
REPORT 5
(1215/52/IM)

MAYORAL DELEGATION TO CHINA JUNE 2010 – REPORT BACK

1. Purpose of Report

To report back on the results of the Wellington delegation that I led to China in June 2010.

2. Executive Summary

From 6 June to 13 June 2010 I led a large business and civic delegation to the cities of Beijing, Tianjin, Shanghai and Xiamen. The main purposes of the delegation were to leverage opportunities created by Shanghai Expo and our city-to-city relationships to build and develop business relationships between Wellington and China, and to strengthen our sister and partner city ties. As the result of an emerging opportunity I also travelled to Japan for one day and night (11 June) to meet with executives from Mitsubishi and Nissan to test-drive their respective electric vehicles to take advantage of an opportunity – through the signing of an MOU - to bring electric vehicles to Wellington earlier than originally planned.

The 65-person delegation comprised more than 40 business people, a cultural performance group, a representative of the Wellington Chinese Garden Society, MP Grant Robertson, a group of eight Asia: New Zealand Young Leaders, and four Council officers.

The delegation to China was very successful and the following positive outcomes were achieved:

City Outcomes

At a civic level the delegation further strengthened Wellington's strong links with our sister-cities Beijing and Xiamen, while a successful visit to Tianjin has resulted in significant strengthening of the Wellington-Tianjin relationship. Wellington signed MoU's with Beijing and Xiamen, which include cooperation on economic development, cultural and educational exchanges, the Wellington Chinese Garden and other areas of mutual interest.

The day spent in Japan also produced tangible outcomes; I signed, on behalf of the city, a MoU to bring Nissan's LEAF vehicles to Wellington in 2011 and increased our understanding of how electric vehicles will contribute to the city achieving the goals of the 2010 Climate Change Action Plan.

Business Outcomes

Feedback from delegation members has been overwhelmingly positive, with the forming of contacts and a more developed understanding of business and government in China cited as some of the key outcomes of the trip.

Business delegates wanted to establish new relationships and strengthen existing ones, and they achieved these goals. At civic functions delegates were able to network with the Mayors and senior officials of some of China's major cities. Access to high-level municipal officials is not possible to achieve through business relationships alone. Also, by being associated with the Mayor of Wellington, the delegates were also able to gain "face" and credibility with their Chinese business partners – an important element of business relationships in China. A number of business opportunities were progressed, and some brought to fruition, in the context of these meetings.

One of the key benefits of being part of the Mayoral delegation was the opportunity for the delegates to develop their knowledge of China. By attending Mayoral functions and mixing with senior officials, as well as Chinese and Kiwi-*expat* business people and New Zealand diplomats, the delegates were able to learn about and experience first-hand how business and government interact closely in decision-making in China.

Looking Forward

The many successes of the Mayoral-led Wellington business delegation have reinforced the importance of the Office of the Mayor and city to city relationships, particularly in China and Japan.

A paper will be developed examining the role and contribution of the Council's international activities within the City's wider economic development context. It will consider ways in which the gains for Wellington businesses to the city obtained on this recent trip can be sustained and made more widely available. This paper will be developed for Council consideration in the next triennium.

See the Appendix for a detailed overview of the programme.

3. Recommendations

It is recommended that the Committee:

1. *Receives the information.*
2. *Notes that a paper identifying the role of the Council's international relations activities in Wellington's economic future as an internationally competitive city will be presented to SPC in the next triennium of the new council.*

4. Background

4.1 China

In March, Council gave approval for me to travel to China in June 2010 to lead a business and cultural delegation to the Shanghai World Expo, and visit our sister cities Beijing and Xiamen and our partner city Tianjin.

China is a very important country for New Zealand. In the two years since the signing of the New Zealand-China Free Trade Agreement, China has gone from being our fourth to our second largest trading partner. Over the next five years the New Zealand Government wants to double annual trade with China – from \$10 billion to \$20 billion. Emphasis will be placed on addressing the trade imbalance between New Zealand and China. The New Zealand Government's strong focus on China could provide support for New Zealand businesses to access significant opportunities in China.

The Shanghai World Expo is running from May to October 2010. One hundred and ninety-two countries are participating. To date over 33 million people have attended the Expo, with around 70 million people expected to attend by October. The Expo and the New Zealand Pavilion presented Wellington with an ideal opportunity to position itself as a creative, innovative, international capital city. Over 1.5 million people had visited the New Zealand Pavilion as of 9 July 2010.

