The NSW Government will focus its efforts in the following areas to grow our relationship with China across trade, investment, education and tourism:

1. Build on longstanding relationships and grow our partnerships with China
2. Attract Chinese investment, particularly in NSW infrastructure projects
3. Double the value of Chinese tourism to NSW by 2020
4. Maximise benefits from an Australia-China Free Trade Agreement
5. Promote Sydney as a leading financial services centre and Renminbi trading hub
6. Strengthen the position of NSW agriculture and resources in China
7. Maintain our leading market share in education, and
8. Grow export of NSW innovation.

The preparation of clear, short and achievable statements of government intent for each of our priority markets is a priority action under the **NSW International Engagement Strategy** (2013).

This strategy for engaging with China is a working document providing practical direction for the NSW Government across our trade, investment, resources, education, tourism, agriculture, cultural and infrastructure agencies.

It will be regularly updated and reviewed in response to new opportunities and to support the delivery of **NSW 2021** targets.
China is one of the strongest and most important partners for NSW across trade, investment, education and tourism.

**China has a large and growing economy**

In the next decade China is predicted to overtake the USA to become the world’s largest economy. The Chinese population is also the world’s largest at 1.3 billion people, 19% of the global population (World Bank, 2013). China’s economic growth has averaged 10% per annum over the last three decades and is expected to further expand at 7% per annum (IMF, 2014). The next five years are likely to see an increased demand for high-value goods and services. Building on our existing trade and investment successes, NSW is well placed to meet this opportunity.

**China is our number one trading partner**

Two-way trade between NSW and China is approximately $30 billion per annum and trade has grown by an average of 9% per annum over the last five years (ABS, 2014). NSW exports $6 billion worth of goods to China each year with major products including resources, textiles and pharmaceuticals. Australia exports $6.7 billion worth of services to China, with the largest being education and travel services (ABS, 2014). Chinese business investment in Australia exceeds $20 billion and is growing rapidly (ABS, 2013). Australia and the USA are the top destinations for Chinese investment. Chinese firms have primarily invested in mining and energy.
China and NSW enjoy strong ties

NSW has the strongest cultural, historical and social ties with China of any Australian jurisdiction. The growing business and community relationships between NSW and China form the basis of the connection between the two economies.

The number of NSW residents with Chinese ancestry continues to grow and now comprise 8% of the NSW population. Chinese languages are the most common non-English languages spoken in NSW, with 136,000 people speaking Cantonese and 139,000 people speaking Mandarin (ABS, Census 2011).

Chinese students account for the largest number of international enrolments in NSW, making up 30% of total international enrolments in our State. More Chinese students study in NSW than in any other State, with 57,000 students studying in NSW in 2013 (Austrade, 2014).

Importantly, China is our largest and most valuable tourist market. 13% of international tourists to NSW are from China (DNSW, 2014). At the end of March 2014, over 419,000 Chinese visitors travelled to NSW, and each visitor spent on average $3,450. The majority (67%) visited NSW for a holiday and one in seven visitors came to NSW to visit friends and relatives.

NSW is now very accessible to China with direct air links to Shanghai, Hong Kong, Guangzhou, Beijing and Chengdu/Chongqing. A similar time zone between NSW and China helps facilitate travel and communication between the destinations.
NSW has longstanding connections with Chinese provinces and existing platforms to facilitate ongoing strengthening of the economic relationship

**Longstanding ties between Governments**

NSW and China have nurtured longstanding government ties through Sister State Relationships, Memorandums of Understanding (MoUs) and related architecture.

A **NSW-Guangdong Sister State Relationship** was signed in 1979 (by the former Premier Neville Wran and the former Governor Xi Zhong Xun, the father of the current President of China) and is one of the oldest, most active and most effective relationships of its type. In 2014, NSW and Guangdong celebrate 35 years of the Sister State Relationship and will renew the commitment with specific initiatives for future focus.

A **NSW-Guangdong Joint Economic Meeting (JEM)** is held every two years to bring together businesses and identify trade and investment opportunities between NSW and Guangdong. The next JEM will occur in Sydney in September 2014. The Governor of Guangdong will attend and lead a business delegation.

