build a yak IOT. Through the BeiDou Navigation Satellite System of China, the network plans to informationize, digitalize and visualize over 17 million yaks in Qinghai-Tibetan Plateau and send mobile phone pushes to global yak-lovers. At the same time, a monitoring system will be established to track yaks' body signs as well as pastures, for better monitoring and managing yaks.

The Plateau Treasure aims at building a new industrial chain of yaks by creating the "Yak IOT Global Adoption" so as to accelerate circulation of production factors of the yak industry between China and the world, in the meantime, to facilitate the entering of yak product enterprises into the international market. The economy in Qinghai-Tibetan Plateau and its neighboring countries is relatively backward, in need of advanced technology and successful experience from developed countries. Industry is the foundation of economic growth. Hence, the Plateau Treasure actively extends international cooperation and has exchanged goodwill cooperation intentions with national dairy federations in Nepal, Pakistan, Afghanistan, Bhutan and other neighboring countries' with yak resources to collectively promote the construction of the yak IOT, propel the vigorous development of the yak industry in various countries and accelerate the economic development and cultural exchanges with the countries and regions along the "Belt and Road Initiative". China strives to go global while the outside world wants to reach China. Meanwhile, the Plateau Treasure would like to actively cooperate with related enterprises or institutions in European and American countries to promote the "yak adoption" globally, to jointly develop highly nutritious dairy products such as yak cheese that suit the European and American markets, and to offer high-quality dairy products from the roof of the world to global consumers.

The co-construction and sharing of the "Belt and Road Initiative" not only facilitates the economic prosperity and cooperation of the regions and countries alongside, but also enhances the cultural exchanges of different nations and promotes world peace.



Mr Oleg Preksin

奥列格·普雷斯金先生

*Preksin, Vice President of the Association of Russian Banks, Russian
Financial and Banking Union Deputy Chairman,
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Association for Euro-Asian Cooperation, Moscow, Russia*

OBOR: an Invitation to Cooperate

The Brisbane 2014 commitment of global leaders to increase the G20's GDP annual growth rate by at least an additional two percent by 2018, i.e. not less than up to 5% per annum nowadays seems to be overoptimistic. According to the current G20 German presidency's assessment the development of the world economy "is not keeping pace with expectations", when "we are witnessing the rise of uncertainty and anxiety... doubts about the benefits of globalization and free trade" and "in an increasingly multipolar world, the international community thus finds itself confronted with the risk of increasing fragmentation of the international economic order". The implementation of the above requires a proactive search for new drivers of global growth and integrity. One such driver is the Chinese One Belt – One Road (OBOR) initiative, which has received great attention and broad support almost everywhere.

OBOR has a rich history, with numerous ancient components and their modern reincarnations. One of these is the Great Tea Road, a modern replica of a caravan route from China to Europe in the XVIII-XIX centuries, which passed through the territory now belonging to Mongolia and covering most of Russia. An ancient Tea Road spanned the same range as the jade, salt, cinnamon, tin and wine routes, and was second only to the Great Silk Road in the terms of turnover.

The OBOR concept is being discussed in a practical way between different stakeholders, including the Eurasian Economic Union (EAEU) and the Shanghai Cooperation Organization (SCO) member states. The accession to the latter of India and Pakistan increases the SCO population to almost half of the global total. The combined resources of SCO and EAEU countries are self-evident and both organizations are open to new members who share their fundamental principles.

The SCO decision on the accession of India and Pakistan and simultaneous Brexit referendum results announcement demonstrate opposite trends in Greater Eurasia development – for integration and for disintegration. This outlines the importance of an attractive and reliable platform for the idea of a Single Economic Space from Lisbon to Vladivostok and from Helsinki and Archangel to Singapore and Mumbai. Such a platform could be formed by a Trans-Eurasian Economic Partnership (TEEP) with a transcontinental transport and logistics network as its major pillar, enriching the OBOR initiative by a top-level infrastructure mega-project, with virtually unlimited potential for development. In Brisbane G20 identified infrastructure as the main area for joint efforts to accelerate global growth, confirming this by additional decisions last year in Hangzhou. And together with the Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership, (TTIP), no matter what form they might take in the changing political environment, the proposed TEEP might lead to a common Transcontinental Development Belt (TCDB).

An extensive network of high-speed transport corridors with modern logistics facilities across Eurasia form the basis of the TEEP project. The creation of such a network provides the opportunity not just to upgrade the infrastructure for ease of communication, but to secure inclusive and well-balanced development in different areas. One of the main routes between East and West in the upgraded Eurasian transport network is destined to be the high-speed Beijing-Moscow-Western Europe transport corridor with its spur lines to the Baltic and Mediterranean states in the West and to Pacific, South and South-East Asia countries on the other side.

Modern traffic arteries should reliably link with the neighboring states the countries of EAEU and SCO, restoring to a new level an ancient route "from the Varangians to the Greeks" and forming a powerful North-South transport corridor. Passing through Armenia, Georgia or Ukraine, new transport routes may help to overcome existing conflicts and contribute to economic growth almost everywhere.

The commercial attractiveness of high-speed railway link from Central Russia through Belarus to Poland and Germany, with possible spurs to Lithuania and Kaliningrad Region, is clear. Its 770-km Moscow-Kazan pilot segment designed by Russia and China is expected to be followed by others, making the new mainland route shorter and faster than any other by land or sea (and Russia is able to offer the shortest route possible in both cases), but still considerably more expensive. The existing Trans-Siberian Railway (TSR) utilization ratio is close to its maximum and there are severe bottlenecks in its Siberian and Far Eastern parts. Improvements in logistics all over the TSR, removal of bottlenecks and implementation of new techniques and technology, including digital innovations, will significantly reduce the costs of land transportation from Asia to Europe and increase its competitiveness.

Upgrading the Trans-Siberian line does not preclude the development of other routes that may be commercially even more viable. One such route is a new 460 km high-speed narrow gauge railroad from Zabaikalsk on the China-Russia border to the city of Chita, another – the China-Mongolia-Russia Economic Corridor, that provides for the implementation of about 30 business projects already agreed by three parties. One more route can go from Eastern China to Lower Ural and then to West and North through the Altay directly.

It is reasonable to ask: how can such projects and programs be funded? The answer lies in public-private partnerships (PPPs) at national, regional and global levels. Likely sources of capital include conventional multilateral development banks (MDBs) and other similar institutions, as well as the new ones, such as the BRICS New Development Bank (NDB) or the Asian Infrastructure Investment Bank (AIIB), where China, India and Russia are the main shareholders. Each of these two has an authorized capital of US\$100 billion and both started their credit activities with co-financing in partnership with the conventional MDBs - World Bank, Asian Development Bank (ADB) and European Bank for Reconstruction and Development (EBRD). Eurasian Development Bank, International Investment Bank and Black Sea Trade and Development Bank, as well as the European Investment Bank and Nordic Investment Bank can all find decent roles in TEEP mega project. Its successful implementation could be promoted by developing a pipeline of TEEP related bankable and investment-ready projects on national, regional and global levels.

MDBs can serve as catalysts, attracting private investment for challenging programs by use of guarantees and co-financing, focusing more on construction phase of the of respective projects, which is especially important for infrastructure development. By building up infrastructure project preparation facilities (IPPFs), already established by EBRD and ADB, for example, as "assembly lines" for cross-border infrastructure development projects, MDBs can play an invaluable role in the development of Eurasian transport corridors and logistics facilities.

To secure adequate financial support for the projects of TEEP and TCDB magnitude, it will be worth enhancing conventional fund raising with some form of special purpose vehicle (SPV). The construction and exploration in the late XIX – early XX century of

the Chinese Eastern Railway (CER), also known as the Chinese Far East Railway or Manchurian Railway, might provide some useful experience, which can be developed further on to reflect current realities.

In harsh conditions (the railroad was severely damaged during the Boxer Rebellion that swept the Qing Empire in 1899-1901), CER was built with the participation of foreign capital in record six years, from 1897 to 1903. This multimodal infrastructure project eventually became profitable. The new route provided a shortcut from the world's longest TSR near Chita via Harbin (built as the CER capital) to Vladivostok and Port Arthur, with further connections to Beijing, Seoul and other major cities. Management of the project was entrusted to the specially established Russian-Chinese Bank (RCB). More than 60% of its capital came from four private French financial companies and 15% - from the St. Petersburg International Commercial Bank, which was under German influence. The Chinese envoy to St. Petersburg and Berlin (who later became the first chairman of CER) signed the 80-year concession agreement for RCB, and the CER Charter in December 1896 was approved by Nicholas II.

The concession agreement granted CER the sole right of management over vast areas and that was used to the full. The CER had not just the railroad and the rolling stock at its disposal, but also a variety of production facilities and farmland. CER built its own maritime fleet and ran regular shipments to Japanese, Korean and Chinese coastal cities. To finance its development CER arranged some 20 bond issues that were taken up by the Russian government and also placed in the markets.

To finance the TEEP mega-project, even in its early stages the resources of the US\$40 billion Silk Road Fund may not be enough. Loans and investment from the development banks are also of limited application. So there is a need to consider the possibility of establishing as an SPV some specialized mega-fund (or several funds), that may issue international infrastructure bonds with partial state or inter-state guarantees, and to register a major management company, inviting world-class financiers and entrepreneurs with impeccable international reputations onto the Board of Directors. The fund with the management company could be domiciled in one of the leading international financial centers (IFCs), such as Hong Kong or Singapore, or Astana, where the IFC is being launched shortly, or even in Russia if the plans for IFC in the country are finally implemented. Some options may include the territories on the border with China and the Baltic Peninsula Split in Kaliningrad Region on the Russian border with Poland. The SPV issued bonds may be voluntary convertible into the shares of the funds themselves or into the shares of the financially supported enterprises, if the respective project portfolio will be attractive enough for the bond owners. This frees the issuer from having to repurchase at least part of the bond issues at their term and makes an official guarantee just a formality.

A large project might be easy to start from something modest, but could include the main features and components of the mega-project. Specifically it is possible to offer the construction on a concession basis of a high speed freight railway from Chita to the Chinese border with the standard gauge for China and Western Europe. It is this segment of less than 500 km in length that marked a start of the CER construction which then led to the Pacific. Actually now the result will be the same, but without additional costs, as on the Chinese side the work has long been completed.

An added bonus may be joint ownership of half-completed Baikal region major transport and logistics hub, which is being constructed near Chita just a few kilometers from the Trans-Siberian Railway and the largest motorway in the area. We can even talk about participation on the launch of a new Astana-type international financial center, where the road crosses the Russian-

Chinese border. I am happy to provide some details to those who are interested.

Joining the TEEP mega-project, through participation in the development of its transport and logistics components, business from BRICS and SCO, EAEU and other Council of Independent States (CIS), together with entrepreneurs and investors from Japan, Republic of Korea and South East Asia countries, from Western Europe and North America will translate the idea of Greater Eurasia Economic Union from the scope of scientific and political discussions to practical actions. Speaking last year at the St. Petersburg International Economic Forum (SPIEF), the then UN Secretary-General Ban Ki-moon outlined the "critical importance" of economic integration and cooperation in Europe. At the moment, he noted, "we see countries breaking ties and building new barriers. History tells us that this is not the right direction for Europe. We need to strengthen ties and build bridges, instead of building walls... Let's work together to make this world better" (Ban Ki-moon's Remarks at the SPIEF, 16 July 2016). The proposed project is designed to "build bridges" both in the literal and figurative sense. It aims to facilitate collaboration and to strengthen mutually-beneficial ties. It is hard to imagine another initiative more suitable to meet the definition of "growth drivers" that the global leaders had in mind when they endorsed in 2014 the G20 Global Infrastructure Initiative (G20 GII) and the Global Infrastructure Hub in Sydney, or approved the new Global Infrastructure Connectivity Alliance Initiative two years later in China.

Eurasia is poised to become a key territory of accelerated growth and sustainable development, based on its enormous natural resources and production capacity, its scientific and technical potential, and financial and human capital in the East and West, North and South of the continent. This is the main thrust and the key purpose of the proposed projects with a chance to become the largest PPP based JV of the century. All interested and committed parties will be welcome to participate in its promotion and implementation.



