

# 2017-2018 Annual Report



*APPCG at LegCo in Hong Kong, meeting LegCo members*

*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**

*“I was most grateful for the opportunity to join the All Party visit to China earlier in the summer. I found it an incredibly interesting trip, enlightening and stimulating.”*

**Leo Docherty**  
**MP for Aldershot**

*“The visit to Hong Kong gave me a great oversight into the current political and economic situation in the region. This will really help me speak from a basis of understanding as future issues arise.”*

**Sarah Champion**  
**MP for Rotherham**

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## Foreword by Richard Graham MP

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Although Brexit has inevitably dominated me, the UK and Parliament, the bilateral relationship between China and the UK has been a key government priority with Prime Minister Theresa May's visit to China and Foreign Secretary Jeremy Hunt's first visit abroad to Beijing. China awareness and interest in Parliament has been steadily been growing with increased membership to 324 members (up 14 members) including 29 officers covering a wide portfolio of interests as well as increased participation in all of our events

The All Party Parliamentary China Group has taken three delegations to mainland China and Hong Kong this year visiting six cities from the southern Guangdong & Guangxi province to the northernmost province Heilongjiang on the Russian border.

Led by Will Quince MP, the APPCG visited the economically advanced cities of China's Pearl River delta, Guangzhou and Shenzhen as well as up the river Li to Guilin's unique karst topography. The delegates understood the term 'Shenzhen speed' as the tech hub they stood in was a sleepy fishing village just 20 years ago, before designated as a Special Economic Zone by Deng Xiaoping.

In the eastern coastal city of Qingdao, the APPCG, led by Sir Geoffrey Clifton-Brown witnessed the flourishing relationship between the UK and Shandong province: 14 of the largest UK companies have offices in Shandong with considerable UK investment in the region. The summer cool of Harbin (famous for its winter ice sculptures) was welcomed and the delegation learnt about the central role of Heilongjiang in China's food security.

I visited Beijing and Shanghai with the Prime Minister and a business delegation of 50 and led a delegation to Hong Kong in February. We held discussions on the importance of an independent judiciary and Rule of Law to the workings of the 'one country, two systems' formula at a time when some concerns have been raised about Hong Kong's continuing autonomy. The Anglo-Chinese Joint Declaration of 1984 sets out our joint commitment to six key freedoms in Hong Kong. Sir Geoffrey Clifton-Brown took over when I left for the UK-China Leadership Forum in Beijing and the delegation visited charities, farms and government departments as well as a helicopter tour seeing infrastructure developments, some involving UK expertise.

These visits, as can be seen by some of the comments above, are immensely valuable for Parliamentarians to experience firsthand the scale of growth that has taken place over

the last few decades in China and some of the pressures that arise from such growth. Understanding viewpoints and priorities in one of the most important countries in the world informs parliamentarians in our future responsibilities, whether in government or in opposition, in our constituencies as well as for businesses and councils.

The APPCG held over 20 events and meetings this year in which we have explored a range of issues important to the bilateral relationship from tourism to the financial sector; from illegal wildlife trade to sustainable development along the Belt and Road as well as exploring our education links with China.

We also continue to host senior level briefings for parliamentarians, with visits this year from Carrie Lam, Hong Kong's Chief Executive; Teresa Cheng, Hong Kong's Secretary for Justice; the Vice Chair of the Foreign Affairs Committee of the National People's Congress, Madam Fu Ying; as well as the Chinese Ambassador Liu Xiaoming and the Lord Mayor of London, Alderman Charles Bowman.

As in any strategic relationship, there are challenges. The world has never been so tightly integrated and interdependent and what happens in the looming US-China trade war, climate change negotiations, in differing interpretation of freedom-of-navigation rights or in the development of the BRI countries will affect us all. Continued engagement and communication, particularly between two systems underpinned by different values, that we are able to better understand each other and resolve challenges as they arise.