A **NSW-Shanghai Friendship Cooperation Agreement** signed in 2008 and the **Sydney-Shanghai Financial Services MoU** signed in 2010 has helped foster even closer relationships between our two jurisdictions in the financial services area.

A **NSW-Beijing Sister State Relationship** was signed in 2012 to develop exchanges and co-operation in areas such as business, culture, education, science and technology and environmental protection.

An **MoU was signed between NSW and Beijing in 2013**, relating to trade and economy, culture, education, science and technology, tourism and sport. In particular, both parties have agreed to cooperate on trade and investment opportunities in professional services, advanced manufacturing, infrastructure, education, new energy, bio-medical and agriculture.

An **MoU between NSW and the China Overseas Exchange Association** (also known as Qiao Ban) was signed in Sydney in November 2012 to assist the study of the Mandarin language in NSW, and increase cultural and arts exchange visits between China and NSW.

There are a number of additional local government relationships between NSW and China, as well as the relationship between the Port of Newcastle and the Port of Qinhuangdao.

**NSW has a strong presence in China**

The NSW Government has representation on the ground in China to assist NSW exporters, identify and advise potential Chinese investors, and profile NSW as an education and tourism destination.

The NSW Premier, Deputy Premier and Ministers have conducted high-level business missions to China, averaging two missions per year since 2011. The importance of State Owned Enterprises in the Chinese economy and the high respect for political leaders means that NSW Government-led business missions to China are highly effective. Missions by the Premier are particularly effective at “opening doors” for businesses to follow up on trade and investment opportunities.
NSW Government offices and Sister State Relationships across China

Map showing various cities in China with different relationship agreements and government offices.
NSW will build on existing trade and investment successes and identify new opportunities aligned to our competitive advantages and China’s emerging demand.

Understanding economic change and demand in China

China has an export oriented economy and requires resources to build infrastructure and supply energy for its manufacturing sector. New opportunities are arising for NSW expertise in China to support the restructure of its economy to higher value manufacturing, services and a focus on environmental sustainability.

China’s economic reforms will bring further urbanisation and demand for goods and services from the growing middle class.

The current Chinese economic Five Year Plan (2011-2015) targets a shift to sustainable, internally driven growth fuelled by local consumption and innovation, service sector development and economic diversification. This will provide increased opportunities for NSW to grow exports of both merchandise and services to China.

His Excellency, Mr Xi Jinping, President of China, has recently identified his desire to strengthen the trade relationship with Australia beyond mining, proposing increased co-operation on infrastructure, information technology and energy conservation (APEC Forum, 2013).

Building on NSW’s competitive advantage

NSW is a safe and internationally competitive place to invest. Our economy is in a strong position, with a Triple-A credit rating, 22 years of uninterrupted economic growth and a current growth in economic activity of 4.7%.

Our competitive advantages that support trade and investment with China include:

- stable and diverse economy
- close and accessible regional neighbour
- highly skilled multicultural workforce
- innovative, knowledge-based industries well positioned to respond to China’s priorities
- sound regulatory environment
- internationally recognised research and development credentials
- appealing tourism destination and experience
- vibrant Chinese community, and
- clean, green and safe source of high quality food.

Targeting the market and sectors

China is made up of many markets. As shown in the Table, NSW will focus on priority sectors in locations aligned to the opportunities. These will change over time as new opportunities emerge.

The features of the cities where NSW will focus trade and investment efforts are identified in the following sections below.

Guangzhou & Shenzhen, Guangdong Province

The Pearl River Delta has figured as one of the great engines of Chinese manufacturing and export led growth since opening up and reform commenced in 1978. The province had a growth rate of 7.5% in 2012, and accounts for over 12% of national output. Per capita GDP levels in the province are higher than the national average.
**NSW priority sectors across China**

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<thead>
<tr>
<th>INVESTMENT</th>
<th>TRADE AND INVESTMENT</th>
<th>TRADE</th>
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<tr>
<td>Infrastructure</td>
<td>ICT</td>
<td>Advanced Manufacturing</td>
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<td>Guangzhou</td>
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<td>Jinan</td>
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* Education – is a focus in many other cities across China, including: Ningbo, Hangzhou Bay, Xian, Zhangjiagang and Hainan.