Mr Richard Parlour

里查德·保罗

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Building the New Silk Road

The Ancient Silk Road:

Explosive Roads!

The "Road":

Integrated Network:

Road, Sea, Rail, Air

The Silk Roads:

The Six Chinese Megatrends:

1. Urbanisation: 300m already, 350m next wave
2. Huge Manufacturing Scale: Made in China
3. Rising Chinese Consumers: (17>63% affluent in 10 years)
4. Money (lots of it!): World's top 4 banks all Chinese
5. Brainpower: 200,000 for iphone, 8,700 engineers
6. Chinese Internet: Chinese replaces English

Digital Hemispheres

The Digital Road:

"We will push forward digitalisation, informatisation, exchange and collaboration of cyberspace between China and the European Union"

By Lu Wei, Director of Cyberspace Administration of China

Key Road Challenges:

- Construction
- Rules of the road
- Policing the roads
- Alternative routes
- Waypoints
- Maintenance
- Ownership/governance
- Logistics/traffic flow

Further Challenges:

- Finance
- Politics/Instability
- Health/Addiction
- Training
- Language

•Culture

•Criminals

•Resource

The Digital Road:

Cooperation between EU and China foreseen in:

•5G (2020)

•Cloud Computing

•Internet of Things

•Big Data

•e-commerce

•Digital Investment

•High Tech Startups

•Smart Cities: Yinchuan

•Smart Energies

•To connect 1.1bn internet users

•Platform on mutual trust and win-win

•Add an extra 800 million people

•EU digital single market, China Internet Plus policy

•Internet + covers energy, trade, health, service, culture

•EU €315bn investment plan

•32 country telecom consortium

•Fibre along road network preferred right of way

•Rail, pipelines, power transmission grid

•Each country's road agencies own fibre

•No payment for right of way

•Seamless network

•Cross border trading of bandwidth and connectivity

•Only licensed operators have access

Conclusion:

•World's Greatest Geopolitical Shift

•Remember Digital as well as Physical

•Cross Cultural Teamwork Vital



Professor Dayanath Jayasuriya

达亚纳斯·贾亚苏里亚教授

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*President's Counsel and former Chairman, Securities and Exchange
Commission of Sri Lanka
and Consultant to the International Compliance Association*

Building The New Silk Route

What gives china a competitive edge?

- economic power with strong currency
- technical expertise
- reputation for fast completion of projects
- contribution to recipient country's economic, social, educational, cultural and religious activities
- historical ties
- common values
- growth in domestic chinese companies with diversified lines of business
- lending on commercially competitive terms
- strong diplomatic ties
- neutral stance within international power blocks
- speed of negotiations and decision-making
- labour costs
- large export oriented economy

Impediments and constraints in some countries on the silk route

- lack of long-term national development policies
- political uncertainties
- loyalty to certain countries
- hostile to chinese joint ventures
- right domestic partners not available
- weak regulatory and legal framework
- non-availability of tax concessions
- slow bureaucracy
- absence of coordinating mechanisms at the highest level
- absence of independent judiciary
- rampant corruption

What gives china a competitive edge?

- rapid contribution to developmental goals
- political ally, particularly in regional or international tensions or conflict situations
- concessionary repayment terms for loans
- quick completion of projects using chinese human resources
- increase in bilateral trade including tourism
- companies with good corporate governance and compliance culture
- mutually acceptable conflict resolution mechanisms

Way forward

- ensure all negotiating companies have a good system of corporate governance and compliance culture
- set up Sichuan business associations, choosing where possible using countries that are the gateway to regional markets (e.g. Srilanka- Sichuan business association)



Professor Antonello Miranda

安东内洛·米兰达教授

*Professor of Comparative Law and Dean of the School of Social
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BUILDING THE NEW SILK ROAD

Does the flap of a butterfly's wings in Brazil set off a tornado in Texas? Wings in China set off a tornado in Europe (U.K. included)?

The OBOR

China's One Belt One Road initiative (OBOR) stems directly from the initiative taken by President Xi Jinping in Autumn 2013. The OBOR project is modeled on the heritage of the Ancient Silk Road, which brought great economic and commercial benefits to Asia, Continental Europe and the Near East. The rationale of OBOR initiative could be easily understood from a Chinese going global perspective.

In the words of the Chinese government, OBOR is aimed at Europe, Asia, Africa and their adjacent seas. So long, the Chinese government claimed that more than 65 countries showed a strong interest in the project, even if it is not fully clear to what extent these countries consider their involvement in the project, and how China is considering their involvement in OBOR's development.

the One Belt One Road initiative is a declared foreign policy strategy pursued by the Chinese Government to achieve two different sets of results.

The first, and most important (as well as undervalued) is to close China's internal development gap between coastal and inland regions, through the creation of a widely interconnected national logistic and industrial infrastructure which will serve as the national standpoint for China's projection abroad.

The second, and most investigated aspect of OBOR is its international and global scope, which will allow China to promote its industrial and financial power across the world in a truly new way, pursuing a strategy based on a win-win diplomacy and aimed at developing new models of regional and interregional integration and economic cooperation.

This process is likely to imply great difficulties, due to the large amount of infrastructure needed and the consequent need of financial stream to support their realization. Moreover, the way is paved with undervalued problems, such as the substantial incompatibility between different legal (and political) system among the countries interested by the initiative, which is one of the main obstacles to the full realization of OBOR on its large scale.

In every case, despite its geographical indeterminacy, OBOR is yet a reality in terms of political cooperation between EU, EU country members (and Great Britain) and China's Government. The potential of OBOR is outstanding, and an appropriate implementation could bring benefits to all the countries comprised in its route, even in terms of Sustainable Development (thus matching the UN Sustainable Development Goals Agenda).

The New Silk Belt initiative

The main driver for OBOR, in China's vision, is "connectivity". This is, as well, the main strategy and opportunity, as it emerges

from government official declarations, to implement OBOR, in order to bring Chinese influence outside the Asian continent, in a wide variety of sectors. Besides the shipping and export sector, where China is the global leading actor, OBOR project has the potential to affect a wide variety of activities, stemming from TLC's to Energetic Infrastructural and Commercial sector, not to mention its potential in modeling and changing the Global Value Chains structure.

OBOR is the result of two distinct political initiative : the Silk Road Economic Belt and the 21st century Maritime Silk Road.

The Silk Road Economic Belt

The Silk Road Economic Belt pivots around terrestrial transport infrastructure, aiming at the creation of a continuous area of economic (thus political) influence, mainly over Eastern and Central Europe, and Russia as well. This implies the involvement of all those countries (Germany and the Netherlands, for instance) which already benefit from direct rail links with China.

The 21st Maritime Silk Belt

The 21st Maritime Silk Belt, on the other hand, is likely to challenge EU as a whole, as well as European single countries, in those areas like Middle East and Eastern Africa, where traditionally national interests converged and still do. This is due, mainly, to the maritime vocation of China in international trade, which is a vital factor for its industrial output surplus.

The New Silk Belt initiative

One of the principal objective of the Chinese policy in OBOR implementation seems to be the creation of an Asian regional value chain, mainly based in China, as well as the creation of an integrated regional economic block based on Chinese standards. If successful, such a policy would give way to China's transformation into a regional hegemony and stabilizer.

The EU's Perception and Strategy

OBOR is not seen by Chinese authorities as an instrument to find new final markets for Chinese output surplus. Instead, OBOR is seen as a tool to relocate entire production lines being part of the Chinese excess production problem. In short, China is trying to replicate its experience during the '80s, at the time when it used to buy industrial machineries from Western and E. U. Countries (Germany, in particular).

The scope of Chinese policy is to relocate its industrial capacity, and to modernize its industrial system. Seen as unfeasible by many European observer, this particular policy must deal with the circumstance that many of China's neighbors and the principal European Countries are direct competitors in the same industrial sector Chinese authorities want to relocate. Even if this would allow China to be the starter for the industrialization of neighboring underdeveloped country, it must deal with the eventual political opposition which is likely to become manifest.

Thus, to avoid this risk of "misunderstanding" in the development of the OBOR a strong diplomatic activity and high- end meetings should be part of Chinese strategy addressed to Mediterranean countries (Greece and Italy in particular) with a special focus on agriculture and industrial cooperation.

While United Kingdom, for instance, is a key partner for China for the internationalization of the Renminbi (RMB), and British enterprises are also warmly welcomed by Chinese authorities in developing their own investment programs in China's heartland, as the British Government, through the Foreign and Commonwealth Office and the China-Britain Business Council already set up a strong cooperation and proactive initiative, assisting those economic sectors interested in OBOR.....the Chinese activity towards those Countries such as the Francophone Africa, Latin America and South Asian countries is not always understood and "appreciated" as in all these areas, European presence is still manifest mainly through ongoing investments in infrastructural projects which, especially with regard to sub Saharan Africa, are taking place in the framework of the External European Investment Plan (an extension of the European Fund for Strategic Investments).

On June 2016, the European Commission and the European External Action Service (EEAS) published a joint communication titled Elements for a New EU Strategy on China. The rationale for this document was to urge China to maintain cooperation and transparency on the OBOR initiative within a framework of rule-based governance and regional cooperation.

A Connectivity Platform was proposed by the European Commission as an instrument to exchange information and coordinate policies with Chinese Government on all those issues involving infrastructure financing in the field of connectivity between China and Europe From the European point of view, the platform is a necessary vehicle: i) To ensure reciprocity in investments for European investors in China and to regulate Chinese investments in Europe's heartland in transport infrastructure; ii) To catch up all the opportunities represented by Chinese capital flow into EFSI related projects, keeping them under EU vigilance; iii) To monitor, supervise and expand the area of application of EU's internal market rules, environmental and social protection regulation within OBOR countries, especially in Eastern Europe and neighborhood.

From China perspective, the EU Institutions seems to be perceived as a blocking act or which prevents Chinese institutions to play freely on the ground of OBOR development across Europe. China's strategy, conversely, is aimed at realizing the Economic Silk Belt on a piece-by-piece basis, directly negotiating infrastructure investments and economic joint ventures preferring a bilateral approach based on vis-à-vis negotiations with single European National Governments.

This is a "classic" problem of "comparative law "as "mediator" between different legal and political approaches.

The point is that even if involved in "bilateral agreements" the EU member countries are nonetheless tied to a communitarian binding legal framework.

Finance agreements, banking sector coordination, intellectual property rights, and social regulations are all fields that have to be further investigated because there is a "common legal framework" to be respected by the EU Countries.

This is for instance the case for some Chinese corporation that prefer to export Chinese workforce in the destination country, due to the high cost of labour abroad, especially in western states and the EU. Anyway, these companies must cope with local regulations about minimum wage, trade union law and foreign workers, which may make investment projects insecure and sticky.

Or as in the case of the environmental regulation, which is becoming more and more stringent in nearly every country in the world. Chinese corporations and enterprises going abroad should pay much attention to environment protection related issues,

as the case of the Myitson Dam in Myanmar testify. Not keeping in consideration environmental regulations, means the risk of a clash with European regulations and the risks of to pay a great amount of (possible) damages.

The global law perspective

This is not only a E.U. perspective but is a "global" law question. It is impossible to think that a new "lex mercatoria" along the Silk Road may be arise from single (even if common) commercial and financial agreements and from commercial and financial customs literally ignoring the international and national peculiarity of each legal system and the different approach and respect of the "RULE OF LAW".

The "financial approach" is certainly important and interesting but it is not to forget that in U.E. and W.L .T. area the Public Opinion counts and the respect of the rule of law is a common characteristic both in common law and civil law systems.

Ignoring this, thinking that is enough to control the economy growth with "peaceful investment strategy" with a formal respect of the "apparent" legal norms i.e. thinking that a contract is the same under the sky of Berlin or under the sky of Tonkin , is a common mistake but is always a mistake.

History, tradition, public opinion, legal rules and their interpretation and judicial reconstruction, economy, society, may be extremely different but always determinant for the comprehension of a legal system.

And again, this is not a job for a simple legal "consigliori" or for an expert manager or economist..... or for a compliance advisor (be aware of "cosmetic compliance" ... as in the Volkswagen "Diesel Gate" case).

