



2016-2017 Annual Report



APPCG at British Embassy in Beijing, meeting students taking part in the British Council "Generation UK" programme

The All Party Parliamentary China Group is sponsored by:



“A great insight for me into the Chinese economic and political system – and lots covered in our programme in a short space of time. The visit was well focused and extremely worthwhile.”

Chris Leslie
MP for Nottingham East

“A fascinating trip which was hugely informative. I am now much better briefed on both Hong Kong-UK relations and opportunities for closer ties in the future.”

Stephen Hammond
MP for Wimbledon

“The businesses in Newcastle found [the ‘China Business Seminar’] extremely useful. They liked the actual and practical examples from people who had direct experience of trading with China. They were also pleased to see so many other businesses and organisations in Newcastle with Chinese connections or who were looking to do business with China.”

Chi Onwurah
MP for Newcastle upon Tyne Central

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Foreword by Richard Graham MP



2016-17 has been another year of increasing our engagement with China. The APPCG has continued to offer parliamentarians opportunities to visit China and see first hand the opportunities and challenges on the mainland and in Hong Kong.

At a time when much of our politics has been dominated by the Referendum, the process of leaving the EU and the recent General Election, it is good that APPCG membership has continued to rise (to 312), with 10 new members from the 2017 intake.

Thanks to the generosity of our sponsors, 16 Members of Parliament were able to visit China (Beijing and Wuhan) and Hong Kong, bringing a total of 40 members who've been able to visit since the May 2015 election. It remains our ambition to enable 125 members to visit China (including HK) by the middle of 2020, and comments quoted at the front of this report confirm how valuable members find these trips.

It is encouraging that Welsh Secretary Alun Cairns, International Trade Minister Mark Garnier and Asia Minister 2015-2016 (now Housing Minister) Alok Sharma all first visited China in 2011 with the APPCG. We aim to help prepare parliamentarians with an understanding of China whatever their future responsibilities, whether in government, on opposition front benches, as Trade Envoys, on Select Committees or in our constituencies – supporting British businesses and other organisations now engaging with China.

This year, in our first ever visit to Wuhan, our new Consulate-General deepened our understanding of the vast confluence of cities on the Yangtze River (and the risk of floods, as great as in Gloucestershire) and the export opportunities especially for education, cars and aviation related skills. Our latest engagement with the National People's Congress (NPC) also covered much bilateral ground, and for the first time we participated in discussions with the Party School, following their Director's recent visit here.

The visit Stephen Hammond led to Hong Kong had good discussions with then Chief Secretary (now Chief Executive) Carrie Lam and Justice Secretary Rimsky Yuen, and confirmed a positive backdrop to this summer's 20th Anniversary of the Establishment of the Hong Kong SAR. The Joint Declaration of 1984, and the freedoms guaranteed for Hong Kong therein for 50 years, are of course an important commitment by both signatories and this APPCG as well as our government has a key role in standing up for

the principles of “one country, two systems”, including those freedoms which underpin the continuing success of Hong Kong.

In any strategic partnership there will be challenges: the new May government's review last summer of written and verbal agreements on nuclear power, and especially the EDF joint venture with CGN for the new Hinkley Point station, was one of those. However, a positive outcome of both clarification and continuity was delivered.

The Chinese government has made a point this year in international forums of highlighting its commitment to free trade and prosperity, as well as the Paris climate change agreement. I hope very much that amongst our wider relationship, which includes streamlined visa processes and a considerable increase of Chinese students studying in the UK, that market access in China increases especially for British services, which have so much to offer. This is especially important if we are to realise the full potential of leaving the EU and negotiating our own bilateral Free Trade Agreement with China.

Meanwhile we need to inject more energy into our cooperation with the China-Britain Business Council in holding constituency China seminars (10 so far since 2015), which should encourage more bilateral trade, and holding more discussion and briefing events in Parliament over the winter once the APPCG is re-created.

Key to that will be our Coordinator Florence Rountree, whom we should all thank for her commitment and energy, particularly in organising such interesting visits to China. These also depend on the close help of our own Embassy, the FCO, the Chinese Embassy and the NPC; as well as the HKETO, the British Consulate-General and the HKSAR government for visits to HK. These partnerships remain key to enabling members to increase our understanding of China and I am grateful to them all.

Few of our events, and none of our travel to China, would be possible without our kind sponsors – Arup, Cambridge Assessment, City of London, HSBC and Swires – and I'm delighted that we have added one new sponsor, EDF Energy, just before this AGM. Thank you all very much.

I'm sure we will have another exciting year of APPCG activity and discussion. I hope lots of members will join us to participate and to travel, and welcome ideas for new events.



Richard Graham MP
Chair of the All Party Parliamentary China Group

APPCG Trip Reports 2016-2017

4.1 Parliamentary Delegation to Beijing and Wuhan, 13-18 November 2016

In November 2016, Chair of the APPCG Richard Graham MP, led a delegation of 5 parliamentarians to Beijing and Wuhan. Joining the delegation were Bernard Jenkin MP, Chris Leslie MP, Shabana Mahmood MP, Steve McCabe MP, and Michelle Thomson MP.

