

Corporate Policy and Strategy Committee

10.00am, Tuesday, 1 October 2013

Investment Engagement Plans – Visit to China

Item number	7.8
Report number	
Wards	All

Links

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Council outcomes [C07, C08, C09](#)

Single Outcome Agreement [S01](#)

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Executive summary

Investment Engagement Plans – Visit to China

Summary

This report summarises the Lord Provost's visit to Guangzhou and Shenzhen, Southern China at the end of June. The Lord Provost joined the Scottish Government's visit programme to launch the 'Edinburgh and Shenzhen – Partners in Creative Industry' programme and signed a Memorandum of Understanding (MOU) on establishing joint International Creative Business Incubation Centres.

Recommendations

Due to the need to confirm urgent travel plans, the Chief Executive of the Council and Council Leader approved the visit under the urgency provisions set out at paragraph 3.1 of the Committee Terms of Reference. The Committee is asked to note the action taken.

Measures of success

- MOU signed between Edinburgh and Shenzhen
- Raising Edinburgh's profile in China
- Boosting incubator space for Edinburgh companies in China
- Attracting new Chinese investors
- Maximising opportunities for Edinburgh businesses in China

Financial impact

The final total cost for three people travelling was approximately £8,500, including return flights to China, internal travel and accommodation costs. Costs were met by the Investor Support budget.

Equalities impact

As part of the process of delivering the Economic Strategy, a full [Equality Impact Assessment](#) has been undertaken.

Sustainability impact

There may be adverse impacts arising from this report in relation to the carbon emissions associated with air travel. The Economic Development Service [operational plan](#) commits to sustainable development and has set out a number of principles for achieving these.

Consultation and engagement

A Team Scotland approach – working with Scottish Government and Scottish Development International to maximise the benefits from international projects for both Edinburgh and Scotland - has been taken to this visit and the MOU signing.

Background reading / external references

The Lord Provost's Visit to China

1. Background

- 1.1 A proposal for developing trade and investment collaboration in the cultural creative sectors between Edinburgh and Shenzhen was presented to Shenzhen, China's first UNESCO City of Design last month. The proposal received positive feedback from our Chinese counterparts and both Shenzhen Municipal Government and the Scottish Government are supportive of the project.

2. Main report

- 2.1 The Scottish Government visited China at the end of June, led by Humza Yousaf, Minister for External Affairs and International Development. A Memorandum of Understanding on the project was signed between the City of Edinburgh Council and Shenzhen Municipal Government during this visit, witnessed by the Minister. Appendix 1 is a copy of the MoU.
- 2.2 The Lord Provost travelled out on Sunday 24 June and returned to Edinburgh in the evening of 27 June. The Shenzhen meetings and signing ceremony took place on Wednesday 26 June.
- 2.3 The Lord Provost was accompanied by the City Officer and a member of staff from the Investor Support team.
- 2.4 Key meetings during the visit included the following:
- The Lord Provost briefed the Consulate General on Edinburgh. The Consulate is based in Guangzhou, and its jurisdiction covers all of southern China. The meeting was extended as there were many areas of collaboration identified. A detailed introduction was given to the Lord Provost on investment from the region to the UK and R&D collaboration between Edinburgh and the region.
 - The Lord Provost conducted a 1-2-1 press interview with Shenzhen Special Zone Daily, a major local newspaper in Shenzhen. The newspaper produces a full-page weekly feature of major foreign cities. The Edinburgh feature (Appendix 2) was published on 16 July, covering the history, culture, economic development and quality of life of Edinburgh. This has greatly increased the awareness of Edinburgh amongst the 10 million population in Shenzhen.
 - Meeting with Mme Wu, Vice Mayor of Shenzhen, and MoU signing. The Lord Provost gave an introduction to Edinburgh and extended an invitation to Mme Wu and her colleagues to visit Edinburgh. The MoU signing ceremony took

place after the meeting. Minister Yousaf and Anne MacColl, CEO of Scottish Development International witnessed the signing.

- Visit to Shenzhen Library and Shenzhen Concert Hall to discuss culture and community development for cities.
- Meeting with Richard Zhong, Director of Europe & Africa Department, Shenzhen Foreign Affairs Office, to discuss a variety of options for showcasing Edinburgh businesses in Shenzhen.

2.5 Follow up actions:

- Economic Development Service to arrange for a civic and business delegation from Shenzhen to visit Edinburgh by the end of the year. Programmes to showcase Edinburgh's culture and creative sector and activities to connect Edinburgh and Shenzhen businesses will be incorporated..
- Invite TV journalists from Shenzhen to produce featured TV programme on Edinburgh during the Shenzhen inward delegation's visit.
- Support an Edinburgh based performance group to attend the Shenzhen International Sister-City Culture and Art week in December 2013.
- Economic Development Service to organise an outward civic and business delegation to China in autumn 2014.