Our role also depends on the close help of our own Embassy and Consulates, the FCO, the Chinese Embassy in London and the NPC; as well as the HKETO, the British Consulate-General in Hong Kong and the HKSAR government whose partnership on visits to HK we value. These partnerships remain key to our understanding of China and I am grateful to you all.

Lastly, few of our events and none of our travel would be possible if not for our sponsors - Arup, Cambridge Assessment, City of London, HSBC and Swires - to whom we are immensely grateful. Thank you all very much as well as EDF Energy for 2017-2018.

We have another exciting year ahead of us



**Richard Graham MP**  
**Chair of the All Party Parliamentary China Group**

# APPCG Trip Reports 2017-2018

## 2.1 Parliamentary Delegation to Guangzhou and Guilin, 7-10 November 2017

In November 2017, Will Quince led a cross-party delegation of 8 Members of Parliament to Guangzhou and Guangxi. The delegation had representation from the two major political parties, and consisted of Hugh Gaffney MP, Roger Godsiff MP, Sharon Hodgson MP, Julia Lopez MP, Alan Mak MP, Faisal Rashid MP and Giles Watling MP.

The delegation was met by senior officials from the Consulate General in Guangzhou including the Consul General, Karen Maddocks, who introduced the work of HMG in the south China region. APPCG delegates introduced developments in the UK economy at a business forum with Britcham to British companies, who shared their experience on conducting business in the South China market.



The delegates also met with a number of Guangdong Provincial People's Congress to discuss each other's respective systems of governance. They engaged with the Party School in Guangdong, which serves as a training centre for cadres as well as a think-tank that seeks to formulate a response to economic and social issues that arise and set direction the policy direction. They exchanged viewpoints on the merits of providing formal support and development for aspiring or incumbent politicians and reasons for being wary about introducing training to politics.

Through partnership with our sponsors EDF energy, the delegation met with Daya Bay Nuclear plant operated by a subsidiary controlled by China General Nuclear (CGN) power. EDF are currently working together with CGN to deliver Hinckley Point C and delegates deepened their understanding of a Chinese Nuclear Power plant's overall operation which feeds back to discussions in the UK about Chinese investment into UK Nuclear Power. Delegates also toured a factory of Huawei Technologies, another Chinese company with significant operations in the UK. They were able to ask questions about data protection, privacy and ethical standards, at a time when Huawei face scrutiny for their level of exposure to national technological infrastructure. The delegates also visited Guangzhou Women & Children medical centre, the largest hospital and research institution in South China for women and children's health.



Travelling up the Li River, the delegates were taken to visit Guilin, a popular tourist destination renowned for its unique landscape. They discussed with senior officials from the region how to take forward ecotourism in a sustainable way and how to pave the way for the UK to work more closely with Guilin on related issues including sustainable urban planning, low carbon policy and green business engagement.

## 2.2 Parliamentary Delegation to Hong Kong, 8-13 April 2018

At the invitation of the Hong Kong government, the APPCG sent a cross-party delegation of six MPs and Peers to Hong Kong, led for the first day by the Chair of the APPCG, Richard Graham MP and Sir Geoffrey Clifton-Brown MP for the remainder of the trip. Joining the delegation were Sarah Champion MP, Baroness Northover, Chris Davies MP and Michael Tomlinson MP.



The delegation received briefings from senior government officials including Justice Secretary Teresa Cheng, Chief Secretary of Administration Matthew Cheung and President of the Legislative Council Andrew Leung, and a cross-party selection of LegCo members. The trip took place amid concerns about the deterioration of political freedoms following the disqualification of Agnes Chow from running for the

Legislative Council and the Hong Kong government's denunciation of Benny Tai's remarks. The delegates were particularly keen to discuss the status of independent rule of law in Hong Kong and the relationship between the mainland and Hong Kong in dealing with these matters. Though cases were ongoing, the delegates were grateful for the frank conversation.