This is a job for "Super-comparatist man" who can manage the differences trough a holistic approach being aware of the evolution of legal systems and of the problems of legal transplant.

We mean that even if the mere "financial or economic approach" is important we cannot forget or sacrifice the respect of the social rights, the respect of environment, the wellness of the society, the workers' rights, etc.

Social costs for a western society (but maybe also for China) are really high more than the possible "immediate" financial and economic advantage we can obtain from a passive participation to the OBOR project. Only an interdisciplinary study of the problems and the different legal systems involved maybe helpful to avoid the risks.

This is a point the should be known and understood by the Chinese part as by our Governments. As we say: it takes two to tango..... and without reciprocal respect and without the effective reciprocal knowledge of the different legal (and socio-political) systems involved there is the big risk of a failure... according to the chaos theory.

The flap of a butterfly's wings in China set off a tornado in Europe (UK included).



Mr Richard Pascoe

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Developing UK-China Legal and Judicial Cooperation in support of Belt and Road

Good afternoon.

It is a pleasure to be invited to this fascinating conference by the UK Sichuan Business Association and Jesus College. I first visited Sichuan in 1974 when I spent a year studying in China, and it really is one of the most beautiful provinces.... I very much hope to visit again soon.

The road to sound, stable and honest business in the modern world has to be based on the rule of law. Indeed it can only be based on the rule of law.

My organisation, the Great Britain China Centre is a public body linked closely to the Foreign and Commonwealth Office and over the past 30 years we have played a major role in developing the UK's legal and judicial cooperation with China.

This afternoon I would like to briefly outline some of the work we are doing to help China and the UK to work together to advance the rule of law, which I firmly believe can make a major contribution to the success of the Belt and Road initiative and thereby advance sustainable global development.

The Belt and Road initiative currently involves at least 64 countries, and there are therefore at least 64 different legal systems operating and all of them are very different from one another.

As a top Chinese law professor once said, one day perhaps the world will enjoy a single global legal system that we all share and all adhere to. But such a day, if it comes, will be far off in the future. The first step on this road however, is to understand each other's legal systems better.

That professor was speaking at China's top law school, at Renmin University in Beijing, at the opening of one of our initiatives in China, the establishment of a joint venture Common Law Centre at Renmin, and I am very pleased that another Chinese law professor who is the director of that Centre, my good friend Professor He Jiahong, will be speaking to us shortly.

Along the Belt and Road, many of the countries involved have Common Law systems originally derived from the English legal system. Renmin University has led the way in establishing China's first common law research centre, in partnership with GBCC, in 2014 as a platform to develop international legal and judicial cooperation. It has organised many interesting discussions between Chinese legal scholars and policy-makers and their counterparts from Britain and many other common law countries and jurisdictions, including a fascinating workshop earlier this year on anti-bribery law, studying the impact of the US foreign corrupt practices act and the UK anti-bribery act on global business, and exploring China's own thinking on how to eliminate bribery and create the level playing field for business on the Belt and Road that we all want to see.

China of course has its own common law system operating very successfully in Hong Kong and legal scholars and practitioners from Hong Kong are frequent participants in the Centre's discussions, as are experts from Canada, Australia, Singapore and the

United States.

Cooperation between the judiciaries of the Belt and Road countries is going to be increasingly important both in tackling economic crime and in resolving the complex commercial disputes that will inevitably arise from the complex business contracts are being concluded.

Another area of the Great Britain China Centre's work is in organising cooperation between the judiciaries of both countries, often involving joint project work on areas such as the use of evidence in court or studying the UK's jury system, to give just two recent examples, as China embarks on a constant series of judicial reforms to professionalise its own judicial system. As China has looked outwards to reference experience around the world in constructing its legal system since 1979, over the years we have welcomed well over 100 legal, judicial and government delegations from China for expert discussions with UK counterparts. Many Chinese lawyers and judges were originally trained in the UK, and have since gone on to hold senior positions and are keen to extend cooperation with us in the future.

Three years ago my Centre established a UK-China judicial dialogue framework has brought top judges from the Supreme People's Court and the UK judiciary together for regular specialist discussions. This initiative was launched working closely with Lord Neuberger, president of the UK Supreme Court, and his Chinese counterpart Chief Justice Zhou Qiang.

Two UK-China Judicial Roundtables were held first in 2014 and 2015 in Beijing and London respectively, led on the UK side by the late UK Supreme Court judge Lord Toulson, who was a distinguished fellow of Jesus College Cambridge and who sadly passed away just a few weeks ago.

Last year Lord Neuberger himself led a seven-strong UK judicial delegation to Beijing for the third UK-China Judicial Roundtable. This led to an exchange of letters between the Supreme Peoples' Court and the UK Supreme Court confirming a dialogue structure not only involving an annual Roundtable between the two Supreme Courts but also the Royal Courts of Justice of England and Wales as well as the judiciaries of Scotland and Northern Ireland. UK Supreme Court Judge Lord Hodge was appointed to coordinate cooperation with China on behalf of the whole of the UK judiciary. Both sides agreed to establish the first Joint Judicial Expert Working Group involving top judges from both countries, focusing on commercial dispute resolution. On the UK side the Group was led by Sir William Blair, head of the Commercial Courts in the Rolls Building, who has visited China many times to pursue this important cooperation initiative. The joint Working Group has discussed intellectual property rights, insolvency administration, the enforcement of arbitration awards and the enforcement of foreign judgements, and identified many areas of common interest. As a result of these discussions in June a Chinese delegation led by a senior Supreme Court judge came to London to attend the first meeting of the Standing International Forum of Commercial Courts, a new initiative organised by the Lord Chief Justice Lord Thomas to bring more than 20 countries together to discuss cooperation on commercial dispute resolution – many of them Belt and Road countries.

The UK-China judicial dialogue mechanism is now firmly established to allow detailed specialist discussions on a whole range of topics of relevance to the Belt and Road.

Not only are there huge commercial opportunities for the UK and for the UK legal services industry, as David outlined, I firmly believe that there will be opportunities to establish innovative dispute resolution mechanisms that will help meet Chinese needs and those of Belt and Road countries involving UK legal and judicial expertise.

Last November GBCC organised with our Chinese partner the China Law Society a high level conference in Beijing on Legal Cooperation on the Belt and Road, at which senior representatives from a range of Chinese ministries, the Supreme People's Court, the Supreme People's Procuratorate, the National Development and Reform Commission and the Ministry of Commerce all identified the importance of China and the UK working together in these areas. We organised a British delegation led by Lord Phillips, former Lord Chief Justice and the first UK Supreme Court president, and Lord Keen, a minister from the UK ministry of Justice, including the Presidents of the Law Society of England and Wales and of Scotland, and the Chairman of the Bar Council to take part. A meeting was organised for the delegation with an important Politburo member, MengJianzhu, secretary of the Communist Party's Political and Legal Affairs Commission, who expressed support for UK-China legal cooperation on the Belt and Road and for closer UK-China legal and judicial cooperation overall.

In the first week of this coming November, the China Law Society will be sending a delegation to London led by a Vice-Minister to follow up on these discussions. GBCC will be organising that visit, working closely with the Foreign and Commonwealth Office.

The UK, either despite of or perhaps because of our 800 years of legal history, often finds itself at the forefront of legal and regulatory innovation, usually involving the great commercial expertise of the City of London as a world-leading financial centre. Where companies have a choice of law to govern commercial contracts, English law is most often chosen because of its reputation for fairness and because it is especially user-friendly for international trade and investment.

London is undeniably the world's leading centre for commercial dispute resolution, both with our commercial courts that very often adjudicate on cases involving entirely non-British parties, as well as our specialist arbitration organisations and the huge legal expertise of our barrister community. GBCC works closely with the Bar Council and the Law Societies in the UK on cooperation with China.

Belt and Road will demand innovation and creativity on an international level to succeed.

Globally there are a growing number of international arbitration bodies, often involving more than one country. There are now examples of Belt and Road countries such as Dubai and Qatar establishing new court and arbitration mechanisms, often making use of English law where there is a strong commercial need for it, in order to encourage international investment.

With the Belt and Road initiative, we see a major opportunity for the UK and China to work together to establish useful new bilateral and multilateral dispute resolution mechanisms, in hybrid form, leveraging the expertise and strengths of both countries in the interests of economic growth and mutual prosperity. China and the UK have agreed to develop a global strategic partnership for the 21st century. Extending legal and judicial cooperation into new areas for the future will be an excellent way to achieve this. The Great Britain China Centre stands ready to work with the British and Chinese governments and the key legal and judicial

bodies of both countries to facilitate the discussions necessary over the next few years for such new initiatives to take shape.



Ms Zheng Yumei

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Leveraging ICBC's Financial Strength to Boost Sichuan Merchants Development Under the Belt and Road Initiative

Distinguished guests, ladies and gentlemen:

Good afternoon!

It is a great pleasure to be with you in Cambridge, to discuss the opportunities and challenges under the Belt and Road Initiative with the theme of "Cooperation, Development and Win-Win Outcome". It is also an honour for ICBC, a commercial bank, to present strategies in leveraging its financial strength to advance the development of Sichuan merchants under the Belt and Road Initiative at the UK Forum.

As China's major step forward in promoting international cooperation and driving world economy, the Belt and Road Initiative, since it was defined by Xi Jinping, President of the PRC three years ago, has received active response from more than 100 countries and international organizations. More than 40 of them have signed cooperation agreements with China. Visions on development the Initiative advocates – openness, inclusiveness and connectivity – are unswervingly leading economic globalization towards a more dynamic, inclusive and sustainable future.

I. The Role of Financial Sector in the Belt and Road Initiative

Financial sector is experiencing daily changes. Finance does not only work as a core means of social resource allocation, but also has a profound impact on industry transformation, social evolution, information exchange and national security. I believe that as the Belt and Road Initiative advances, professional and devoted financial institutions will act as a leading force in three ways. They will work with pioneering and innovative enterprises as the backbone in pursuing and realizing the Chinese Dream.

First of all, financial sector will provide experience. In the past economic and financial exchanges with countries involved in the Belt and Road Initiative, financial institutions have always been direct participants and the main force. They have accumulated a wealth of experience in developing cooperation suited to local conditions. This will provide firm support to enterprises in their "going global" development.

Secondly, financial sector will provide expertise. As a comprehensive means of resource allocation, finance will not only meet diverse needs, but also promote orderly implementation of the Belt and Road Initiative in an all-round way with its expertise in this area.

Thirdly, financial sector will help with strategy development. In the process of advancing the Belt and Road Initiative, the role of commercial banks and investment banks as the "main force" in financial investment will reflect the vision of China as a major country by taking the initiative in financial activities. At the same time, as a professional sector in risk management, financial institutions can provide help in this respect as enterprises are "going global".

II. ICBC as the "Bank at Your Side" Under the Belt and Road Initiative

Founded on January 1, 1984, Industrial and Commercial Bank of China (ICBC) has developed into a major commercial bank in the world with the highest market capitalization, profitability, customer deposits and brand value, possessing an excellent customer base, a diversified business structure, strong innovation capabilities and market competitiveness and providing comprehensive financial products and services to 5,784 thousand corporate customers and 530 million personal customers. With a management focus on serving the real economy, ICBC has been upholding new concepts and pursuing new finance by providing new services, supporting China's supply-side structural reform, promoting the economic transformation and upgrading, and at the same time pursuing sound and sustainable development of itself. In recent years, its pattern of internationalized and diversified operation was further improved, covering 42 countries and regions across six continents. Through 16,000 domestic institutions, more than 400 overseas institutions and nearly 2,000 agents, as well as online banking, telephone banking, self-service banking and other distribution channels, ICBC has been providing a wide range of financial products and services, and has formed an operation pattern with the commercial bank as the core, which is integrated, international and information technology driven. In 2016, ICBC ranked 1st place among the Top 1,000 World Banks by the Banker, the Global 2,000 listed by the US magazine Forbes and the "sub-list of commercial banks" of the Fortune 500 for the fourth consecutive year.