The visit was themed around rule of law, with detailed briefings on human rights and the business legal environment from the British Embassy in Beijing, and a discussion with legal professors from the Wuhan University School of Law, which has worked for many years on criminal law reform projects with the Great Britain-China Centre (a non-departmental public body under the Foreign & Commonwealth Office), to promote for example the reduction of the use of the death penalty.



Delegates with NPC FAC Vice-Chair Cao Weizhou outside Great Hall of the People

In Beijing, the delegation held high-level meetings with counterparts in the National People's Congress (NPC), and with Director-General Mr Chen Xu at the Ministry of Foreign Affairs. Discussions with Vice-Chair of the NPC Foreign Affairs Committee Mr Cao Weizhou covered people-to-people links and relationship building between our two parliaments, and the situation in Tibet and Hong Kong. In Wuhan, the group met with local congress and government representatives, led by Vice-Governor of Hubei Province Mr Tian Chengzhong.

This visit was also a good opportunity to strengthen UK links with the Central Party School (CPS), as delegates took part in a roundtable on the topic of "strengthening state-society relations", with senior academics and officials led by Liu Jianfei, Executive Deputy Dean of the CPS Institute for International Strategic Studies and former Chevening scholar.

Delegates were introduced to a wide range of British interests in China, including at a CBBC-DIT business reception with British producers, hosted by Defra Secretary of State the Rt Hon Andrea Leadsom MP, at a British Council briefing where delegates met young British interns and students, and at a meeting with innovative UK company Mediwise, who are benefitting from a Wuhan government grant scheme to attract overseas technology and talent. UK-China educational links were particularly visible in Wuhan: the group visited a local school where Cambridge International Examinations are delivering A-level courses to Chinese students, and also visited Wuhan Textile University, where Birmingham City University is jointly offering undergraduate programmes through the "Birmingham Institute of Fashion and Creative Art (BICFA)" – set up in September 2016 with an initial intake of 300 people, and as many as 3,500 students expected over the next seven years, all with the option to undertake half of their studies in the UK.



Meeting Cambridge A-level students at Wuhan Foreign Language School

4.2 Parliamentary Delegation to Hong Kong, 9-13 January 2017

At the invitation of the Hong Kong government, the APPCG sent a cross-party delegation of ten MPs led by Stephen Hammond MP to Hong Kong. Joining the delegation were Lisa Cameron MP, Rosie Cooper MP, Byron Davies MP, Jonathan Djanogly MP, James Duddridge MP, Nusrat Ghani MP, Kate Hollern MP, Tristram Hunt MP, and Angus Macneil MP. This trip took place amid the candidate announcements for the new Chief Executive, and delegates were particularly interested to meet Carrie Lam, who announced her candidacy for the role during the week.



*APPCG with Chief Secretary Carrie Lam
(now Chief Executive of Hong Kong)*

The delegation received briefings from senior government officials including Chief Secretary Carrie Lam, Justice Secretary Rimsky Yuen, President of the Legislative Council Andrew Leung, and a cross-party selection of LegCo members. At the forefront of discussions during these meetings were issues relating to justice and the rule of law, as well as financial services in Hong Kong and the UK role in this sector – particularly in a post-Brexit environment. Delegates were keen to understand the status of ongoing investigations into certain Legislative Council members in relation to their oaths of office, and the relationship between the mainland and Hong Kong in dealing with these matters. Though the case was ongoing at the time of the visit, delegates were grateful for their frank discussion with the Justice Secretary in particular.

In meetings with the Executive Director of the Hong Kong Monetary Authority, the Managing Director of HKEx, the British Chamber of Commerce, HSBC's Chief Executive for Greater China, and the Permanent Secretaries of both the Commerce and Economic Development Bureau and the Financial Services and the Treasury Bureau, delegates were briefed on a wide range of topics relating to financial and professional services in Hong Kong, from efforts to maintain macroeconomic stability and regulating payments, to innovation in fintech, cybersecurity and mobile payments. The importance of the HK-Shanghai and HK-Shenzhen Stock Connects for maintaining Hong Kong's competitive position was made clear, as were the opportunities for UK involvement in these developments going forwards.

Hong Kong's work to become a technology and innovation hub were also demonstrated through a vibrant meeting at the Hong Kong Science and Technology Park, where delegates heard an "elevator pitch" from a young entrepreneur creating a mobile app for football fans, and at the MTR where delegates rode Hong Kong's underground system and heard about the role the MTR is playing in operating both the London Overground and Crossrail. Delegates also heard about Hong Kong's challenges in providing housing, promoting tourism, and developing large-scale infrastructure such as the HK-Zhuhai-Macao Bridge and the Hong Kong Airport Third Runway.

The above engagements were complemented by meetings with local journalists at the Foreign Correspondents Club, and a breakfast roundtable discussion with Vision 2047. These elements of the programme acted as useful conductors for the information received at the official government meetings.