The position of Mayor is held in extremely high regard in China. Mayors are able to open doors for businesses that would have otherwise remained closed. Forty two businesses recognised the value in being part of a mayoral delegation and chose to travel with me to China at their own cost.

The key objective of the mayoral delegation was to facilitate economic opportunities for Wellington businesses to achieve their objectives. To achieve their objectives, business delegates joined the delegation to:

- build new relationships with Chinese businesses and local officials
- strengthen relationships with their Chinese counterparts
- gain a better understanding of doing business in China
- benefit from the Council's relationships and knowledge on China.

Wellington's strong sister city links with Beijing and Xiamen and our close partnership with Tianjin allowed us to build and develop business and cultural connections in those cities. The visit also allowed us to further discussions on joint civic projects, notably the Wellington Chinese Garden.

4.2 Japan

The key purpose of the visit to Japan was to take advantage of an opportunity to make progress on an electric vehicle pilot for Wellington.

The tight time-frame between the confirmation of the opportunities to meet with senior executives in Japan and my travel to China precluded a report being prepared for Council. In line with the Council decision of 28 June 2004, authority for approval was delegated to Deputy Mayor Ian McKinnon and CEO Garry Poole.

4.3 The Council's Electric Vehicle Programme

Through deliberations on the 2010/11 Draft Annual Plan the Strategy and Policy Committee agreed to a range of actions as part of the 2010 Climate Change Action Plan. One of the key new initiatives was to support and promote the uptake of electric vehicles in Wellington. For the 2010 Climate Change Action Plan the Council has allocated \$50,000 operating expenditure (OPEX) for 2010/11 and a further \$50,000 (OPEX) in 2011/2012 for an electric vehicle pilot project. The funding will be used for vehicle lease costs, promotion and project co-ordination.

The pilot aims to have electric vehicles in selected company fleets featured prominently in Wellington, particularly in conjunction with the Rugby World Cup 2011 (from Sept 2011).

The December 2009 Climate Summit for Mayors in Copenhagen highlighted the importance of partnerships between vehicle manufacturers and city authorities, to make electric vehicles an affordable and practical alternative.

It was decided that the next course of action would be to visit two electric vehicle manufacturers in Japan to further partnership opportunities and gain access to new electric vehicles to pilot and showcase in Wellington as one of the first places in the world.

Both Nissan and Mitsubishi believe that Wellington City is a perfect partner for an electric vehicle pilot, given our compact nature, commitment to climate change action and renewable energy, and our innovative culture that means we are willing to try new technologies.

4.3.1 Mitsubishi

The Mitsubishi iMiEV (innovative Mitsubishi Electric Vehicle) is going into production this year and Mitsubishi New Zealand has been exploring partnership opportunities with the Council.

Mitsubishi New Zealand would like to be the first vehicle manufacturer to import Electric vehicles into New Zealand and, to this end, Mitsubishi New Zealand has been encouraging Mitsubishi headquarters in Japan to prioritise

New Zealand as an initial import market. The Council was involved with the national pilot of the Mitsubishi iMiEV in Wellington last year – a project managed by Meridian and Contact Energy.

In May 2010 officers met Mitsubishi, as well as New Zealand-based executives from SIM-Drive, a Japanese company developing in-wheel electric motor technology. SIM-Drive is working with Mitsubishi on the next generation of electric vehicles based on this technology, including conversion of existing cars to electric vehicles.

Following the meeting arrangements were made for me to meet with Mitsubishi executives and test-drive the iMiEV in Japan as part of the wider visit to China.

4.3.2. Nissan

The Nissan LEAF (electric vehicle) is going into global production towards the end of 2010. Nissan New Zealand has also expressed interest in exploring partnership opportunities with the Council.

In April I met with representatives from Nissan who expressed interest in working together to bring electric vehicle technology to Wellington. At this meeting a MoU to secure electric vehicles into Wellington was discussed. It was subsequently arranged for me to meet with Nissan executives to sign the MoU and test-drive the Nissan LEAF while in Japan – the first political representative in the world to do so.