Of late years, ICBC Sichuan Provincial Branch has been upholding the idea of "financial institutions serving the real economy and supporting the Belt and Road Initiative", taking an active approach and carrying out effective implementation. It has fully functioned in providing financial services as a large state-owned commercial bank and comprehensively boosted the "going global" development of Sichuan businesses. As of the end of 2016, it had supported more than 40 Sichuan enterprises in setting their presence globally, assisted with more than two billion US dollars financing for equipment and capacity export. Meanwhile, it had been involved in 100 Belt and Road projects overseas, with a total investment of 35 billion US dollars.

In the future, ICBC will closely focus on Sichuan merchants' development strategy under the Belt and Road Initiative, and give full play to its strength in providing globalized, integrated financial services with its investment and financing product lines including global financing, investment banking, and financial leasing. ICBC will continue to promote the in-depth integration of the Belt and Road Initiative, industrial-capacity cooperation with other countries and financial innovation. We will join hands with Sichuan merchants in the international market to open up a new chapter of win-win cooperation and common development.

Leveraging advantages in international network layout to help enterprises go "further": At present, ICBC's overseas network has covered 42 countries and regions across the world with more than 400 branches including 127 in 18 countries involved in the Belt and Road Initiative and such institutions in Europe as London Branch, Paris Branch and Frankfurt Branch. It owns the most extensive network among Chinese-funded financial institutions in the world, covering Asia, Africa, the Americas, Europe and Australia, providing around-the-clock RMB clearing services. ICBC is becoming the "bank at your side" in the advancement of the Belt and Road Initiative.

Leveraging advantages in integrated services to help enterprises go "faster": Currently, ICBC is supporting financing projects for Chinese-funded enterprises' international business in over 30 countries in Asia, Africa and Europe, covering all the key export industries. ICBC provides integrated financial service programs with a global competitive edge including bond underwriting,

equity instrumentation, equity investment, commodities and derivatives trading, as well as financial leasing, meeting the needs of Chinese enterprises for various financial services in their global business. ICBC's global cash management business has been extended to more than 4,000 companies in 70 countries and regions. Its financial market business supports 24 hour transactions of foreign currency debentures, foreign exchange trading, precious metals and commodities, as well as money exchange, sale and purchase of 26 currencies, ranking first in the Chinese market. At the same time, ICBC provides risk management solutions related to exchange rate and interest rate for customers' overseas projects. It has launched market transactions for 80 currencies involved in the Belt and Road Initiative, capable of using derivative financial instruments including swaps and options to help companies lock the exchange rate risk. ICBC has established clearing centers for US dollar, Euro and Japanese Yen in New York, Frankfurt and Tokyo to provide clearing services of the world's major currencies for "going global" enterprises.

Leveraging advantages in specialized services to help enterprises go "better": ICBC has a specialized financing team for "going global" business, which has accumulated rich experience through its endeavor for nearly two decades in key industries like global resources, power energy, infrastructure and equipment manufacturing. ICBC is also equipped with a team of professional managers, responsible for key areas and markets in specific countries involved in the Belt and Road Initiative, conducting in-depth research on opportunities and risks in real time. Through the specialized service model of "industry + region", ICBC can provide efficient, dynamic and comprehensive solutions for "going global" customers.

Leveraging advantages in it-based services to help enterprises go more "accurately": With its powerful data and information platform, ICBC provides customers with multiple types of information such as market interest rate, exchange rate, information of specific countries, major political events and overseas biddings to help them learn more about the overseas market and get more project information. ICBC also provides information for their project analysis to help control risks effectively.

III. ICBC Private Bank Promotes Evergreen Enterprises of Sichuan Merchants

ICBC's Private Bank was established in Shanghai in March 2008 as the first licensed private banking franchise approved by China Banking Regulatory Commission (CBRC) in the country to provide private banking customers with more than 8 million personal financial assets with all-round financial asset management services including financial product service, product selection service, consultancy, special account service, global asset allocation and family wealth management. After nine years of development, ICBC has set up more than 400 private banking service institutions in China, covering all the major cities in the country. Also, it has established service network and service team in 21 foreign countries and regions, and has formed a global service network covering Asia, Europe, North and South America, as well as New Zealand and Australia. As of the end of June 2017, ICBC Private Bank had been repeatedly rated as the Best Private Bank in China by magazines including Euromoney and FinanceAsia.

Upholding the business philosophy of "Integrity Leads to Prosperity", ICBC Private Bank has built a cross-market, cross-agency and cross-product financial service platform relying on the strength of the Group. Its eight service systems include asset management, alternative investment, discretionary, consultancy, financial management, cross-border finance, wealth heritage and value-added services. Five thousand outstanding personnel from internal and external business lines of ICBC Group have formed a team providing specialized private banking services. They are dedicated to offering excellent services to our customers with

honesty, professionalism and enthusiasm.

Global Asset Allocation Services Seize Global Investment Opportunities: At present, ICBC Private Bank is moving faster to enhance its capacity in global asset allocation and making dedicated efforts to exploit overseas private banking market. So far, it has established private banking service network and service team in 21 foreign countries and regions, and has gradually formed Hong Kong Centre – “Global Wealth Management Product R&D Platform”, European Center – “Global Financial Management Fund Management Platform”, Singapore Center – “Offshore Business Operation Platform” and the Middle East Center – “Islamic Financial Business Platform”. It has also established six Private Banking Departments in key foreign institutions in the US, Canada, the UK, Argentina, Australia and Macao China, as well as many other linked national service organizations, providing three categories of global private banking products and services including financial products and services (QFII / RQFII Fund + Global Finance Fund + Global Investment Account), wealth inheritance services (overseas insurance financing) and cross-border advisory services.

In November 2012, ICBC Private Bank European Centre opened in Paris. Based in Paris, the Centre has made its presence felt across Europe and has built the overall management model in the European region, providing customers with a combination of banking services, personalized financial management and exclusive services programs for investment and financing products. It has also developed seven major series of products, including exclusive commercial banking services for private banking customers, global investment funds, third party financial services, special account investment services, investment trading services, featured investment and financing services, as well as cross-border advisory services. In 2014, ICBC Private Banking Global Investment Fund Series SICAV – SIF was established in Luxembourg. ICBC thus became the first Chinese-funded bank to establish a private equity fund platform overseas.

Family Wealth Management Services Help with Sustainable Inheritance of Business and Family Property: In July 2015, ICBC Family Wealth Investment Management Co., Ltd. registered in the Shanghai Free Trade Area. It is a private equity firm directly managed by ICBC Private Bank, providing specialized family wealth management services for UHNW customers with more than 100 million RMB assets. The Company relies on the powerful strength of ICBC Group, sets up family wealth management funds within the Group and designates the customer, family members or specific charitable groups as beneficiaries, providing customers with services like fund entrustment, wealth inheritance, investment consultancy, limited financing, cross-border consultation, financial advisory and business management that are available worldwide. ICBC family wealth management serves integrators and connects the world’s top resources in finance, law, taxation, family inheritance and children’s education. It provides a full range of services based on the family and business needs of customers, representing a splendid chapter of the integrated programs for customized and personalized services tailored by ICBC Private Bank.

With the great opportunities of the Belt and Road Initiative, Sichuan merchants will set sail on a brand new journey. We would like to work with you to power Sichuan businesses with the strength of finance for a splendid future!

Finally, I wish the First SiChuan Merchants the Belt and Road Initiative UK Forum a complete success!

Thank you!



Dr Oonagh McDonald CBE

奥纳·麦当劳博士

*International Regulatory Consultant, former Member of Parliament
and Principal Private*

*Secretary to the Chief Secretary to the Treasury and Opposition
Spokesman on Treasury and Economic Affairs, former
Director, Financial Services Authority, FSA Ombudsman Scheme and
Investors Compensation Scheme and former General
Editor of the Journal of Financial Regulation and Compliance, UK*

Speech by Dr Oonagh McDonald CBE

This is such an exciting initiative. I once travelled one of the Silk Road routes starting in Rawalpindi and travelling along the Karakoram Highway (a much earlier initiative) in a minibus, over the Khunjerab Pass, over the Pamir mountains to Kashgar. My journey through the Gobi desert was on a single track railway, where trains might be delayed by 24 hours as you waited for a train travelling from the North to arrive before you could travel through the desert. So very different from the new trains capable of travelling at 350 miles an hour, which we have just seen in Sunan Jiang's presentation. I only hope that, although modern technology will obviously be used that the excitement of the journey I took will not be replaced completely and the ancient sites of what is possibly the oldest silk route will be preserved. This will be primarily a trade route, so I have focussed on what is fundamental to the establishment of a new trade route and what will make it successful.

Establishing Trust

Recently, I have had reason to consider why London became the Gold Centre of the world and why it retains that position today. There are no gold mines in England. Gold was imported to London and then exported throughout the world. The trust that was established was due to the fact that London took the first steps in establishing trust. They were practical steps but ones designed to assist and to inspire confidence in those buying and selling gold.

1. The Bank of England built the first vault designed to store bullion. Those trading in gold could be sure that their purchases of gold were safely stored until they were ready to collect it or to arrange for their gold to be transported to the chosen destination. That vault was built in 1732.

2. The London Good Delivery List was set up in 1750. This List included both refiners of gold and assayers. A number of gold refineries were already established in central London with the Bank of England's own gold refinery in The Good Delivery list formally recognised only those gold refineries who produced gold bars which met certain criteria. It was originally known as the List of Acceptable Melters and Assayers. What these established was an assurance for all buyers and sellers that the gold was of an agreed and published quality and that the assayers were able to mark it as such.

3. There were three elements to the establishment of trust:-

-totally reliable storage of goods.

-totally reliable production by producers according to agreed and public criteria.

-quality guaranteed and independently assessed by approved assessors independently assessed as capable of so doing.

Towards the end of the eighteenth century, bills of lading became a contract between the ship's master and the recipient of the goods that the goods were actually on the ship and would be delivered to the purchaser. That was not part of the reason that London became the gold centre but it was obviously relevant. The guarantee has to apply to goods not only sent by ships but by train and road. Such a guarantee has to be provided for One Belt One Road and the means exist for tracking the transport of goods

now. With such guarantees as part of the system, buyers and sellers will be able to finance their trade through banks, since banks will also be able to trust trade along the One Belt One Road.

The One Belt One Road project must be able to create trust from the beginning. It takes time to build up trust. That has to be recognised in all the work that is carried out on every aspect of the project. Trust will endure-but it must be remembered that trust can be shattered in a few days, if not a few hours. Maintaining trust requires constant vigilance.



Mr Robert Rhodes QC

罗伯特·罗德斯先生

*Outer Temple Chambers, Recorder of the Crown Court of England
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Master of the Bench of the Inner Temple, UK*

The Roles of Mediation and Arbitration in Resolving Foreign Commercial Disputes

Why should a businessman use mediation or arbitration in the first place, instead of litigating in the English courts?

There are advantages to litigating in the UK.

- English judges are usually both competent and hardworking.
- The courts can act immediately in cases of urgency.
- The courts have the power to enforce their orders, if necessary by committing a disobedient party to prison for contempt of court.
- There are powers to enforce judgments.

But there are considerable disadvantages to litigating in the UK.

- It is hugely expensive.
- If you are claiming £200K (ie c1.65m yuan), you have to pay the court £10,000 (ie over 80,000 yuan) as a court fee.
- You have very high initial legal expenses because you can only issue your claim once a considerable amount of preliminary work has been done.
- It can take a very long time for your case to be tried. Even when it is tried, the judge might not be able to finish it in the allotted time, and might have to adjourn it for several months.
- The judge might be very competent, but he might be difficult in dealing with the parties, or unskilled in the law relating to your case, or just lazy or not capable of dealing properly with your case.
- If the case has taken longer than a day or so to try, the judge might not give his judgment for several months.
- If you win, you won't get an order for all your costs except in very unusual circumstances: you will probably get an order for about 60% of your costs.
- Even if you do win, the losing party might appeal to the Court of Appeal. That can easily take more than a year to be heard, and will again involve you in more expense.
- If you win in the Court of Appeal, your opponent might try to appeal to the final appellate authority, the Supreme Court. Unless the Court of Appeal gives permission to appeal to the Supreme Court (which is unusual), it will take some months before the Supreme Court itself decides whether it will hear the case. If it does decide to give permission to appeal and to hear the case, it could be another year before the case is heard. But that is not the end of the matter, because the justices of the Supreme Court who hear the case (usually 5, sometimes 7 or even 9) generally take many months before giving their decision.
- So it can easily be 4 years between your dispute arising and your winning in the Supreme Court. You will still probably only have got awards of about 60% of your total costs, so you might find at the end of the day that you've had huge expense, huge

strain and worry, you've been taken away from making your business grow, and the net amount you will get from your opponent is very small. An example is if your claim is for £500,000 (ie a little over 4m yuan), and your total legal costs for the 3 stages of the hearings come to about £500,000 you will be likely to get an order for repayment of c£300,000 so even if you get everything back from the other side, your claim ends up only being worth £300,000 and not the £500,000 you originally sued for, because the litigation has cost you net £200,000 about 1.6m yuan.

- In any event, it's one thing getting a judgment, and another enforcing it. Many losing parties to litigation, or judgment debtors as they are called in England, are skilled at making it very difficult for the winner to enforce his judgment. That itself can take years, and cost a lot of money.
- There are also two potentially very important practical disadvantages to litigation, whatever the result. The first is that, because the courts are open to the public, members of the public can sit in court. So you suffer the embarrassment of their hearing the other side's lawyer call you a thief and a liar, or (even worse) hear the judge call you a thief and a liar. The second is that if your opponent has been a valued client, you will probably want to continue doing business with him. But if your lawyer is calling him a thief, he's not likely to do any more business with you.

But there are alternatives to suing in the courts if you have a commercial dispute in England. The first is mediation and the second is arbitration. The key difference between them is that mediation is a dispute resolution mechanism, and arbitration is a dispute settlement mechanism.

The most common form of mediation is when two or more parties with an apparently intractable dispute agree to appoint an independent third party as mediator to try to reach a settlement between them. The overwhelming majority of cases are suitable for mediation, no matter how wide apart the parties appear to be. A skilled mediator can help most parties find an acceptable solution to their problem. Indeed, the English courts are very keen to promote mediation so as to avoid litigation.

The fundamental point to bear in mind is that in mediation it is not a question of who is right and who is wrong. Nor is it a matter of simply splitting the difference (although this can transpire to be the solution). Litigation looks to the past, but mediation looks to the future. Each party has to ask himself: can I live with a negotiated settlement? If he cannot, then he should continue with his litigation. But before he does, he should consider the following four matters:

- Cost and speed. Mediation is much cheaper than litigation. In one or two days, you settle the problem, as opposed to having to wait for several months or longer for a trial, while racking up enormous bills (only part of which you will get back if you win). You will be able to get on with growing your business rather than having the distraction of litigation.
- Practicality. What if you lose your case when you litigate? Apart from your own costs, you will almost certainly have to pay a high percentage of your opponent's costs. In addition, even if you win, your opponent might appeal, which will cause substantial further delay. Moreover, it is one thing getting a judgment, but (as I have pointed out) it can be quite another enforcing it, resulting in further cost and delay.
- How important is your relationship with your opponent? If you wish to continue that relationship, for example buying from or

selling to each other, it will be much easier to do so if you mediate your dispute rather than have lawyers on either side calling the other party liars.

- Confidentiality. Litigation is open to the public and can be reported. Mediation is confidential. That means that nothing at all that happens at the mediation can be used in court in the future. Admissions made by the parties cannot be used in court later. The mediator cannot be called as a witness. It may well be undesirable to have your commercial disputes viewed by the public, e.g. your competitors.

The disadvantage of mediation, of course, is that you will not be getting what you believe is due to you, nor will you be having your day in court to explain to the judge why your opponent is a rogue and has taken unfair advantage of you. But most sensible people will realise that the advantages of mediation far outweigh any disadvantage.

If you do come to a settlement in mediation in England, the lawyers draft an agreement which both parties sign. If one of those parties subsequently regrets signing the agreement and wants to go back on it, the other party can enforce it in the courts. I appreciate that this is different from the position in China, where a mediation agreement is only legally enforceable if the mediation itself has been through the court.

In summary, my advice to virtually any litigant would be to try mediation. People are often surprised at how successful the process can be. In any event, if the mediation does not result in a settlement, you can always arbitrate or litigate. It is common for so-called "step clauses" to be inserted into commercial contracts, providing for various stages of negotiation (including mediation) before getting to the stage of arbitration or litigation.

The second alternative to litigation if you have a commercial dispute is arbitration.

Arbitration has many advantages:

- Like mediation, it is confidential.
- You choose who decides the dispute: the arbitrator. If it is just one arbitrator, you decide on who it will be by agreement with your opponent. If you disagree, then a neutral third party (e.g. the institution under whose rules the arbitration is to be conducted) will decide who is to arbitrate. Last year, the parties to an arbitration between chartered accountants could not agree on who the sole arbitrator was to be, and the President of the Institute appointed me as arbitrator. I had had no previous connection with either party.
- In big cases, there will be a panel of three arbitrators. Each party appoints one, and those arbitrators appoint the third who will act as chairman of the panel. If they cannot agree, then once again the relevant arbitration institution will appoint the chairman.
- But do not think that, just because you have appointed one of the three arbitrators, he is there simply to represent your interests and to argue your case. Unfortunately, some arbitrators do that. But the law is that they should not, and they should be independent. That was made clear in *Jivraj v Hashwani* [2011] 1 WLR 1872 SC. Although arbitrators may be providing services for the purposes of VAT and they of course receive fees for their work, and although they render personal services which

they cannot delegate, they do not perform those services or earn their fees under the direction of the parties. They are instead independent providers of services who are not subordinate to the parties who receive their services. At [41] of his judgment, Lord Clarke said:

"The arbitrator is in critical respects independent of the parties. His functions and duties require him to rise above the partisan interests of the parties and not to act in, or so as to further, the particular interests of either party. [As the International Chamber of Commerce puts it,] he must determine how to resolve their competing interests..."

- Arbitration is based on the agreement of the parties, usually when they make their contract, but it can be at any time. So they can agree that normal rules of evidence do not apply, or that there should be no disclosure of documents (which can be a hugely expensive and long process) or that no live witnesses should be called and the arbitration decided simply on the documents, or that there will be a full hearing with witnesses called and cross-examined.

- The English courts can only intervene in very limited circumstances:

- oTo decide whether or not an arbitration agreement exists. If there is no binding arbitration agreement, then one party cannot force the other to submit to arbitration.

- oTo help in implementing the arbitration agreement if it does exist, eg by appointing, removing or replacing an arbitrator in limited circumstances.

- oTo issue an injunction (except in limited circumstances) preventing litigation proceedings being brought in breach of an agreement to arbitrate. This quite often happens: there is an arbitration agreement, the parties fall out, one wants to arbitrate, but the other thinks it will do better if it brings litigation in its own country.

- oTo enforce or set aside any award.

- oTo hear appeals from arbitral awards but only in very limited circumstances: there must be an important legal point, and not just an attempt to get the Judge to decide the facts differently from the arbitrators. One way in which parties to an arbitration can try to reduce the chances of the losing party appealing to the court is by not asking the arbitrator(s) to give reasons for the award, but simply to make the award.

- Arbitral awards can be enforced in any country in the world which is a party to the New York Convention of 1958. More than 150 countries, ranging from Afghanistan to Zimbabwe, have become parties to that Convention. China became a party to it over 30 years ago subject to two reservations: first, reciprocity (ie the state by which the judgment was given must itself be a contracting state to the Convention); secondly that the award is given in relation to differences arising out of legal relationships (whether contractual or not) considered to be commercial under Chinese law.

- There are defences to the enforcement of arbitral awards under the New York Convention, but they are limited.

There are, however, disadvantages to arbitration. They include the following:

- Although it is supposed to be cheaper than litigation, that is not always the case. A little while ago, I was counsel in an arbitration which had a 5 days substantive hearing, and the total costs of both sides exceeded £5m i.e. over 40m yuan.

- If you have a panel of 3 arbitrators, there can be cultural differences and misunderstandings between them which can make for difficulties in agreeing an award.

- Most importantly, the arbitrator or arbitrators might be so busy, that they take up to a year or longer before making their award. This is most unsatisfactory for the parties, because they want to know where they stand. If there is a substantial sum in dispute, that can make a considerable difference to the parties' business plans, e.g. re investment or expansion. The way round this, of course, is to include in the terms of appointment of the arbitrator or arbitrators that they will provide their award within so many weeks of the conclusion of the arbitral hearing.

In England, we do not have the process known as med-arb which you do have in China. That enables a dispute to move between mediation and arbitration as the adjudicator (as I shall call him) thinks appropriate. This has the advantage of flexibility but the disadvantage that, if you are involved in a mediation and know that what you say to the mediator is confidential, you are likely to disclose to him things that you wouldn't want an arbitrator to know because it weakens your case or your bargaining position. If you are in med-arb, you will not want to tell the adjudicator during the mediation part of the process what you might have told him if it had simply been a mediation. A way round this problem is to allow one party to object to the adjudicator being the arbitrator if he has been the mediator.

There are some cases where litigation or arbitration is necessary, e.g. where you are arguing over a point of law such as the interpretation of a law. But in the overwhelming majority of cases, I would advise anybody with a commercial dispute to try mediation as a first step. As I said, if it fails you can always go on to arbitration or litigation.



Mr Stefan Gannon

史蒂芬·加侖先生

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*Commissioner, Resolution Office, Hong Kong Monetary Authority,
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Republic of China*

Speech by Mr Stefan Gannon

1. The views expressed in this paper are my own and do not necessarily reflect the views of the Hong Kong Monetary Authority.
2. A principal focus of Belt and Road appears to be infrastructure. Poor infrastructure means difficulty in getting raw materials to centres of production and goods to markets. China's remarkable economic growth over the last 30 years owes much to its investment in infrastructure at home.
3. Belt and Road is an ambitious plan. If it is to succeed it has to be tackled in a practical and prudent manner. We have seen examples of projects around the world in which insufficient attention to legal risk has led to losses which have led to the drying up of funds for allocation to those projects.
4. Belt and Road will inevitably have a high funding cost. Whatever the source of funding, those providing it need to take account of and guard against inherent legal risk. I would like to draw attention to a few examples of the same.
5. Much of this infrastructural work will require local government permits, Has the host government the necessary powers to grant them – will it give express undertakings to use its best or reasonable endeavours to process them?
6. Is land title sufficiently well-established to ensure construction and use of infrastructure may take place as planned by those putting the money into it?
7. What certainty is there that a change of law or a new imposition of tax will not unexpectedly materialise and reduce or eliminate the anticipated profit or flow of receivables from the project?
8. To what extent can parties be bound to perform their contractual obligations in accordance with the terms of the contracts? Can host parties enter into agreements that are subject to mutually acceptable foreign law governing clauses? Where are disputes to be settled? Given the variety of legal systems along the Belt and Road I anticipate this will be a major factor in the negotiations between parties. I anticipate parties may often elect for arbitration under international rules in a neutral jurisdiction with neutral governing law clauses.
9. When is a "sovereign" risk truly "sovereign" in nature? When does it represent a binding undertaking of the state and when is it merely binding on, for example, a provincial government with no consequences for the central Treasury
10. When are "public" assets apparently available as security actually subject to negative pledge clauses in other financing arrangements?
11. A number of jurisdictions along the Belt and Road are influenced by Shariah law. This brings some challenges and opportunities. Of course Shariah law promotes funding that is rewarded by participation in the profits of a joint enterprise so that may be a perfectly acceptable option for both parties. Further, provided no cratering issues of title arise the Sukuk (an Islamic bond) is a suitable means of investing in infrastructure as the underlying, a bridge, a port, a toll road is the ultimate security for payment; it is not a synthetic security. Hong Kong has raised funding for its international airport by means of Sukuk. Of course,

governing law issues and questions of resolution for arise as in all cases.

12. Then there are questions of governance and regulation to be addressed. Hong Kong has made extraordinary progress from a trading and manufacturing centre to one of the world's most prominent International Financial Centres. But such progress only comes when those investing in or through a given jurisdiction are comfortable with the governance of its banks and financial institutions, the regulatory standards to which they must adhere and the independence of the Courts. It is Hong Kong's experience that good governance and best international practice in regulation are formidable assets for our financial institutions as they compete for global market share.

13. It appears unlikely that long-term funding for this enormous project and concomitant trading will be provided without some private sector participation. If so, it is likely that international banks and regulated financial institutions will seek to establish a presence or expand their existing footprint where they can best serve potential customers. Their home regulators will naturally wish to be comfortable as will their boards that legal/regulatory risks to the institution are kept to a minimum as they choose the centres to operate from. They will be looking for the existence of credible regulatory structures, legislation that requires financial institutions to have credible anti-corruption systems; management that can construct and implement workable recovery plans as signs of the institutions' potential failure appears. Home regulators will be interested in the existence of statutory resolution schemes that empower the host and/or intermediating jurisdictions to join in and not frustrate cross-border resolution planning and execution designed to avoid widespread disruption to the global financial system.

14. All in all, Belt and Road offers many opportunities. Hope for millions to improve their standard of living and thriving cross-border trade which is usually a great force for peace in a troubled world. But identifying and addressing legal risk is key to success here.



Mr Song Yongtai

宋永太先生

President of Sichuan Provincial Merchants Association, Chairman of Sichuan Nanchong Xinxing Foreign Trade Imp. & Exp. Co., Ltd., Director of Nonlocal trade association of Guangdong province, Chairman of Guangdong Chuanfu Investment co. LTD, President and Chief Editor of China's Foreign Chamber Of Commerce Website, Member of International Committee for the Promotion of Chinese Industrial Cooperatives, Member of the Standing Committee of Sichuan Provincial Federation of Industry and Commerce, Member of Nanchong Municipal Chinese People's Political Consultative Conference

Speech by Mr Song Yongtai

Under the auspices of Sichuan Provincial Party Committee and Provincial Government as well as the guidance of the Provincial Federation of Industry and Commerce, the Provincial Investment Promotion Bureau and the Provincial Department of Commerce, Sichuan Businessman Association, as a hub-type civil society organization, was established on July 16, 2015 upon the official approval from the Provincial Civil Affairs Department. In the purpose of "integrating resources, seeking common development, repaying hometown and offering help and dedication", the association takes the form of "building a bridge of friendship for Sichuan businessmen all over the world". Driven by "economic development of Sichuan", it strives for "raising Sichuan businessmen's world visibility and building a world-class Sichuan businessman brand". Over the past two years since its establishment, more than 360 Sichuan businessman groups and enterprises all over the world have joined us while strategic partners can be found throughout China as well as over 20 countries and regions including the United States, Canada, UK, France, Australia and Thailand.

The main purpose of the "Inaugural British Forum of Worldwide Sichuan Businessmen's Implementation of the Belt and Road Initiative" is to put into action the spirit of President Xi Jinping's speech at the Geneva Conference-to build a community of shared future for mankind and to achieve a harmonious society featuring joint development, win-win results and sharing. In May this year, the "Belt and Road Forum for International Cooperation" was held in Beijing. Heads of state and prime ministers from 29 countries gathered here to attend the meeting. In China, we often say that "When nearby neighbors are pleased with benefits brought by you, people living afar will approach you, too." and "A man of virtue can never be isolated. He is sure to have like-minded companions." In the same spirit, the construction of the "Belt and Road" bears the aspirations of mankind for peace and tranquility, the pursuit of common development, and the desire for a better life. Having found the greatest common divisor of all people's shared value, it has guided the world to the right direction of development and progress. Only in this way can we ignite enthusiasm and cohesion "among people of same aspirations to cross mountains and seas".

Another purpose of this forum is to unite Sichuan businessmen around the world to implement the Guidance on Accelerating the Construction of "One Pole, One Axis and One Block" and Advancing the Development of Chengdu-Chongqing Economic Zone formulated by Sichuan Provincial Party Committee and Provincial Government. "One pole" refers to the growth pole of Chengdu metropolitan area; "One axis", development axis between Chengdu and Chongqing; "One block", the economic block around central Chongqing. With the implementation of "Belt and Road", Sichuan Province took the initiative to become a part of it via sophisticated organization. The "One Thousand Enterprises Walking along the Silk Road" campaign will comprehensively extend economic, trade, cultural and tourism cooperation with countries along the Belt and Road as well as to encourage those enterprises to participate in the development and construction of overseas railways, hydropower and ports.

Sichuan businessmen across the world will definitely respond to the call of Sichuan Provincial Party Committee and Provincial Government. When Sichuan enterprises and their owners become rich in their going global endeavor, they never forget their homeland. The life of forging ahead outside with heavy nostalgia is no easier than returning home to devote them to building a

lovely Sichuan and to promote the development of "one pole, one axis and one block".

The third purpose of this forum is to promote all-round and cooperative development of economy, culture, education and tourism between UK and Sichuan. Sichuan is a land of abundance, rich in resources and with a large population. UK is a country with a prosperous economy, splendid culture and a leading education system. UK was the first one of the G7 countries to sign the bilateral currency swap agreement with China. Education in UK fosters social management awareness, critical and independent thinking, as well as international perspectives. It is worth learning for China. Ms. Wenli Song, President of the U.K. Sichuan Business Association, has done a great deal of work in Brian to promote economy and education in Sichuan Province and to forge a better tie with the UK. She introduced world-leading educational ideas to Sichuan and invested RMB 100 million in Chengdu to establish "Wanhui Kindergarten". A few days ago I visited this school and was greatly inspired. This international kindergarten is as far the best one in Chengdu.

Hopefully, through this forum, Sichuan businessmen can truly realize the dream of "going global", create synergy, integrate resources, turn resources into capital, turn capital into money, and then turn money into productivity.



Mr David Porter

大卫·波特先生

Associate Partner, Cognitive Solutions, IBM, UK

Risks and Responsibilities along the Silk Road

Interfacing new strategies

Leveraging New Technologies to Solve Old Problems

The cost of global trade is estimated at \$1.8 trillion annually with potential savings from more efficient processes of ~10%. World Economic Forum³ estimates reducing trade barriers will significantly enable trade. The Silk Road undoubtedly will be a force for good in the world.

Certainly some will fear change, that is natural, but if it can establish fair trade and therefore trust between nations then prosperity and peace will follow. Opportunity will come to some of the world's poorest countries and allow them to interact with the rest of the world on equal terms. China's culture will no doubt flow with China's goods and world culture and produce will flow in the opposite direction this exchange of ideas will create dialogue, and dialogue will increase understanding.

But you do not need me to tell you this.

My job is to see the world through a darker lens

- My job is to acknowledge the risks without embarrassment, and then to set about engineering them out of the solution.
- The Schengen Zone was a 21st century idea... implemented with 19th century technology.
- I believe new technology can help the New Silk Road avoid some of the problems that have bedeviled the Schengen Zone.

The risks

- Easy border crossings are good for business and smugglers
 - The level of potential tax evasion will be proportional to the scale of the new trade, so much bigger than at present.
 - E.g. the UK lose approximately £1.6bn (13.6Bn CNY) in tax duty each year due to illegally imported cigarettes – the problem has been accelerated by the lack of border controls within the EU as many of the cigarettes are manufactured legally in eastern Europe. The bad guys have only two border inspections to beat, it used to be 5 or 6.
 - Terrorism is transnational and not just a problem for Western Europe
 - Paris Stadium bombers travelled unchecked to Belgium, the Berlin Christmas truck killer, a Tunisian national escaped across four European Union countries before being shot
 - 116 Uyghur from Xiang at least have joined ISIS, ETIM has links to Taliban and Al Qaeda.
 - Parts of the New Silk Road will link areas with strong connections to Al Qaeda and the Taliban to the heart of China and Europe
 - Countries and businesses may not fully trust China's motives to be equitable or to be the sole custodian of the trade data systems
- ...your challenge to maximize the good but minimize the bad

New Technology may overcome some of the problems

- Block Chain
- A shared paperless ledger where every participant has a record of every transaction, but crucially each party can only view the ledger records that concern them.
- This increases trust, no one party has a monopoly on the transactions, no one party can alter the historical record or create fake records
- Internet of things – GPS and Sensors on every container, pallet & vehicle
- This will allow goods to be tracked from the factory to the customer and alerts to be raised if goods are delayed, re-routed or opened.
- If these two technologies were used together
- It would become extremely difficult for smugglers to fabricate documents, lie about the recipients or change the origin or destination of goods

GTD: Global Trade Digitization is an IBM and Maersk initiative that has already started to introduce these techniques to other supply chains

Mission: Improve the efficiency and transparency of global supply chains by providing permissioned access to all shipping events and secure, digitized document workflows to supply chain participants

With GTD, the entire supply chain ecosystem shares a single trusted view of shipping events and documentation filings



Mr P. Mukundan

潘·穆坤丹先生

*Director, Commercial Crimes Services,
International Chamber of Commerce, UK*

Trade Risks on The Belt And Road Initiative

There may be lessons to be learned from the risks of fraud and malpractice which have emerged from the more established maritime trade routes around the world. The Belt and Road Initiative (BRI) has particular challenges because of the countries in which the BRI will operate. Many of these countries have a more informal trade network, weak dispute resolution infrastructure and lack of resources and funding.

1. Containerisation and Road/Rail Transit

Much of this trade will be shipped in containers. It is well established that whilst containers provide many undoubted commercial benefits of speed of transit, prevention of damage and loss to cargoes, the closed and sealed container provides a perfect cover for smuggling and fraudulent shipments. The only people who know what is in the container are those who have stuffed the container, usually in a private warehouse away from oversight by independent officials and it is next opened in the consignee's private warehouse, again away from any independent oversight. Containerised transport is aimed at fast transit. This means that it is not always possible to open and verify the contents of a container by authorities such as Customs unless they are acting on a tip-off. In the international maritime context it is only a very small percentage of containers which are actually opened and examined. The description of the cargo inside the container is stated on the transit document and it is very difficult to verify if the description matches the goods inside the container.

2. Trade Finance

Trade finance relies upon documents presented to banks confirming the goods that have been shipped. In international maritime trade there have been numerous fraudulent schemes which are now taking place where documents provided to the banks are false or manipulated. The accompanying invoice against which the bank finances the trade may not relate to proper value transferred between the countries of origin and destination. In many of these cases the buyers and sellers act in collusion. In a typical BRI transaction verification of these documents become even more difficult. Unlike the shipping context where there are a number of independent parties involved in the shipment, along the BRI the carriers – trucks, train operators - are less likely to provide independent confirmation of the goods being shipped.

The main points at which the goods can be verified are at Customs check points, usually on the borders between countries. There is no established regime for Customs in these circumstances to share information with their counterparts and with other commercial stakeholders such as trade finance banks. It would be immensely valuable to consider setting up a system of sharing pertinent information across countries along the BRI to this end. China, being one of the main drivers behind the BRI could provide vitally needed capacity building and coordination in this respect.

Trade finance frauds and the resulting loss of foreign exchange for little value in return, concerns the treasuries of all countries along the BRI. It is a common problem requiring a common approach.

The kind of fraudulent schemes which we see today are known by various names such as synthetic trade arrangements, trade flow

arrangements and sometimes “structured trade LCs”. All of these have one objective, which is to draw money out of the banking system without there being a corresponding cargo. These monies are often invested in various official and unofficial schemes in weaker economies or become the conduit for money laundering.

It is the lack of underlying value for the funds provided by the banks which is often the root of the problems associated with these transactions.

3. Availability of Trade Finance

Because of increasing regulatory and compliance pressure in many countries the banks who have the expertise to properly respond to money laundering through enhanced due diligence and KYC are de-risking their correspondent relationships with banks in weaker economies. In many cases, the costs of maintaining a correspondent relationship could far outweigh the risks, as seen from stronger banks’ perspective. Many of the countries on the BRI would probably fall into this high risk category simply because there has not been sufficient time for the financial controls infrastructure to mature. The result of the de-risking is that the availability of finance for trade into these countries is limited. This has two related effects. It increases the possibility of criminals exploiting this weakness by laundering criminal funds through trade mechanisms as they pass through these countries and it encourages the development of shadow banking facilities which escape normal oversight and control by the regulators in the countries involved. One answer to this may be to encourage the banks with the knowledge and expertise to continue to support and develop correspondent relationships with weaker banks in these countries. This would however mean addressing their fear of regulatory penalties in their home countries. It is not an easy balance to achieve.