The APPCG is grateful to the HKETO for these valuable opportunities to engage Parliamentarians with the politics and economics of Hong Kong, and we are grateful to the FCO and British Consulate-General in Hong Kong for their briefings and support.

Events 2016-2017



2016

- 28 Jun** – AGM / Meeting with British Ambassador to China, Dame Barbara Woodward DCMG OBE
- 7 Jul** – Briefing from Mme FU Ying, Chair of the NPC Foreign Affairs Committee
- 11 Jul** – APPCG hosts British business delegation from China in the House of Lords
- 13 Jul** – APPCG-Institute of Directors City Branch Dinner
- 18 Oct** – Lunch with Chinese Ambassador to the UK H.E. Liu Xiaoming
- 19 Oct** – Briefing from Alok Sharma MP, Minister for Asia and the Pacific
- 24 Oct** – The Lord Mayor briefs the APPCG: “The City, China, and Brexit” with Sir Tom Troubridge (CBBC), Stephen King (HSBC), and David Sayer (KPMG)
- 13-18 Nov** – Delegation of 6 Parliamentarians to Beijing & Wuhan
- 11 Nov** – APPCG-Hong Kong Association Dinner

2017

- 9-13 Jan** – Delegation of 10 Parliamentarians to Hong Kong
- 1 Feb** – APPCG Chinese New Year Reception
Guests of Honour: Rt Hon Greg Hands MP and H.E. Ambassador Liu Xiaoming
- 27 Feb** – “China-Europe Economic Relations After Brexit” (with the Young China Watchers)
- 2 Mar** – “The New Silk Roads: Is the Age of the West Coming to an End?” with Dr Peter Frankopan, bestselling author and Oxford University historian
- 28 Mar** – APPCG Meets with Delegation from NPC Ethnic Affairs Committee
- 29 Mar** – “What Are The Challenges for British Business in China?” with Stephen Phillips (CBBC) and Richard Burn (DIT)
- 12 July** – Dinner to mark the 20th Anniversary of the Establishment of the HKSARG
Guests of Honour: Asia Minister Rt Hon Mark Field MP and Lord Wilson of Tillyorn
- 18 July** – AGM / Update on UK-China relations with Chinese Embassy Minister Ma Hui & Sir Martin Davidson, Chair of the Great Britain-China Centre
- TBC** – Autumn visit to China

2016-2017 APPCG Officers

Chair: Richard Graham MP

Deputy Chairs: Lord Clement-Jones CBE
Geoffrey Clifton-Brown MP
Rt Hon David Hanson MP
Rt Hon Alex Salmond MP
Rt Hon Lord Steel

Treasurer: Rt Hon John Spellar MP

Secretary: Lord Cotter

Hong Kong Sub Committee Chair: Lord Wei

Vice-Chairs: Tasmina Ahmed-Sheikh MP – Vice Chair for Scotland
David Simpson MP – Vice Chair for Northern Ireland
Craig Williams MP – Vice Chair for Wales

Nigel Evans MP – Vice Chair for Cross Strait Relations

Yvonne Fovargue MP – Vice Chair for the Consumer Economy

Roger Godsiff MP – Vice Chair for Energy & Natural Resources

Stephen Hammond MP – Vice Chair for Financial Services: Trade & Investment

Mark Hendrick MP – Vice Chair

Robert Jenrick MP – Vice Chair for Education & Culture

Jeremy Lefroy MP – Vice Chair for Locality Partnerships

Chris Leslie MP – Vice Chair for Financial Services: Regulation & Stability

Angus MacNeil MP – Vice Chair

Alan Mak MP – Vice Chair for Young People

Jason McCartney MP – Vice Chair for Science & Technology

Madeleine Moon MP – Vice Chair for Human Rights & Gender Issues

Will Quince MP – Vice Chair for Transport

Geoffrey Robinson MP – Vice Chair for Industry

Michelle Thomson MP – Vice Chair for Trade

Julian Sturdy MP – Vice Chair for Agriculture

Catherine West MP – Vice Chair for the Chinese Diaspora

Treasurer's Report as of 18 July 2017

The All Party Parliamentary China Group has raised £34,000 in sponsorship in 2016-2017. Owing to the timing of the 2017 General Election, annual subscription renewals were requested in close proximity to the AGM, and are yet to appear in the accounts.

All sponsors have committed to renewing their subscription, and we expect these payments to appear in the accounts within the next 30 days.

Against total spending, the APPCG has produced a shortfall of £7,792.77 and carries over a total of £43,739.51 into 2017-2018. This shortfall reflects the delay on sponsorship payments owing to the 2017 General Election.

The five core sponsors and three project sponsors have given wonderful support to the APPCG, without which none of our work would have been possible.

The accounts have been well managed and finances remain healthy.

Rt Hon John Spellar MP
Treasurer
18 July 2017

Accounts

(June 2016 – July 2017)

Balance brought forward from previous year	£ 51,532.28
Total expenses	£ 41,807.84
Total income (sponsorship and interest received)	£ 34,015.07
Balance carried forward	£ 43,739.51

APPCG Sponsors

A special welcome to our new sponsor:



And with thanks to all our existing sponsors:

