

Canada – China
Legislative Association



Association législative
Canada – Chine

**Report of the Canadian Parliamentary Delegation
respecting its participation at the
Co-Chairs' Annual Visit to China**

Canada-China Legislative Association

**Yunnan province (Kunming) and Hainan province (Haikou)
People's Republic of China**

10-14 October 2016

Overview

The Canadian Co-Chairs of the Canada-China Legislative Association (CCLA), the Honourable Victor Oh, Senator, and Mr. Geng Tan, M.P. conducted the CCLA annual Co-Chairs mission to China from 10–14 October 2016. The Co-Chairs were accompanied by Ms. Natalie Mychajlyszyn, Association Advisor to the CCLA.

The objectives of the program were:

- to promote Canada-China relations and Canadian values and priorities;
- to promote mutual understanding with Chinese legislators and officials at local levels;
- to meet with relevant Canadian and Chinese diplomatic officials; business, industry and civil society representatives; government, legislative and political officials at local levels;
- to learn more about Chinese-Canadian business, cultural and political links, and to promote enhanced cooperation at local levels; and
- to identify opportunities for future cooperation.

The mission focused specifically on two of China's more outlying provinces: Yunnan (Kunming) and Hainan (Haikou). CCLA last held meetings in Kunming in 2011, 2005 and 2001; this was the first visit to Hainan by a CCLA delegation. These two provinces, respectively located in China's southern mainland and approximately 30 km offshore in the South China Sea, offered an important contrast to the affluence of the country's eastern provinces and higher-profiled centres.

The Co-Chairs' study program emphasized the themes of cooperation between Canada and China in the tourism and health sectors as well as commercial ties, including education cooperation, more generally. These areas are among the key priorities of the two provinces. Accordingly, the Co-Chairs held working meetings in Kunming and Haikou with representatives from local People's Congresses, provincial commissions on commerce, health and tourism, as well as various educational institutions and business leaders.

The delegation was accompanied to its meetings by Canadian diplomats and trade commissioners from the embassy in Beijing as well as Canada's consulates-general in Chongqing (responsible for Yunnan province) and Guangzhou (responsible for Hainan province). In this respect, given the low frequency of visits by Canadian diplomats to these centres which lack an on-site Canadian diplomatic presence, the Co-Chairs' program provided a unique opportunity and important value to the work and priorities of Canada's diplomatic missions in China. Invariably, meetings concluded with expressions of interest to continue the exchanges with Canadians and to pursue opportunities for mutually beneficial collaboration, such as in terms of creating synergies with local health groups, facilitating the movement of people, and strengthening commercial ties more generally.

Overall, the Chinese interlocutors warmly welcomed the CCLA delegation and expressed their appreciation for being the focus for the Co-Chairs' study program. They repeatedly emphasised the importance of legislative ties in the Canada-China relationship. They expressed their support for deeper ties between Canada and China

at all levels, as well as stronger cooperation in the tourism, health and education sectors.

The Co-Chairs' visit provided an invaluable opportunity to gain exposure to other regions of China and to strengthen and build synergies in the Canada-China relationship among all stakeholders and at various levels. In this respect, the visit resulted in a more comprehensive understanding of the diverse economic and social conditions that exist across China, the strides achieved in the provinces of Yunnan and Hainan over the last 25-30 years in terms of their development, their importance as China's gateways to the emerging economies in Southeast Asia as well as South Asia, and the opportunities arising for strengthening Canada-China relations.

A. Promoting Canada–China Relations and Mutual Understanding

1. Leadership of the Yunnan Provincial People's Congress and the People's Congress of Kunming Municipality

The Co-Chairs had a fruitful meeting with the political leadership of Yunnan province and Kunming municipality, including MAO Wenguo and GUO Zizhen, Vice-Chairmen of the Standing Committee of the People's Congresses of Yunnan and of Kunming, respectively. The Co-Chairs heard about the priority the provincial leadership is placing on improving Yunnan's economic development. Accordingly, they discussed with officials Yunnan's potential contribution to strengthening the ties and friendship between Canada and China. In this respect, they highlighted the province's proximity to Southeast and South Asia, its role as a regional transportation and migration hub, as well as its cultural, geographic and natural resource wealth. They also noted that Montreal and Kunming are sister cities, thereby reinforcing the existing base on which to deepen ties.

All parties committed to sustaining the momentum established by the leaders of the two countries through recent high level visits in strengthening ties further. They noted that interparliamentary links play a particularly valuable role in deepening relations and emphasized that meetings such as those with CCLA need to be undertaken more frequently and consistently. They agreed that the Co-Chairs visit and the program in Yunnan made an important contribution to identifying areas in the health, education and tourism sectors where the two countries can collaborate further.

2. Leadership of the Hainan Provincial People's Congress and the Communist Party of China Qionghai Municipal Committee

The Co-Chairs renewed their acquaintance with LUO Baoming, Chairman of the Standing Committee of Hainan Provincial Committee, who visited Ottawa in September 2016, a month prior to the Co-Chairs' visit. The parties discussed recent achievements in Canada-China relations as demonstrated by the numerous agreements announced during the previous month's high-level meetings between the leaders of the two countries. The Chairman emphasized in particular the potential to build the relationship based on past successes and through these wide-ranging announcements. He highlighted the pragmatic direction of Canada-China cooperation, notably the role that

stronger cultural exchanges and inter-parliamentary engagement play in sustaining mutual understanding. In this respect, he acknowledged recent initiatives related to the broadcast of a Hainan television station in Canada. The parties were encouraged by the dedication of 2018 as the Canada-China Year of Tourism and acknowledged the recent air transport agreements between the two countries involving the internationally successful locally-based company Hainan Airlines, among others. They also discussed Hainan's primary industries, including tourism and health services, and the potential role such sectors can play in strengthening commercial ties between the two countries by expanding links with less profiled regions of China.

3. China Institute for Reform and Development, Haikou, Hainan

The Co-Chairs met with several senior officials from the non-governmental China Institute for Reform and Development, including YIN Zhongyi, Executive President, and HE Dongni, Vice-President, in order to better understand China's current economic and social priorities. The Institute's officials also discussed how various non-governmental stakeholders from the provinces provide input into the national reform process. The officials noted that the Institute has been interacting with Canada since it was first established in 1991, and has hosted many Canadian visitors in the last 25 years. The Co-Chairs discussed the Institute's focus on finding innovative policies to sustain the country's economic growth in a changing national and global context. The Co-Chairs were told that the Institute's candid research into China's economic transformation, particularly the importance of a supply-driven, service-based economy as the next element in the country's reform, has significantly informed the most recent Five-Year Plans prepared by the National Development and Reform Commission (NDRC) as well as recent APEC and G20 meeting agendas. The Institute has also provided input into the economic policies of several Chinese government ministries, including Education and Transportation. Its research into free trade agreements as a tool of economic recovery and international cooperation has been used by the Ministries of Commerce and Foreign Affairs. The demand for its products extends beyond the provincial and national base to countries and agencies outside China, including various emerging economies, Europe, USAID, and the International Monetary Fund (IMF), thereby showcasing the value of its mandate and high regard for its research.

4. Site visits

In order to better appreciate Yunnan province's profile, particularly in terms of its natural landscape and the contribution the province makes to the cultural and natural heritage of China and the world, the Co-Chairs visited the 'Stone Forest,' a popular park featuring a portion of southern China's karst landforms. The entire South China Karst serial property is inscribed on the UNESCO World Heritage List for its abundance of towering karst stone formations. Discussions in particular focused on the possibility of establishing a partnership between the Stone Forest and Canada's national park system in order to exchange best practices.

To deepen their understanding of the province's environmental priorities, the Co-Chairs visited Dianchi Lake, China's sixth largest freshwater lake and the largest such lake in the province. A plateau lake surrounded by walking trails, forests and gardens, its high

levels of pollution have been the focus of many clean-up efforts, which were described to the Co-Chairs as an example of the engineering steps taken by the Chinese leadership to balance environmental sustainability and economic growth.

The Co-Chairs visited the museum dedicated to an all-female military unit based on Hainan Island that fought on the side of the Communists during China's civil war.

In order to better understand Hainan's unique natural and cultural heritage, the Co-Chairs toured Beireng village, a park that caters to visitors interested in experiencing leisure time in a scenic setting and unspoiled vegetation. The park received significant attention when China's First Lady, PENG Liyuan, hosted an event there during a recent high-level leaders meeting of the Bo'ao Forum for Asia held on Hainan Island. During the visit to the village, the Chinese hosts emphasised how this commercial tourist venture provides economic benefits for the local population.

B. Canada–China Cooperation in Health Sector

1. Yunnan Health Planning Commission

In order to better understand the potential for deeper cooperation between Canada and China in the health sector, the Co-Chairs met with Mr. LU Lin, Deputy Director of the Health and Family Planning Commission of Yunnan Province as well as Dr. WANG Kui, Deputy Director of International Cooperation and other officials. The Co-Chairs were very impressed with the lengthy and informative exchange on the state of medical and health services in some of China's outlying regions such as Yunnan province, as well as their priorities and challenges. In this respect, discussions focused on the quality and availability of the province's medical and health services, infrastructure and facilities, and teaching programs.

Among the challenges identified were the province's varied climate and geography, which include tropical conditions, mountainous areas at high elevations, as well as vulnerabilities to cancer (due to susceptibility to sun exposure and pollution), and the spread of communicable diseases, such as HIV/AIDS, as a result of the large movement of people who take advantage of the province's proximity to Southeast Asia.

Priorities for the province's health authorities include: improving the quality and scope of health services and medical equipment, particularly for remote areas and at the grassroots level; reducing and managing the prevalence of diabetes, high blood pressure, visual impairment, and cancer; disease control, prevention as well as early detection and screening; and a focus on the more vulnerable and dependent users of the health system, such as the aged, infirm, mothers and children, as well as newborns with birth defects. The change in China's one-child policy was also noted as a factor with fertility policy implications as women who are nearing the end of their child-bearing years seek to have a second child.

The Co-Chairs learned about the commitment by the Yunnan provincial authorities and the Health Planning Commission to ensure that the standards and targets set out by the National Development and Reform Commission are met. They were told about the progress already achieved in the province in terms of declining rates of maternal and

natal mortalities, as well as the reduced incidence of HIV/AIDS, malaria and dengue fever, and in improved life expectancy rates.

The interlocutors also discussed with the Co-Chairs the role of traditional Chinese medicine in complementing the services offered by the province's public health sector, various initiatives to undertake research and development of traditional Chinese medicines and their applications, and the support of these methods by authorities at various levels of government. They highlighted that Yunnan is considered among the best sources in China for traditional herbs and medicines.

During the discussions, Norman Bethune's high profile as a leader in developing China's health sector was cited several times as a source of inspiration for deepening modern day cooperation between Canada and China in public health. Notably, the Co-Chairs and their interlocutors discussed the potential for collaboration in the development of remote care, increasing the volume of cataract surgeries to meet the high demand, improving maternal and child health, fertility treatments, HIV/AIDS education and prevention, teaching and training of traditional Chinese medicine.

a) Bo'ao Lecheng International Medical Tourism Pilot Zone, Hainan

In light of the numerous mentions of Hainan province as a focal point for medical tourism, the Co-Chairs' program included a visit to the Bo'ao Lecheng International Medical Tourism Pilot Zone located on the island. The site visit offered an opportunity to better understand the economic opportunities this growing sector offers the region. During their tour of the facilities, the Co-Chairs were told that the Pilot Zone was established only in 2013. Its ambition includes providing world-class medical technologies, pharmaceuticals and care, as well as carrying out medical research for Chinese as well as international clients. It continues to seek investment for its growing infrastructure and construction projects. Of particular note is the Pilot Zone's expected scale encompassing 20 km² and its commitment to the use of green technology and environmental sustainability.

C. Canada–China Cooperation in Tourism Sector

1. Tourism Development Commission in Yunnan

The Co-Chairs met with senior officials of the Tourism Development Commission of Yunnan Province, including Mr. MA Ying Chun, Deputy Director General, and Oliver Huang, Director of Marketing, to discuss the tangible benefits that tourism brings to the bilateral relationship. The Co-Chairs discussed the potential for deepening China-Canada cooperation in the tourism sector, particularly as 2018 will be the Year of Tourism between Canada and China, and the opportunities for involving Yunnan province in such links. In this respect, the officials discussed Yunnan's tourism highlights, including its ethnic and cultural diversity, high mountain ranges, tropical rain forests, botanical and animal varieties, and proximity to other high tourist destinations in Southeast Asia.

The Co-Chairs and the Commission officials underscored the role that tourism plays in strengthening mutual understanding as well as being a key driver of relations across a

range of sectors, including trade. The officials also noted the importance placed by the Chinese and provincial leaderships on the tourism industry because of its role in promoting awareness of the province's opportunities and advancing its economic development, especially in promoting various infrastructure projects and ensuring vital tourism services, such as hotels, restaurants, and attractions. The Co-Chairs and their interlocutors noted the commitment of both sides to grow two-way tourism levels, and the importance of having in place the proper frameworks for facilitating the movement of people, such as air agreements, transportation links, and visa services.

2. Tourism Development Commission in Hainan

The Co-Chairs met high level officials representing the Hainan Provincial Tourism Development Commission in order to explore the potential for deepening ties between Canada and China through the tourism links with China's most southern province, Hainan. They included ZHOU Ping, Deputy Director General and Ms. WANG Ke, Director, International Marketing Division. During the meeting, the Co-Chairs heard about the island's tropical climate and favourable conditions, which resulted in tourism emerging over the last thirty years as a central element in its provincial economy and to which other sectors are strongly linked, such as food and agriculture, energy, real estate, and services, among others. They were told about the connection between the tourism and health industries, especially in light of the benefits offered by the province's healthy environment, fresh air, sport and leisure activities, and thermal springs.

Officials from the Commission explained their ambition to develop the tourism industry further to attract higher numbers of foreign visitors, including from North America. In this respect, the officials emphasized the value for money that a holiday in Hainan offers to make up for its long travel distance. They described policies recently undertaken in order to open the sector to foreign visitors, including Hainan's unique status in China as a province-wide duty-free zone, various infrastructure projects, and the development of a wide range of tourism and visitor activities. These include real estate and hotel services, international brand shopping, marine tourism and related water sports, international and regional meetings and conferences, and high profile leisure and sporting events, especially golf championships.

The Co-Chairs exchanged ideas about how to deepen cooperation in the tourism industry in light of Hainan's ambitions, particularly its interest in increasing its appeal to the North American tourist market, and expanding its various offerings to include outdoor adventure and camping services. They discussed the potential opportunities arising from Canada's 150th anniversary of Confederation, 2018 having been designated as the Year of Tourism in Canada-China relations, the complementarity in peak tourist seasons and Canada's reputation for camping and the outdoors.

D. Canada–China Commercial Cooperation

1. Department of Commerce, Hainan province

The Co-Chairs met with officials from the Department of Commerce of Hainan Province, including its Foreign Investment Promotion Division, to discuss mutual interests and

opportunities for deepening commercial ties between Canada and the province. The Co-Chairs heard about Hainan's appeal as a potential commercial partner, including its proximity to Southeast Asia, access to maritime shipping routes, and strength in the tourism, medical tourism, and internet marketing sectors. The officials highlighted the province's ambitions to increase foreign direct investment and commercial ties, including trade and services, with Canada in particular. They noted Canada's appeal as a potential partner because of the complementary strengths and priorities and emphasized the strong commercial cooperation that already takes place in the construction and wood products trade. The two sides discussed the commercial ambitions set out by the leadership of Canada and China in recent high-level meetings and their potential impact on stronger ties with China and Hainan province. The Co-Chairs were encouraged by the potential for deeper cooperation in terms of knowledge transfer of management and medical skills, pharmaceuticals, senior care, nutrition and health, and agriculture technology. They also noted the importance of a favourable business, legal and regulatory climate for attracting foreign investors and other potential commercial partners, including visa facilitation and establishing representative offices.

2. HNA Group

In order to better appreciate recent achievements in Canada-China commercial cooperation from the perspective of tourism and air agreements, the Co-Chairs met with the leadership of HNA Group, HNA Tourism, and Hainan Airlines. They included ZHANG Ling, Executive Director of the Board of HNA Group and Chairman of HNA Tourism; XIN Di, Executive Vice-Chairman and CEO of HNA Tourism Group; and LI Rui, Vice-President, Hainan Airlines. During the discussions, the parties agreed on the value that parliamentary delegations bring to the Canada-China relationship, particularly in promoting awareness about high profile Chinese endeavours such as Hainan Airlines and their contribution to deepening Canada-China ties. They noted the impact that Hainan Airlines' new flight routes to Canada will have on promoting tourism between the two countries, and the region in particular, to meet the growing demand for such services.

E. Canada–China Commercial Cooperation: Education

1. Yunnan Normal University, Kunming

The Co-Chairs' visit to the Chenggong Campus of Yunnan Normal University, one of southwest China's oldest universities, was very comprehensive. It involved in particular a tour of its newly-established innovation park. The park focuses on providing space and funding to help students, alumni and local entrepreneurs develop synergies, improve regulatory and fiscal efficiencies, as well as on promoting Yunnan-developed start-up products and research. The Co-Chairs learned that many of these joint ventures have established global connections and cover a wide range of interests. These include water management, rice production for food as well as building materials, the identification and marketing of key properties in ingredients used in traditional Chinese medicine, as well as ICT, 3D printing, construction, and fabric art among

others. The hosts who guided the delegation included faculty as well as students, including one who studied at the University of British Columbia. They emphasized the establishment of the park at the university as a signal of the government's commitment to innovation.