5. Key Outcomes

Wellington City's strong relationships with its sister and partner cities have created significant opportunities for both the city and Wellington businesses. At the city level we hoped to reinforce our commitment to our city to city relationships and develop greater opportunities for knowledge transfer and exchanges and cooperation on areas of mutual importance. For business delegates, the strong city relationships provided opportunities to gain access to local officials and key business people, and also to develop their knowledge and understanding of how to do business in China. These outcomes are outlined below.

5.1 Outcomes for the City

The strengthening of Wellington's city-to-city relationships and the raising of the city profile in China were two main benefits to come from the trip. In China, the building of strong relationships is a crucial aspect of government and governance, as it is in business. Relationships must be maintained and reinforced regularly in order for the benefits to follow. It is important that Wellington is proactive in maintaining and strengthening its profile and relationships with China, given the disparity in size and the geographical distance between Chinese and New Zealand cities.

5.1.1 Relationships

- Wellington has further strengthened its sister city relationships with Beijing and Xiamen. The city has also demonstrated its commitment to fostering long term relationships with its sister cities. To formalise the relationships I signed, on behalf of the city, MoUs with Beijing and Xiamen. The MoUs covered the following areas of cooperation:

Beijing-Wellington MoU

- economic cooperation, particularly in the areas of health care, television and film, electric vehicles
- the environment and climate change
- educational cooperation
- cultural exchanges
- knowledge sharing
- the Wellington Chinese Garden.

Xiamen-Wellington MoU

- economic cooperation, particularly in the wine industry and the film and television industry
- educational cooperation, including medical training exchanges
- cultural and art exchanges and support for Chinese New Year festivals in Wellington
- a commitment from Xiamen for support on the Wellington Chinese Garden.

- A very successful visit to Tianjin resulted in significant strengthening of the Wellington-Tianjin relationship. One week after the Wellington delegation returned, the Mayor of Tianjin led a large delegation to Wellington. At this time I signed, on behalf of Wellington, an MoU with Tianjin to continue cooperation into research and mitigation of risk of earthquakes. In addition, Massey University and Healthcare NZ both confirmed business agreements with their Tianjin counterparts.

5.1.2 City Profile

- Meetings with the Mayor's of Beijing and Tianjin and the Deputy Mayor of Xiamen as well as the participation of 65 people in this delegation have raised Wellington's profile among Chinese local government officials. The Wellington delegation was hosted for banquets by leaders at the highest levels, which signals to China's own officials and business people that Wellington is an important partner city. New Zealand Government officials, based in China, noted the prestige of access to officials at this level. They struggle to obtain access to Mayors themselves, despite being based in China.
- Despite its small size, Wellington has shown to China that it is a creative, innovative capital *and* business city, with world leaders in such fields as film and television. Wellington showcased its talent at New Zealand film night, where Oscar winner Sir Richard Taylor highlighted the merits of Wellington

as film production comprising Chinese and Wellington film and television makers. The screening of “The Lovely Bones” underscored the talent located in Wellington.

- The extensive media coverage that the Wellington delegation received while in China has boosted Wellington’s profile at home and in China. The Council visit was covered by numerous newspapers, television and other media.

5.1.3 Opportunities

- I signed, on behalf of the city, a MoU with Nissan to bring electric vehicles to Wellington in 2011. Wellington will be one of the first cities in the world to have these electric vehicles. The vehicles provide a great platform to showcase the city during the Rugby World Cup 2011 and beyond. We have an increased understanding of how electric vehicles will contribute to the city achieving the goals of the Climate Change Action Plan.
- While the delegation was in Tianjin, the Tianjin Government expressed interest in being part of the Wellington Chinese Garden project. The support of Tianjin could provide a boost in terms of funding and expertise to this project.

5.2 Outcomes for business delegates

Prior to the trip business delegates were asked what they wanted to achieve as a result of being part of the trip. The three most commonly stated objectives were: to build new relationships, develop stronger relationships with their Chinese counterparts, and gain a better understanding of doing business in China.

In a follow-up survey conducted by Council officers 95% of the delegates reported that they were satisfied or very satisfied with the visit to China overall. The following section outlines how the delegates have benefited from the trip in more detail.

5.2.1 Relationships

Business delegates wanted to establish new contacts and strengthen existing contacts, and they report that these goals were achieved.

- At Mayoral functions business delegates gained access to the Mayors of Beijing and Tianjin and the Deputy Mayor of Xiamen. Delegates also networked with relevant senior government officials, with responsibilities related to the business sectors of the Wellington delegates. As government and business are intertwined so deeply in China, these opportunities to meet and network are crucial to doing business. The position of Mayor is also held in very high regard. The association with the Mayor of Wellington provided a great boost to delegates in terms of status and credibility with their business counterparts.
“The delegation was a vehicle to get into various forums that would not have been possible being an independent business person. The Council provided an excellent introductory front”

“Accompanying the Mayoral visit in China is of huge importance to Chinese, more so than any other country I have done business in. This aspect definitely helped my business relationships in China.”

- Wellington delegates also established connections with China-based New Zealand Trade and Enterprise and Ministry of Foreign Affairs officials, who were in attendance at nearly all Wellington functions. The delegates had an opportunity to meet China-based New Zealand business people at numerous events, such as Wellington Night at New Zealand Central in Shanghai.

5.2.2 Knowledge on China

One of the key benefits of being part of the mayoral delegation was the opportunity to build knowledge on China, Chinese business culture, and government in China:

- Council-organised functions, like Wellington night at NZ Central, allowed the delegates to network with Kiwi-expat and Chinese business people and to learn about business first hand
- At civic functions, such as meetings with Mayor Guo of Beijing, the delegates learned first hand how China operates at a political level and how intricately connected government and business are in China
- At the DLA Piper workshop and the ANZ workshop China experts discussed doing business in China. Topics included business law, logistics, human resources, market entry, tax and finance
- The delegates also benefited from the logistical and on-the-ground knowledge and support provided by Council officers, as well as being part of a wider business group.

“Certainly going with a group who have similar ambition speeds the navigation of unfamiliar cultural business practice.”

5.2.3 Opportunities

The businesses in the delegation were at varying stages in the development of the business operations in China. Some delegates joined the delegation solely to identify future opportunities while others were able to further existing opportunities.

- Some companies reached formal agreements with their Chinese counterparts; for example: Wellington-based Forme Forestry Consulting signed an MoU with Sunwei Group to export timber from NZ, with a value in the millions of dollars

- A number of successful business meetings were also held, which built on opportunities developed while in China.

6. Future Actions

The survey of delegates asked about what future role they would like to see the Council playing in terms of providing support for their businesses internationally. Most respondents said that they would be interested in being part of a delegation to China again in the future.

Respondents' comments on what the city could do to assist business in China focused on three main areas: facilitating networks in Wellington, continuing a relationship with Chinese cities and business people, and direct business support.

The many successes of the Mayoral-led Wellington business delegation have reinforced the importance of the Office of the Mayor and city to city relationships, particularly in China and Japan. Delegates expressed great value in gaining access to senior government and business people and opportunities that they would not have been able to secure themselves, as a result of being part of a delegation led by the Mayor. Wellington's sister city relationships are well-developed and are valued by our sister city partners.

The visit by the Wellington delegation has strongly reinforced the importance and maturity of those relationships to both Wellington and our sister and partner cities. These relationships and the status of the Office of the Mayor can provide opportunities for Wellington businesses that can't be accessed elsewhere, even through central government connections.

A paper will be developed examining the role and contribution of the Council's international activities within the City's wider economic development context. It will consider ways in which the gains for Wellington businesses obtained on this recent trip can be sustained and made more widely available. This paper will be developed for Council consideration in the next triennium.

7. Conclusion

The Mayoral delegation to China in June 2010 proved to be a valuable trip that will strengthen economic ties between Wellington and China. The trip produced many positive outcomes for the city as well as numerous benefits for the business delegates, which will contribute to the long-term economic development of Wellington.

Mayor Kerry Prendergast

Supporting Information
<p>1) Strategic Fit / Strategic Outcome <i>The delegation's trip to China and Japan supported the Wellington Regional Strategy and the Council's vision for strong economic, cultural and academic relationships.</i></p>
<p>2) LTCCP/Annual Plan reference and long term financial impact <i>Not applicable</i></p>
<p>3) Treaty of Waitangi considerations <i>Not applicable</i></p>
<p>4) Decision-Making <i>This report does not seek a decision</i></p>
<p>5) Consultation</p> <p>a) General Consultation <i>Not applicable</i></p> <p>b) Consultation with Maori <i>Not applicable</i></p>
<p>6) Legal Implications <i>Not applicable.</i></p>
<p>7) Consistency with existing policy <i>This delegation and travel was consistent with the aims of, and approval processes required under, our International Relations Policy. As agreed by SPC Committee, this paper complies with the requirement to report back to the Strategy and Policy Committee on the outcomes of the delegation.</i></p>