Acting as a springboard to the Chinese market, as well as in its unique position as the international hub for multinational companies, Hong Kong has gained a competitive position through the development of its robust legal and financial services. The delegates were keen to listen to briefings from the Secretary for Commerce and Economic Development, the British Chamber of Commerce in Hong Kong and the Director-General of Investment promotion on how Hong Kong will adapt in the face of dramatic changes in its positioning vis-à-vis the mainland. In particular, they emphasised that Hong Kong's unique position as well as the city's wealth in skills and expertise could play a large role in supporting projects along the Belt and Road Initiative.

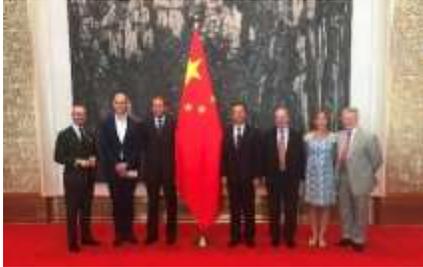
Both sides were keen to discuss forming closer trading ties between the UK and HK, especially as the GREAT festival of innovation took place only a short while before the delegates arrived. In addition to promoting tourism and encouraging creativity & innovation, delegates also heard about what Hong Kong is doing to address social problems such as providing housing, a widening wealth gap and an over-competitive education system that in certain cases require interviews for nursery. A visit to Po Leung Kuk, a society for the protection of women and children enlightened the delegates to the need for an expanding range of social services.



Government meetings were supplemented by roundtables with groups such as Vision 2049, when they had an opportunity to speak with British businesses. The delegates were also honoured to meet with the newly elected chair of the Bar Council, Mr Philip J Dykes SC and Hong Kong lawyers in a roundtable hosted by the British Consulate. The APPCG is grateful to the HKETO for these 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 support.

## 2.3 Parliamentary Delegation to Qingdao & Harbin,

In July 2018, the APPCG took a delegation of 6 MPs to Qingdao in Shandong Province and Harbin in Heilongjiang province. The delegation was led by our deputy chair, Sir Geoffrey Clifton-Brown and joining the delegation were Leo Docherty MP, Rebecca Pow MP, Steve McCabe MP, Philip Hollobone MP and Lord Purvis of Tweed.



The delegates arrived in the economic powerhouse of Qingdao in Shandong province, which boasts some of China's best known brands such as Hisense, Hai'er as well as Tsingtao beer. The delegation met with: Mr Song Yuanfang, Municipal National People's Congress to discuss region-region relationship building and how to overcome barriers to developing international relationships; as well as with senior officials from both the Qingdao West Coast New area and Qingdao's High-Tech Industrial Development Zone to discuss best areas to increase cooperation between the UK and China, in which culture, sport as well as marine research was highlighted. Tourism was also noted as a key area in development with the first direct flight between London and Qingdao was opened in November 2017.

Arriving only one month before the "UK Season in Shandong," a series of high profile events organised by the British embassy, there was much excitement about regional cooperation across a range of business sectors. With a focus on regional cooperation, the delegates visited a number of UK interests in Qingdao including; Wanda's Oriental Move Metropolis, designed and constructed with advice from Pinewood Studios; met with Jinmao Holdings who are constructing the first overseas Eden Project to Qingdao; and visited a UK company who have moved their manufacturing facility in Qingdao.

In the second half of the trip, delegates travelled to Harbin in the Heilongjiang region, a lesser travelled region with fewer developed links with the UK. The delegates met with Mr Song Xibin, Vice-Chairman of the Provincial National People's Congress to discuss how to develop UK-Harbin cooperation in a number of areas from tourism to technology to stopping illegal wildlife trade.



The delegates visited a food processing plant, owned by a subsidiary of Associated British Foods, and deepened their understanding of China's challenges in food security, agricultural policy and the role of Heilongjiang in China's sustainable food production. UK-China educational links were visible in both cities visited: The group visited newly constructed HD Qingdao Wanda Qingdao school – sister school of Hurtwood house – a school who aspires to develop China's next generation of creatives. In addition, through APPCG partnership with Cambridge Assessment, the delegates met with students for a discussion of UK-China relations at Heilongjiang International University, who have partnerships with South Bank University, University of Bedfordshire as well as St Mary's.