One option, is to keep the objective of developing not neglecting the banking expertise needed in these weaker economies firmly in mind. To this end, one option may be have a two-track compliance regime one for banks transacting in the developed economies and a softer compliance approach for banks transacting in weaker economies provided they help their correspondent banks there to grow. This growth will be measured by qualitative and quantitative pre-set targets monitored by regulators. It allows for funds necessary for the economies to develop, compliance and regulatory regimes to mature and in the process discourages shadow economies to take permanent hold.

To conclude, the BRI has great potential because it opens up areas of the world to international trade which so far has not been easily accessible. Along with the undoubted economic benefits to come, there is an opportunity at this early stage to look at the potential threats and try and develop mechanisms which will strengthen good practice, governance and compliance.



Dr Richard Alexander

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One Belt, One Road - Risks and Responsibilities: Interfacing the New Strategies

One Belt, One Road is already significantly increasing trade. There are now direct freight trains from Essex in the east of England to Yiwu in Zhejiang Province. The railway passes through the UK, France, Belgium, Germany, Poland, Belarus, Russia and Kazakhstan before crossing China to Yiwu.

But Western Europe has very different attitudes to international financial transfers to the attitudes of China. Both Europe and China are concerned about money laundering, but there the similarity ends.

With the exception of the Hong Kong SAR, which Mr. Stefan Gannon represents, China has foreign exchange controls. Hong Kong and Mainland China have different approaches to foreign exchange controls due to their different histories and circumstances. But Western Europe does not have exchange controls – indeed, European Union law explicitly forbids any barriers to the free movement of capital. Although the United Kingdom will shortly be leaving the European Union, it is very unlikely that it will introduce exchange controls; it will continue to have the free trade approach of the EU.

China is very concerned about capital flight, and also about the risks to Chinese investors of unwise foreign investments. The reasons for the concern for Chinese investors were illustrated by a workshop given earlier at the Symposium about investment frauds in Jersey. In those frauds, some investors lost very considerable sums of money. To protect against both capital flight and risky foreign investments, China introduced new regulations on foreign investment and overseas financial transactions in August 2017.

But this difference in attitudes means that a particular transaction might be illegal from a Chinese perspective but totally legal from the perspective of Western countries. Suppose a sum of 1 million RMB is legitimately earned under Chinese law and is transferred to the United States. The transfer complies with all US legal and regulatory requirements and the origin of the funds is also legal under U.S. as well as Chinese law. But the transfer is not declared to the Chinese foreign exchange laws and so it is illegal under Chinese law. I recently asked a U.S. colleague whether China could expect any assistance from the United States over this transaction. He replied that the fact that the transfer was made in breach of Chinese exchange controls meant that the money would be illegal under U.S. law – but he also said that only a very brave prosecutor would bring any charges. In the European Union, the fact that barriers to the free movement of capital are prohibited means that the transfer would not even be considered to be illegal.

So interfacing strategies for the prevention of economic and financial crime will need work and cooperation on both ends of the One Belt: Europe and China. At the 19th Symposium, Professor Bill Tupman gave a presentation in which he warned that the West needs to recognise that the developing world has a very different perspective on financial crime. The West says that developing countries have a problem with corruption; developing countries say that the problem is that Western companies pay bribes to their (developing countries') public officials. The West says that free movement of capital is important for a healthy economy; developing countries say that unrestricted exports of capital to Western banking centres are causing severe damage to

their economies. These concerns about uncontrolled capital flows are shared by China; the responsibilities connected with the One Belt, One Road include work on both sides: the West needs to understand the risks from the Chinese perspective, as well as China understanding the West's. Professor Tupman's remarks were made at the 19th Symposium and many Western delegates were not willing to listen. This conference forms part of the 35th Symposium; will the West listen now?



Professor Johan Henning

约翰·恩宁教授

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Risks and Responsibilities along the Silk Road – interfacing the new strategies: An African prerogative

One Belt, One Road

Throughout history, Eurasia was criss-crossed with communication routes and paths of trade, which gradually linked up to form what are known today as the Silk Roads; routes across both land and sea, along which silk and many other goods were exchanged between people from across the world. These vast networks carried more than just merchandise and precious commodities: the constant movement and mixing of populations also brought about the transmission of knowledge, ideas, cultures and beliefs which had a profound impact on the history and civilizations of the Eurasian peoples. Science, arts and literature, as well as crafts and technologies were thus shared and disseminated into societies along the lengths of these routes, and in this way, languages, religions and cultures developed and influenced each other.

The original Silk Road, established more than 2,000 years ago, was a critical network of trade routes that promoted economic, political, and cultural exchange among Asia, Africa, and Europe. China's One Belt, One Road (OBOR) initiative aims to do the same with newly built or upgraded infrastructure facilitating the flow of trade, investment, culture, and ideas – and thus supporting shared economic growth. OBOR is a combination of two outward-facing concepts to promote economic engagement and investment along two main routes: 1) the New Silk Road Economic Belt, will run westward overland through Central Asia and onward to Europe; and 2) the 21st-Century Maritime Silk Road, will probably loop south and westward by sea towards Europe, with proposed stops in South-east Asia, South Asia and Africa.

The logic behind China's strategy is commitment to the continued progress of opening up its economy. The OBOR brings a strategic focus to the government's "go out" initiative which encourages Chinese firms to go abroad in search of new markets or investment opportunities. The OBOR is strongly influencing the flow of Chinese outbound investment, creating significant opportunities for Chinese state-owned enterprises, especially those involved in transportation infrastructure, railway construction, energy and resources exploitation and shipping and logistics firms. The promise is to boost their own growth while creating space for the Chinese economy to move up the value chain, where productivity and wages – important determinants of consumption – are higher. The OBOR push is being led from the highest levels of the government, and involvement will run across several ministries.

Africa: One Belt, One Road, One Continent

In 2013 a campaign within the OBOR emerged calling for the inclusion of Africa in the strategy in order to strengthen the momentum to China's current economic cooperation initiatives involving various African countries. At a recent press conference the deputy director of African Affairs at China's Ministry of Foreign Affairs reiterated that "Africa is an important participant in the revival of this old maritime route. It's open to all African countries from Somalia, Kenya, Madagascar to South Africa." The inclusion of Africa in China's OBOR initiative comes as no surprise. Long before the OBOR initiative China had begun accelerating its investment initiatives in Africa: it carried out a series of policies encouraging well-established Chinese enterprises

and private companies to undertake agricultural investment and development projects. Yet, the formal inclusion of Africa into the OBOR initiative will undoubtedly garner international attention, and, in addition, serve to strengthen Sino-African relations.

Tazara Railway: infrastructure development

The 1,860.5 kilometre long Tazara railway represents one of China's largest foreign aid projects. A tripartite agreement was signed in September 1967 to build the railroad and construction began in 1970. The railway opened in 1975 and was officially transferred to the governments of Tanzania and Zambia in July 1976, with the Tanzania-Zambia Railway Authority undertaking operations. Despite operational problems, the railroad has helped boost agricultural production and urbanization along its route over the last four decades. The promotion to include greater Africa in the OBOR initiative stems from the correlation between the OBOR and China's undertaking to connect all 54 African countries through transportation infrastructure projects per the agreement between the African Union and the Government of the People's Republic of China in 2016. One of the objectives of the OBOR is to revitalise the Tazara. This will take Sino-African cooperation in development to a new level as well as foster a shift in China's role as a force in advancing global governance from primarily promoting South-South Cooperation. A look back at the efforts of Chinese railway experts and workers in building the Tazara railway reveals how China taught techniques to its African brothers and how countries along the rail route were impressed with Chinese staffers' devotion to duty. The intangible assets, as such, could be tapped as tutorials for Chinese enterprises with operations in Africa to regulate their business activity and benefit local society.

Industrial and Commercial Bank of China: investment

In 2007 the Industrial and Commercial Bank of China (ICBC) bought a 20% stake in Standard Bank (Johannesburg), Africa's biggest lender by assets, in a deal reported to be worth \$5.5 billion. This was the biggest overseas acquisition by a Chinese commercial bank in a step to give effect to Beijing's encouragement of major state firms to expand abroad, particularly in developing countries. ICBC accordingly bought into Standard Bank because Chinese companies are swarming to Africa to do business: China wanted to boost its provision of financial services such as trade finance to Chinese clients in Africa. The rationale for the Chinese bank's investment in Standard Bank was aimed at giving them access into Africa where there are big natural resources and increasing trade with Africa. Standard Bank, in turn, was granted access to the world's fastest-growing economy, further enhance its capital base and boost the bank's ability to facilitate and finance trade flows between Africa and Asia. Yet, to date, the match has not quite lived up to expectations. Revenues that could clearly be credited to it seemed slow in coming; then Standard Bank gave up looking for them. In spite of the growing Chinese presence in Africa, Standard Bank never secured the fees and bragging rights that arranging a Chinese takeover of an African firm or a big infrastructure investment would have brought.

The reasons for the lack of anticipated growth has been attributed to three reasons: 1) many big Chinese investments in Africa are negotiated government-to-government or funneled through state development banks; 2) the 2008 global financial crisis put cross-border deals on ice for a while; and 3) the two banks with very different cultures tied the knot after a whirlwind romance and needed time to get to know each other.

Navigating the OBOR initiative in Africa

The flow of trade and investment between China and Africa had grown rapidly since the turn of the century in large part because of China's hunger for Africa's natural resources. China's deepening involvement across Africa has become the subject of much debate: there are two competing schools of thought, which tend to narrowly characterise China's behaviour in Africa as either inherently good or bad. For scholars of the former persuasion China's engagements in Africa is benign and does not threaten Africa's development. It is asserted that China's increased trade, investment and aid will assist in achieving sustainable development across the continent. For opponents of China's initiatives in Africa, China is the "new imperial power" in Africa with a "colonialist project" that will perpetuate Africa's underdevelopment through exploitation, extraction and destruction of Africa's resources and industrial capacity.

Although the OBOR offers many opportunities to boost trade, but it also brings with it certain risks that will need to be navigated effectively on a state by state basis. Most concerns about China's conduct in Africa focus on its 'no strings attached' approach and its permissive policies which, it is alleged, support and strengthen undemocratic and repressive regimes, undermine the fight against corruption and good governance, weaken social and environmental standards, and could initiate a new cycle of debt and dependence. In the recent press conference, the deputy director confirmed China's support for the development of Africa, and that it will not interfere in domestic affairs or impose its will upon counterparty states.

The significant issues underpinning the China-Africa discussion is how African governments and policy makers are defining their engagement with China. There are a range of actions by OBOR expanding entities that would go a long way towards confirming the OBOR's commitment to promoting economic and cultural exchange, namely:

- involving local stakeholders in the relevant jurisdiction to promote the inclusion of locals and balancing the interests of the stakeholders that will be involved or effected by the particular venture;
- paying especially close attention to their treatment of local workers and the environmental impact of investment projects;
- welcoming concerns and interests of nongovernmental organizations and work with civil society actors in the relevant OBOR countries as NGOs are very active are becoming important spokesmen for civil society;
- effectively integrating knowledgeable foreign talent into the management of overseas investment operations;
- be concerned about corporate social responsibility, because effective corporate social responsibility can go a long way in reducing the internal security risks faced by firms seeking to invest in OBOR countries.

Governance failures, ranging from corruption to inefficient implementation of business strategies will also pose a significant threat to OBOR initiatives. If the OBOR initiative is to succeed there can be no corruption: not only would corruption hurt the OBOR initiative, but it would also undermine China's ability to pursue other cross-border initiatives in the future. All projects must be transparent and include effective checks and balances.