3. Recommendations

- 3.1 The Chief Executive of the Council and Council Leader approved the visit under the urgency provisions set out at paragraph 3.1 of the Committee Terms of Reference. The Committee is asked to note the action taken.

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Head of Economic Development

4. Links

Coalition pledges

- P15** - Work with public organisations, the private sector and social enterprise to promote Edinburgh to investors
- P24** - Maintain and embrace support for our world-famous festivals and events
- P28** - Further strengthen our links with the business community by developing and implementing strategies to promote and protect the economic well being of the city

	P31 - Maintain our City's reputation as the cultural capital of the world by continuing to support and invest in our cultural infrastructure
Council outcomes	CO7 - Edinburgh draws new investment in development and regeneration
	CO8 - Edinburgh's economy creates and sustains job opportunities
	CO9 - Edinburgh residents are able to access job opportunities
Single Outcome Agreement	SO1 - Edinburgh's Economy Delivers increased investment, jobs and opportunities for all
Appendices	Appendix 1 – Signed Memorandum of Understanding Appendix 2 - Screen shot of Edinburgh's feature in Shenzhen Special Zone Daily

Memorandum of Understanding
on
the Establishment of the Edinburgh - Shenzhen International
Creative Industry Incubation Centre

On June 26 2013, the Scottish Minister for External Affairs and International Development, Humza Yousaf and the Lord Provost of the City of Edinburgh Council visited Shenzhen and met with Vice Mayor Madam Wu Yihuan. Both parties exchanged proposals on the establishment of joint International Creative Industry Incubation Centres in Edinburgh and Shenzhen.

In order to enhance the relationship and to promote the collaboration between the cities of Edinburgh and Shenzhen, the City of Edinburgh Council and the City of Shenzhen agreed to sign a "Memorandum of Understanding on Establishing the Edinburgh - Shenzhen International Creative Industry Incubation Centres" and agreed on the following matters of cooperation:

- 1) Based on the principle of mutual benefit, the cities of Edinburgh and Shenzhen will endeavour to strengthen commercial and R & D cooperation in the creative and cultural industry to achieve shared prosperity and development.
- 2) The Heads of the relevant Departments in each city will maintain regular contact in order to promote Edinburgh and Shenzhen as two leading international creative centres.
- 3) Edinburgh and Shenzhen will encourage bilateral business ties and support the internationalisation of local creative businesses by establishing the cultural and creative industries incubator centres.
- 4) Edinburgh and Shenzhen parties will endeavour to increase the trade and investment in the cultural and creative industries and to promote their sustainable development.
- 5) Bilateral cultural and creative industries visits will be carried out between Edinburgh and Shenzhen on the basis of mutual agreement.
- 6) Edinburgh and Shenzhen shall endeavour to establish the "Edinburgh - Shenzhen International Creative Industry Incubator Centre," in both cities and

the first tranche of companies will be encouraged to set up in the incubation centres within 3 years.

7) The above actions will be coordinated by the relevant Department in each city.

This Memorandum of Understanding is written in Chinese and English, each in duplicate, and both texts being equally authentic. This Memorandum of Understanding is signed on 26 June 2013 in Shenzhen with effect from the date of signing.



Mr Xinliang Chen
Deputy Director General
Shenzhen Municipal Bureau of
Culture, Sports and Tourism
People's Republic of China



The Rt Hon Donald Wilson
Lord Provost of the City of
Edinburgh

The screenshot displays the Shenzhen Special Zone Daily (深圳特区报) website. The main article is titled "文化盛事成就创意灵感之都" (Cultural盛事成就创意灵感之都) and is a feature on Edinburgh, Scotland, titled "访英国苏格兰爱丁堡市长当劳·威尔森" (Interview with Edinburgh Mayor Douglas Wilson). The article includes a photograph of the Edinburgh Castle and a portrait of the mayor. A sidebar on the left contains a "标 题 导 航" (Topic Navigation) section with a list of news items, including "第A01: 要闻" (A01: Highlights) and "上半年中国经济增长7.6%" (China's economic growth in the first half of the year reached 7.6%). The website header features the newspaper's name in large characters and the date "2013年07月16日 星期二" (Tuesday, July 16, 2013). The browser's address bar shows the URL "http://szqtb.sznews.com/html/2013-07/16/content_2551769.htm".