The Co-Chairs also had discussions with key faculty and university administrators about an environment project between Yunnan University's Institute of International Rivers and the University of Windsor in Ontario. The project focuses on sharing experiences and research to improve the management of various ecological problems facing lakes and watershed systems in plateau regions as well as in Canada's Great Lakes. Chinese interlocutors leading this project expressed their interest in promoting more regular student exchanges in these areas and establishing opportunities for promoting the commercial application of their research.

The Co-Chairs also held dialogues with the University's Vice-President (International) and other key leaders and officials from the School of Tourism and Geography. Topics discussed included the quality of cooperation between Yunnan University and its many Canadian partners, including the University of Waterloo and the University of British Columbia, the importance of making progress on research and development in the field of environmental protection, the benefits that Canada offers in reinforcing such ties. They also discussed the value of the Co-Chairs visits in sustaining Canada-China cooperation in all aspects, inserting ideas into Canada's policy-making process, facilitating cooperative ventures, and to bringing tangible results to agreements in place.

Other activities undertaken by the Co-Chairs during their time at Yunnan University included a tree-planting ceremony, a tour of its large new campus, and a visit to the Belt Road Initiative Research Institute. The Co-Chairs also participated in an exchange with approximately 50 university students about education cooperation in the Canada-China relationship and Canada's diversity. The Co-Chairs remarked on the impressive number of female students who took part in the exchange.

2. Concord School, Kunming

The Co-Chairs gained valuable first hand insight into the impact of Canada-China cooperation in education during their visit to Concord School, a primary level institution which uses the New Brunswick scholastic curriculum. Since it was established in 2015, the school's annual enrollment has been approximately 40 students and is expected to meet its capacity of 600 in the near future. The Co-Chairs were informed that the faculty is comprised of instructors from China as well as from Romania and other countries. The school's Headmaster, Mr. DONG Yongqui, and the two Co-Chairs addressed the student assembly following various student presentations and performances reflecting the knowledge and experience gained at the institution.

3. Hainan University, Haikou

The Co-Chairs met with the leadership of Hainan University, including DIAO Xiaoping, Vice-President; WANG Lin, Director, Office of International Affairs; and WEI Kailei, Dean, School of Tourism. Also present at the meeting were two Canadians who were registered students of Hainan University. The objective of the meeting was to discuss

the university's priorities and opportunities for education cooperation with Canada. Since it was established in 1997, the university has become a leader in certain areas of specialization that were encouraged by the Chinese and provincial leadership, including tropical agriculture, pharmaceutical, natural sciences, species protection, and, in particular, tourism. The Co-Chairs were told that the university has limited cooperation with Canada, aside from an annual university exchange program with Prince Edward Island, Hainan's sister island, particularly since the Canada Scholars Program was discontinued approximately five years ago. Both sides noted the value of university exchanges and related programs for the benefit of Canada-China relations and the mutual interest of increasing such initiatives across a range of areas. In this context, the Co-Chairs heard about the more focused opportunities involving Hainan University's School of Tourism, the College of Foreign Languages as well as the International Cultural Exchange College together with Canadian universities and colleges with corresponding specializations. They include the Tourism Development Program at the University of Waterloo. The two sides underscored the value of parliamentary delegations such as CCLA in promoting education cooperation between Canada and China.

Respectfully submitted,

Hon. Joseph A. Day, Senator
Co-Chair, Canada-China
Legislative Association

Mr. Geng Tan, M.P.
Co-Chair, Canada-China
Legislative Association

Travel Costs

ASSOCIATION	Canada-China Legislative Association
ACTIVITY	Co-Chairs' Annual Visit to China
DESTINATION	Kunming and Haikou, China
DATES	10-14 October 2016
DELEGATION	
SENATE	Hon. Victor Oh, Senator
HOUSE OF COMMONS	Mr. Geng Tan, M.P.
STAFF	Ms. Natalie Mychajlyszyn, Advisor
TRANSPORTATION	\$27,914.36
ACCOMMODATION	\$3,309.60
HOSPITALITY	0
PER DIEMS	\$1,652.94
OFFICIAL GIFTS	\$413.68
MISCELLANEOUS	\$1,816.99
TOTAL	\$35,107.57