Conclusion

There can be no “all-purpose” approach as OBOR is, and remains, a commercial project which requires the counterparty states to make a long-term commitment to partnering with China. The effect of China’s involvement in Africa will be good or bad for Africa on the basis of how Africa’s political and economic elites engage with China.



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Long-term business relationships between China and EU: Challenges and Threats

EU vs. China – comparison	EU	CHINA
Population (2017)	506,279,458	1,388,232,693
Area (km ²)	4,239,681	9,386,293
GDP (billion € 2016)	€ 14 824	€ 10 135
Share in world trade in goods 2016	15,1 %	14,8 %

The EU-China 2020 Strategic Agenda for Cooperation

In 2016 the EU adopted a new strategy on China mapping out the European Union's relationship with China for the next five years.

The Strategy:

- √promotes reciprocity,
- √promotes a level playing field
- √Promotes fair competition across all areas of co-operation
- √includes a trade agenda with a strong focus on improving market access opportunities—including negotiations on a Comprehensive Agreement on Investment
- √deals with overcapacity and calling on China to engage with ambition at multilateral level.

The relations and interdependence between EU and China today

- The European Union and China are two of the biggest traders in the world
- China is now the EU's second-biggest trading partner behind the United States
- The EU is China's biggest trading partner

Balance of trade

Although the EU currently has a trade deficit with China, this is compensated by European exports to other destinations; but it also shows the challenges for EU in future export to China.

Relation between Export and FDI

China Trade with EU:

- EU is the first trading partner
- Intermediate good are an important parts of Chinese Imports
- Integration of supply chains more and more important
- China OFDI increasing

Chinese FDI

- Core European Economies are in the focus of Chinese Investors.
- Chinese direct investment in Europe and worldwide has reached new record levels in 2016.
- In 2016, Chinese foreign direct investments in the EU reached 35 billion euros, a 77 percent increase over the previous year.
- Chinese FDI in Europe Surges, while EU FDI in China Declines.

Impact of Chinese Fdi in EU

- New capital
- Employment
- Consumer welfare
- Shareholder value
- Productivity effects?
- Keeping China's market open
- Convergence



Professor Philip Rutledge

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One Belt – One Road: New Opportunities and New Risks

Risks to Success of One Belt – One Road (“OBOR”)

- OBOR seeks to expand global trade that has lifted millions out of subsistence living.
- But, businesses thrive on predictability, stability and consistency.
- China is a signatory to the UN Convention on the International Sale of Goods that allocates risks among parties in the transport of goods.
- Nations along the OBOR should do the same.

Threats to Stability, Consistency and Predictability

- Tax regimes that are not transparent and consistently applied.
- Allocation of credit not based on the merits of the business plan but on state direction or undue influence.
- Failure to provide for effective protection of physical and intellectual property rights as the value of global trade is increasingly residing computer code rather than goods.
- Corruption of officials which prevents businesses from being treated equally and acts as an extra “tax” or cost of business which adversely affects the ultimate consumer.
- President Xi has recognized this issue.
- The UK has brought in its Bribery Act.
- But, what are other nations along the OBOR doing to combat official corruption?
- Inefficient resolution of business disputes .
- Businesses should be able to take disputes to:
 - An accessible, independent and impartial tribunal.
 - Consisting of persons experienced in business and who have a clear understanding of applicable law.
 - Who will follow published rules of procedure.
 - Issue a reasoned written decision that is public.
 - Be able to impose appropriate remedies that are enforceable in countries within the OBOR.

The information in this presentation should not be construed as legal or other professional advice or opinions on specific facts or matters. Distribution hereof shall not constitute an attorney-client relation. Questions regarding information in this presentation may be directed to the presenter or another attorney at Bybel Rutledge LLP.



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One Belt One Road Initiative - the new Silk Road The road to sound, stable and honest business Opportunities and Risks

Belt and Road Initiative

- Policy Coordination
- Facilities connectivity
- Unimpeded trade
- Financial Integration
- People to people bonds

Potential

- Increased trade between China and the roughly 60 countries:
 - Annual trade expected to be at US\$ 2.5 trillion in 2025 compared to US\$ 1 trillion in 2015 (Xinhua)
- McKinsey Institute:
 - By 2050, the Belt and Road region aims to contribute 80% of global GDP growth, and
 - advance 3 billion people into the middle class

Risks

- Inclusivity
- Sustained collaborative approach and local capacity building
- Sustainability

Conclusion

- Initiative has a lot of potential, and other countries can contribute their comparative strengths.
- Benefits will not only be economic and trade-related, but also developmental.
- Need to actively ensure that the poorest benefit from the initiatives.



The Hon Justice O Faji

欧·法吉荣誉法官

Judge of the Federal High Court, Nigeria

Speech by The Hon Justice O Faji

Nigeria has a long history with China with Chinese interests in the areas of construction (roads, airports, rail), oil and gas, and tourism.

Nigeria has a large population hence large market for Chinese goods and services.

CHALLENGES:

- Need for more compliance with intellectual property laws more adherence to immigration rules on expatriate quota and repatriation of funds.
- Chinese labour standards in Nigeria not decent and fair.
- More should be done by China in the area of technology transfer.

The environment in Nigeria is also conducive.

We have efficient dispute resolution system. Nigeria has an efficient arbitration community- fastest growing branch of the chartered institute in UK. Nigeria has same legal system as UK. Nigeria, like China is a party to the New York Convention on enforcement of arbitral awards. There are court annexed ADR systems in commercial cities of Lagos, Abuja and Port Harcourt.

There are reforms in the court system and arbitration law to bring them in line with international best practices.

Nigeria is ready for business.

Visa process must be concluded within 48 hours of submission of application.

The ports operate for 24 hours.

Zero tolerance for corruption- strong whistle blower policy. Nigeria has domesticated the United Nations convention on corruption.

Registration of business has been automated.

There is mutual legal assistance regime. There are trade treaties with many countries as well as arbitration and assistance is the collection of evidence.

There is law and order since the main insurgency group- BOKO HARAM- has been decimated.



Professor Bogdan Mróz

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The One Belt, One Road (OBOR) regional integration initiative

- The New Silk Road is a gigantic project launched by the Chinese Presidential Administration Xi Jinping since autumn 2013.
- It is made up of China's maritime and land network with Europe - their largest trading partner.

What is OBOR?

- more than 4 billion people
- areas generating 55 percent of the world's GNP
- 70 percent of the global population
- 75 percent of known energy reserves
- China's total costs 1.4 (5/7) trillion dollars
- China aspires to achieve an annual trade worth US\$2.5 trillion between the countries located along OBOR within ten years.

The OBOR is aimed at five strategic assumptions:

1. tightening political and economic contacts;
2. construction of road connections (which would reach "from the Pacific to the Baltic");
3. removing barriers to trade;
4. increase the money exchange (ie the opening of new credit lines and subsidiaries of Chinese banks);
5. tightening people-to-people contacts.

Which countries ?

Countries can be categorized very roughly by distinguishing three factors:

- (1) whether a country hosts major concrete 'OBOR projects';
- (2) whether China attaches great importance and attention to a country in terms of its OBOR outreach; and
- (3) whether a country is strongly receptive to China's OBOR initiative.

16 plus 1: Cooperation between China and Central and Eastern European Countries

>Albania

>Bosnia and Herzegovina

>Bulgaria

>Croatia

>Czech Republic

>Estonia

>Hungary

>Latvia

>Lithuania

>Macedonia

>Montenegro

>Poland

>Romania

>Serbia

>Slovak Republic

>Slovenia

Will OBOR change the geography of Southern Europe production?

- Railways will help probably more Germany and its supply chains
- Maritime routes could give some advantage to southern Europe
- Piraeus could displace north Adriatic ports and give advantages to East European countries

Threats

- Potential of enhanced connectivity could be assessed against its negative effects such as increased organised crime, illegal trafficking, terrorist activities and more counterfeited goods.
- Exposure of Europe to China's macroeconomic swings.
- Technology and assets transfer.
- Asymmetries between EU and China.
- Less control on value Chains.
- Different attitudes towards European countries.
- Difficult to put together politics and business.

Problems with China

- a lack of industrial policies transparency and non-tariff measures that discriminate foreign companies.
- strong government intervention in the economy, resulting in a dominant position of state-owned firms, unequal access to subsidies and cheap financing.
- poor protection and enforcement of intellectual property rights.

Conclusions

- The context of EU - China relations has dramatically changed over the past five years.
- Since 2004, the EU has been China's largest trading partner and China is the EU's second largest trading partner.
- Trade interdependence between the EU and China should be the main incentive for the EU to draw attention to and participate in the OBOR project.
- Trade is largely dependent on transport infrastructure, the OBOR project certainly has implications for EU-China trade.
- The OBOR initiative could contribute to shifting the general strategic orientations of the EU member states, which would then rely less on the United States.
- Probably Eastern Europe has the largest opportunities to tighten economic cooperation with China.
- New links are expected to reduce shipping times for Chinese goods by the days, thus increasing their competitiveness on the European market and contribute to economic growth.

Closing Speech by President Song Wenli

Dear Guests, Friends, Ladies and Gentleman,

After four very busy days and a wonderful effort from everybody involved, the Belt and Road Development Forum for global Sichuan merchants has achieved complete success. This forum had three distinct features: The first one stressed the development strategy of the belt and road and the opportunity for world cooperation; the second one is the comprehensive participation of the representatives from around the world have attended this forum. Thirdly the in-depth discussions which focused on openness, cooperation, development, mutual benefit, co-construction and sharing, we have brought forward many new ideas, measures, paths and opportunities.

We have achieved consensus on three matters:

Firstly, we all agreed that the Belt and Road development strategy does not only belong to China but also to the world. This strategy is a perfect solution to the problems of "Peace Deficit, Development Deficit, and Governance Deficit" of the world.

Secondly, we all agreed that the Belt and Road development strategy is not only a significant strategic opportunity but also a challenge. We need to seize the opportunity and deal with the challenge. More importantly, the world not only needs to share large development opportunities, work together to expand positive energy and seek massive development, but also needs to assume the risk of development and work together to reduce negative influences. The world needs to prevent and solve different risks together; develop and move forward together; share interest, assume risks and bear costs together.

Thirdly, the speeches, strategies and discussions from the presentations and articles from these experts are highly theoretical and practical which can enlighten and teach us on how to fit in the Belt and Road development strategy; the second achievement is that we have signed a series of business project intention agreements; and the third achievement is that we have established cooperative relationships and systems among global Sichuan businessmen, and between Sichuan merchants and overseas bases.

Dear Guests and Friends,

After this conference, we will do three more things for everyone. Firstly, we will summarize the achievements of this event and publish special reports and articles accordingly and send them to relevant leaders, departments and representatives. Secondly, we will continue to develop the functions of this conference as a platform and establish a mechanism for future activities. We will take advantage of international communication and cooperation functions of this forum, and host relevant themed events from time to time. We will take further steps to make Sichuan merchants and internationalization fit in the Belt and Road strategy, and we will participate in the grand construction of the Belt and Road. Thirdly, as conditions mature, we will use this forum to establish the Belt and Road Development Cooperation Association for Sichuan merchants across the world and set up an information headquarters, wisdom headquarters, liaison headquarters, and service headquarters for the Development of the Belt and Road of global Sichuan merchants.

CLOSING SPEECH BY PRESIDENT SONG WENLI

Dear Guests and Friends, long distance separates no bosom friends.

The world is a big family. We global Sichuan business people are a family. This Conference is ending, but our cooperation, communication, and particularly our friendship is just starting. Let's look forward to very much more to come in the future.

Wish everybody a successful career or business and a have a safe trip back to home!



The views expressed in this publication are speaker's own and do not necessarily reflect the views of UK Sichuan Business Association

THE FIRST GLOBAL SICHUAN ENTREPRENEURS
"BELT AND ROAD"UK CONFERENCE

THANKS TO

Embassy of the people's Republic of China in the United Kingdom

Sichuan Provincial Department of Commerce

Sichuan Provincial investment Promotion Bureau

Sichuan Overseas Exchanges Association

Sichuan Provincial Federation of Industry and Commerce

Jesus College, Cambridge

Sichuan Provincial Merchants Association