Appendix: Overview of programme

Beijing - Sunday 6 June

The Beijing Urban Planning Exhibition Hall

The Beijing Urban Planning Exhibition Hall tells the story of the Chinese Capital's 3000 years of history and looks forward at the plans for the city over the next 50 years. A highlight of the museum is the extraordinarily detailed scale model of the city that projects what the Chinese capital will look like in the year 2020, and covers some 300 square metres. The Beijing Government is focused on developing the municipality in an environmentally sustainable way. To achieve this goal it has a master plan that covers everything from transport to recreation facilities and architecture. Central to the plan is an eco-friendly approach which is already under way with a massive tree planting programme around the city. New high-speed public transport routes and an emphasis on cycling will reduce the reliance on cars in Beijing.

Meeting with Ni Haohua, President, Landgent Group at 1725 Courtyard

1725 Courtyard is a former villa of Natong, who was a grand Minister of state, Zhili Provincial Governor and Prime Minister during the Qing Dynasty. The Landgent Group has refurbished and opened the villa as a club with a central meeting room, display hall, pub, banqueting hall, painting room and book collecting room. They also have a wine cellar, which holds an estimated 200,000 bottles of top-quality wines, mainly from Europe. I held discussions with senior Landgent executives in the company of Healthcare NZ Chairman Doug Catley and the General Manager of New Zealand wine company the Bascand Group.

Welcome reception for New Zealand delegations, Minister Brownlee, Mayor Prendergast and Mayor Harvey

The Wellington delegation was hosted for a welcome reception at the New Zealand Embassy by New Zealand Ambassador, Carl Worker. An aviation industry group led by Minister of Economic Development, Hon Gerry Brownlee, and film industry delegation from Waitakere led by Mayor Bob Harvey also attended the reception. Following speeches, Wellington violinist Elena was joined by "Tumeke" including Tanemahuta Gray for a violin and kapa haka performance. The Bascand Wine Group, which was part of the Wellington delegation, was showcased with wine tastings over the course of the event.

Beijing - Monday 7 June

Meeting with the Chinese Ministry of Health

Along with Doug Catley, the Chairman of Healthcare NZ, I met with senior officials from the Chinese Ministry of Health.

Healthcare NZ, the largest privately-owned provider of community services in New Zealand, is involved in discussions with Beijing, Tianjin and Shanghai about possible joint-ventures in the areas of home healthcare services and health workforce development. The talks were very successful and have been followed by further discussions between Healthcare NZ management and Chinese Ministry of Health officials.

Visit to the Foton Motor Group

At the invitation of the Beijing Government, the civic delegation travelled to Changping District in northern Beijing to visit a research and development facility of the Chinese motor company Foton.

Foton is a corporate giant that specialises in the manufacture of environmentally-friendly commercial vehicles. The company has 28,000 employees in China and several overseas research and development bases.

Discussions focused on the Council's climate change action plan and the desire to see electric vehicles on the streets of Wellington. Foton builds electric buses operating on routes in China and other countries and has started selling a fully-electric small car.

Meeting with Mr Guo Jinlong, Mayor of Beijing

The entire Wellington delegation attended a meeting with Mr Guo Jinlong, the Mayor of Beijing.

We discussed a number of subjects covered in a Memorandum of Understanding (MoU) between the two cities. The topics included:

- economic cooperation, particularly in the areas of health care, television and film, electric vehicles
- the environment and climate change
- educational cooperation
- cultural exchanges
- knowledge sharing

We also briefly discussed the possibility of Wellington hosting giant pandas.

We also discussed the ongoing assistance Beijing is providing in the preparations for a Chinese Garden on Wellington's waterfront. The MoU was signed in a formal ceremony following the meeting.

Following the ceremony, the full Wellington delegation was hosted by Mr Guo at a formal dinner. Following the formal part of the banquet the business delegates took the opportunity to network with the senior Beijing officials.

Tianjin - Tuesday 8 June

The delegation travelled to Tianjin from Beijing on the recently built high speed rail network, with trains that travel at over 300 kms per hour. This infrastructure has reduced the travel time between these major cities to around 30 minutes – less than the time it takes to travel from Waikanae to Wellington – and means that there is a combined population of nearly 30 million people within 30 minutes train ride. This has been a major driver of economic development for Tianjin.