## Events 2017-2018



### 2017

- 21 Jun** – Hong Kong 20 Year Anniversary Dinner
- 18 Jul** – AGM
- 11 Jul** – APPCG meeting with Mme Fu Ying
- 21 Sept** – APPCG Lunch with Carrie Lam
- 09 Oct** – Annual Hong Kong Association Dinner
- 19 Oct** – “Generation HK: Seeking Identity in China's Shadow” with Ben Bland (with Young China Watchers)
- 07-10 Nov** – Delegation of 10 Parliamentarians to Guangzhou
- 11 Nov** – APPCG in cooperation with GBCC: H.E. Ambassador Liu Xiaoming Talk
- 12 Dec** – Mme Zhao
- 13 Dec** – Annual Dinner with Institute of Directors
- 13 Dec** – Matthew Rous

### 2018

- 31 Jan** – Closure of China's Domestic Ivory Market Reception (with WWF)
- 21 Feb** – APPCG Chinese New Year Reception  
*Guests of Honour:* Rt Hon Liam Fox MP and H.E. Ambassador Liu Xiaoming
- 21 Mar** – Chinese Tourism: A great contributor to growth (with Heathrow, Visit Britain and UK-China Visitor Alliance)
- 8-13 Apr** – Delegation of 6 parliamentarians to Hong Kong
- 24 Apr** – The Belt and Road Initiative Roundtable with James Kynge (Financial Times)
- 22 May** – The Lord Mayor's Briefing
- 23 May** – Generation UK Reception (with British Council)
- 14 June** – APPCG Lunch with Secretary for Justice of Hong Kong
- 27 Jul – 3 Aug** – Delegation of 6 parliamentarians to Qingdao and Harbin

## 2017-2018 APPCG Officers

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**Chair:** Richard Graham MP

**Deputy Chairs:** Lord Clement-Jones CBE  
Sir Geoffrey Clifton-Brown MP  
Catherine West MP  
Rt Hon Lord Steel

**Treasurer:** Rt Hon John Spellar MP

**Secretary:** Lord Cotter

**Hong Kong Sub Committee Chair:** Lord Wei

**Vice-Chairs:** Luke Graham MP – Vice Chair for Scotland  
David Simpson MP – Vice Chair for Northern Ireland  
Rt Hon David Hanson MP – Vice Chair for Wales

Nigel Evans MP – Vice Chair for Cross Strait Relations

Roger Godsiff MP – Vice Chair for Energy & Natural Resources

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

Sir Mark Hendrick MP – Vice Chair

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 Tech & Young People

Baroness Northover – Vice Chair

Mark Pawsey – Vice Chair

Will Quince MP – Vice Chair for Transport

Geoffrey Robinson MP – Vice Chair for Trade & Industry

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

Julian Sturdy MP – Vice Chair for Agriculture

Yvonne Fovargue MP – Vice Chair for the Consumer Economy

## Treasurer's Report as of 24 July 2018

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The All Party Parliamentary China Group has raised £49,000 in sponsorship in 2017-2018.

All sponsors (with the exception of EDF Energy) have committed to increasing their subscriptions for 2017-2018.

The APPCG spent £12,956.88 more than we raised in revenue, carrying over a total of £30,781.61 into 2018-2019. This shortfall reflects a payment of £12,626.00 for international travel to Qingdao & Harbin, a trip that falls into next years annual budget (as it occurs outside the annual period).

The five core sponsors and two 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**  
**29 August 2018**

### Accounts

(June 2017 – July 2018)

<b>Balance brought forward from previous year</b>	£ 43,738.49
<b>Total expenses</b>	£ 61,981.99
<b>Total income (sponsorship and interest received)</b>	£ 49,025.11
<b>Balance carried forward</b>	£ 43,781.61

# APPCG Sponsors

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*With thanks to all our existing sponsors:*