Tianjin Binhai New Area – Dongjiang Bonded Port Area

The Binhai New Area is a new open economic zone being developed to support a modern manufacturing and research and development transformation base in northern China, a northern international shipping centre and an international logistics centre.

The new Tianjin Dongjiang Bonded Port Area functions as a container hub port, a bonded area, an export processing area, a bonded logistic area and a free trade area. The ten square kilometre area includes warehouses, container terminals and processing

and logistics zones and dozens of cranes.

Tianjin Binhai New Area Exhibition Hall was also visited. The Exhibition Hall showcases the history of the area and plans for its development, over 8500 square metres.

Signing Ceremony between Forme Consulting (Wellington) and Sunwin Group (Tianjin)

Jon Dey, of Wellington-based forest industry company Forme Consulting Group, invited me to witness a ceremony at which he signed an MoU with representatives of Tianjin-based Sunwin Group. In the MoU the two companies have agreed to form a joint-venture to supply the European market with high-grade structural timber. The radiata pine would be grown in New Zealand and then shipped to Tianjin to be modified using environmentally-friendly treatment processes.

Meeting with Mr He Lifeng, Deputy Party Secretary of Tianjin

I had previously met Mr He Lifeng in his capacity as Party Secretary of Xiamen (2008). The new role for Mr He in Tianjin is prestigious, given Tianjin's national significance.

I briefed Mr He on the Wellington delegation and introduced some of the business delegates. I also discussed possible support from Tianjin for the Wellington Chinese Garden, which was received positively. Mr He hosted us for a luncheon after the meeting.

Meeting with the Tianjin Civic Bureau regarding Healthcare NZ

I attended this meeting in support of Healthcare NZ. Healthcare NZ had not previously met officials at the Tianjin municipal level. I was able to use my position as Mayor to arrange this meeting. Healthcare NZ and the Tianjin Civic Bureau discussed opportunities to develop at-home healthcare in China. The CEO of Healthcare followed up on this meeting by visiting Tianjin in July.

Tianjin Earthquake Bureau and Tianjin Emergency Control Centre

The visit to the Tianjin Earthquake Bureau and Tianjin Emergency Control Centre were part of an ongoing programme of cooperation between Tianjin and Wellington – both cities prone to devastating earthquakes. A Tianjin delegation led by the Mayor of Tianjin visited Wellington in mid-June 2010. The visit to these two facilities was in preparation for the then upcoming reciprocal visit to Wellington.

Meeting with Mr Huang Xingguo, Mayor of Tianjin

We discussed the great level of development in Tianjin, as well as the environmental initiatives Mr Huang is leading, including the planting of 8 million trees in just the past few years.

We also discussed topics that were included in the MoU, which was signed in Wellington, 18 June 2010. The topics included:

- the reaffirmation of the existing relationship in working together on earthquake protection and mitigation (previous MoU between the cities signed in 2000, and further joint communication in 2004)
- cooperation on emergency management, education and awareness, seismic research
- the establishment of mutual working visits and a regular 'Tianjin-Wellington academic symposium'.

Following the meeting, Mr Huang hosted a formal dinner for the Wellington delegation and Minister Brownlee's aviation delegation, which was also in Tianjin on this day.

Shanghai - Wednesday 9 June

New Zealand–China Young Leaders Function at the New Zealand Pavilion, Shanghai Expo

I joined 26 young leaders from New Zealand and the same number from China for the first of our events at the New Zealand Pavilion, a young leaders' function. Wellington Central MP Grant Robertson also joined the delegation at this stage.

Wellington Delegation Welcome at the New Zealand Pavilion

The entire Wellington Delegation came together for the first time to tour the New Zealand Pavilion at the Shanghai Expo. I was given a guided tour by Philip Gibson, the New Zealand Commissioner General and Dean Cato, one of our delegates whose firm Story Inc. was one of the designers of the Pavilion.

The pavilion is all about 'indoor-outdoor flow' and Kiwiana. Inside, audio-visual equipment gives visitors a dynamic idea of how New Zealanders live. Visitors wind their way through the interior and then emerge on the roof – which is a large, sloping, 'cross-section of New Zealand landscapes, flora and fauna'. All of our favourite native plants are on hand. There is a convincing miniature Rotorua-style geyser and a pohutukawa tree - which looked real, but is in fact plastic.

Following the tour Philip and I addressed the delegates and then everyone had the opportunity to network at the New Zealand Pavilion.

Wellington Night at the New Zealand Central

This evening was a great opportunity for our Wellington business delegates to network with members of Kiwi Expats Abroad (KEA) and Shanghai business people in the great location that is New Zealand Central. Sir Richard Taylor joined the group for the event, which really added to the atmosphere.

New Zealand Central (NZC) is an initiative of New Zealand Trade and Enterprise (NZTE). Located in central Shanghai, NZC provides a business centre for New Zealand companies and provides a physical presence for the New Zealand brand in Shanghai.

Shanghai - Thursday 10 June

Sister City function at VIP Area of the NZ Pavilion

To build and broaden our networks in China the Council hosted a sister city function at the VIP Area of the NZ Pavilion. We invited senior officials from sister city Foreign Affairs offices and business representatives of Chinese cities to the function.

I welcomed the guests with a short introduction to Wellington. Council's Strategy, Planning and Urban Design Director, Teena Pennington, then gave a detailed presentation about innovative economic opportunities, what Wellington is doing to respond to climate change, and how to be a world-leading sustainable city. Mr Qing Bomin, Deputy Director-General of the Chinese People's Association for Friendship with Foreign Countries (CPAFFC) spoke on the sister city movement in China, sister city relations between China and New Zealand, and cooperation and exchanges between the sister cities.

Elena's CD launch in front of the New Zealand Pavilion

This was an opportunity for me to support Wellington violinist Elena at the launch of her CD at the NZ Pavilion in conjunction with Shanghai Video and Publishing House.

DLA Piper business workshop

While the civic delegation was at the Shanghai Expo many of the business delegates attended this workshop. DLA Piper is the sister company of Wellington law firm DLA Phillips Fox. Wellington partner Craig Stevens talked about the importance of China and its relationship with New Zealand. His Chinese counterparts then gave participants detailed advice on a range of topics related to doing business in China.

Gibson Group Function at the NZ Pavilion

The Gibson Group produces award-winning television, film and exhibitions (including the 'Our Space' exhibition at Te Papa). I attended this event in support of the Gibson Group, which had invited representatives of the Beijing, Tianjin and Shanghai film and television industries.

Dinner hosted by Mr Chen Shenglai, President of the Shanghai International Arts Festival

The 12th Shanghai Festival is to be held this September 2010. Mr Chen Shenglai had expressed interest in showcasing New Zealand in this year's festival, and invited Wellington to develop a possible artists programme. He saw this including Maori performance, art and possible involvement of the people behind the Montana World of Wearable Arts.

New Zealand Film Night Function at Shanghai Grand Cinema

New Zealand Film Night was held at a restored 1930s picture palace. In attendance were Minister of Economic Development, Hon Gerry Brownlee, MP Grant Robertson, New Zealand Ambassador Carl Worker, and guests from the film and television industries.

Prior to speeches from Minister Brownlee and Sir Richard Taylor I addressed the audience. In my speech I paid tribute to Sir Richard, along with the other film, television and creative leaders in the room – including Dave Gibson, Cameron Harland from Park Road Post and Tom Greally from Weta FX. I emphasised that although New Zealand is a small country, collectively we punch hugely above our weight – thanks to the talent of people like those in the room.

Sir Richard Taylor then spoke, thanking the Wellington City Council for helping the city's creative community to thrive. He said that New Zealanders are appreciative of other cultures and that he would love Wellington's creative community to be able to help China tell its stories – its history and great mythology included – to the world – to its cinemas, televisions and consoles.

After the speeches, the guests had an opportunity to enjoy one of Wellington's collective creative works of art – *Lovely Bones*. This was the first screening of *Lovely Bones in China*.

Shanghai - Friday 11 June (business delegates only)

ANZ Business Workshop

While I was in transit to Tokyo, the business delegates were attending an ANZ business workshop on the Chinese economy, finance, banking, logistics, supply chains, and key issues to consider when entering the Chinese market. The three guest speakers were Kiwi expats with decades of experience in China between them.

Tokyo, Japan - Friday 11 June

Electric vehicles

During the visit to Japan, I met with representatives of SIM-Drive Corporation, Mitsubishi, and Nissan. The meetings with Mitsubishi and Nissan provided an opportunity for me to further discussions with each manufacturer on the Council's Climate Change Action Plan and specifically the electric vehicle initiative. The aim of the meetings was to advance the opportunity for electric vehicles to be showcased in Wellington.

Mitsubishi

I travelled from Haneda Airport to Keio University in the Mitsubishi iMiEV – a new electric vehicle. At Keio University I was met by Dr Hiroshi Shimizu, President of SIM-Drive, SIM-Drive representatives Mr Katsunori Okada and Ms Ikuko Tanaka. SIM-Drive is the name given to the integration of an in-wheel motor, platform, suspension, system management and control as a component of an electric car.

Dr Shimizu is a professor at Keio University and has been researching electric vehicles for over 30 years. He has developed eight prototype electric vehicles, at a cost of over \$50 million, and acquired over 20 patents. Six of the prototypes have adopted in-wheel motors with the newest technologies each time. Currently, Dr Shimizu is working with 34 companies to accelerate the development of in-wheel electric vehicles and the required components. The philosophy of SIM-Drive is to provide the highest level of electric vehicle technology and information at minimal cost to all industries related to electric vehicles.

I had the opportunity to test drive the Eliica electric vehicle developed by Dr Shimizu. This car was built in 2004 and runs on an 8-wheel electric motor platform. The concept behind the Eliica was to demonstrate that electric vehicles could be fast, comfortable and provide quality internal cabin space.

I also had the opportunity to test drive a SIM-Drive electric vehicle conversion. This was an existing car converted into an electric vehicle by fitting in-wheel motors to the rear wheels. The advantages of this technology are that it is easy to convert existing vehicles at low cost with mass market appeal.

At Keio University I also met with Mitsubishi representatives who provided an overview of the company's electric vehicle production. From Mitsubishi's perspective, three key elements are required to build momentum around electric vehicles: government support, demonstration programmes, and partnerships between government and energy companies. The discussions with Mitsubishi were positive and have subsequently led to vehicles being ordered and allocated for New Zealand.

Nissan MoU signing

I signed, on Council's behalf, an MoU with Nissan Motor Company, represented by Mr Watanabe (Corporate Vice President, Global Zero Emission Business Unit). The MoU is a commitment to working with Nissan to introduce electric vehicles to Wellington through an *"Electric Vehicle Pilot Programme – Partnership for Zero Emission Mobility"*. During my meeting with Nissan, I also had the opportunity to test drive the Nissan LEAF at Nissan's test track. The test drive was a significant event, as I was the first politician to test drive the car; I even drove it prior to many motoring journalists.

Following the visit to Japan, officers have been working with Nissan representatives on a definitive agreement to see vehicles delivered to Wellington in 2011 as part of the electric vehicle pilot.

Xiamen - Saturday 12 June

Visit Xiamen First Hospital Paediatric ward section

In 2009, Wellington City hosted two doctors from Xiamen for a two-month medical training programme. The Council, Wellington Xiamen Association, Wellington Hospital and Wellington School of Medicine partnered to facilitate the exchange.

Wellington-Xiamen Friendship function and book donation

Thanks to the Pencarrow Rotary Club I was able to make, on behalf of Wellington city, a book donation to the Xiamen Library. The donation included a mix of children's books, and books on natural history and New Zealand geography.

Meeting with Mr Zhan Cangzhou, Deputy Mayor of Xiamen

In this meeting we discussed the topics of the Wellington-Xiamen MoU, including climate change and green technology. The Wellington-Xiamen MoU also covers the following topics:

- economic cooperation, particularly in the wine industry and the film and television industry
- educational cooperation, including medical training exchanges
- cultural and art exchanges and support for Chinese New Year festivals in Wellington
- a commitment from Xiamen for support on the Wellington Chinese Garden.

Xiamen - Sunday 13 June

Visit the Xiamen University New Zealand Centre

The New Zealand Research Centre of Xiamen University was established in December 2009 as part of the partnership and collaboration between Victoria University of Wellington and Xiamen University. It aims to become a national research centre in China on New Zealand with a focus on contemporary social sciences issues. The Centre will play an important role in Xiamen University's international collaboration and exchange with New Zealand universities.

Farewell lunch hosted by Ms Chen Aijing, Director General of the Xiamen Foreign Affairs Office

Following a brief city tour Ms Chen hosted the delegation for a farewell lunch.