* Tourism – is a priority in many other cities across China, including: Tianjin, Nanjing, Hangzhou, Suzhou, Dalian and Ningbo.

**Shanghai**

Shanghai has the second highest per capita GDP in China. Half a million people move into the city every year, meaning it is on track to have 30 million residents by 2020.

Shanghai’s economy divides almost equally between services and manufacturing, with a large agriculture sector. Shanghai hosts the largest of China’s stock exchanges and is a major financial centre.

**Beijing**

Beijing, the capital of China, is home to the central government and a population of just under 20 million people. Beijing has the highest GDP per capita in China in excess of $16,400 (China Economy Research Institute, 2014). Beijing has a mixed economy of services and some hi-tech manufacturing, largely concentrated in the business zones around the universities in the north west of the city. Much of the heavy manufacturing was moved out of the city during the 2008 Olympics, however the city remains prone to heavy smog, largely through lack of strong winds and significant car usage. Beijing also has the world’s second largest urban subway system.

**Hong Kong Special Administrative Region**

Hong Kong remains a major global finance centre, with 90% of its GDP generated in the services sector. In 2012 the economic growth in Hong Kong was 3%. Strong rule of law and a highly transparent regulatory and business environment, along with very low taxation, means it is still a highly competitive finance centre.

Other major cities in China, such as **Chengdu**, **Chongqing** and **Jinan** are the fastest growing cities within China.
The NSW Government will focus effort in priority areas and sectors to grow our trade and investment relationship with China

The actions identified in this strategy for engaging China have been developed in consultation with NSW Government agencies and with advice from industry through the NSW Export and Investment Advisory Panel.

The following actions have been identified to grow NSW trade, investment, tourism and educational links with China.

1 **Build on longstanding relationships and grow our partnerships with China**

The relationship between Australia and China has been built by generations of government leaders, business entrepreneurs and organisations, research partnerships, community, individual and student exchanges. The relationship between Australia and China is now strong and complementary.

The Chinese community is one of the oldest immigrant groups in Australia, first recorded from 1827. Now, almost 50% of the Chinese born community in Australia live in NSW (ABS Census, 2011). NSW greatly values the contribution the Chinese community makes to our state.

NSW will continue to build on these longstanding relationships and grow our cultural and economic connectivity. NSW will actively cultivate and promote increased engagement and business activities through its Sister State Relationships and MoUs.

NSW has a Multicultural Business Advisory Panel that provides high-level and strategic advice to the NSW Government through the Minister for Trade and Investment and the Minister for Communities and Citizenship on measures to strengthen our trade and investment relationships and to encourage growth in NSW business activity in international markets.

Multicultural NSW supports Chinese community development programs and social and cultural events with funds allocated through a grants program.

The NSW Government has actively supported local celebrations of Chinese culture such as ‘Chinese Culture Days’ and multiple Chinese New Year celebrations including lighting the sails of the Opera House red.
The NSW Government will continue to work with the Australian Government to help strengthen the relationship with China and ensure NSW activities complement national priorities. This includes continuing to work with the Department of Foreign Affairs and Trade to leverage diplomatic and cultural activities that will strengthen links between NSW and China. NSW Trade and Investment will work in conjunction with Austrade, particularly around a Free Trade Agreement. Destination NSW will continue to work closely with Tourism Australia.

Aligned with the Federal Government’s Economic Diplomacy Initiative (2014), the State Government will take the lead on engagement at a provincial level within China.

ACTION 1

The NSW Government will grow our partnerships with China by:

- increasing our engagement with China at a provincial level
- conducting regular trade and investment missions to China and targeting VIP government and business stakeholders to visit NSW
- building on our existing Sister State Relationships and MoUs with Guangdong, Shanghai and Beijing with specific practical initiatives for collaboration and knowledge sharing in areas of mutual benefit
- deepening our understanding of each other’s country through cultural exchanges in arts and sports
- growing our cultural connections through support of community development programs, and
- teaching Mandarin and Cantonese in our schools and facilitating exchanges between our education institutions.
PRIORITY ACTIONS

2 Attract Chinese investment, particularly in NSW infrastructure projects

The NSW Government has embarked on a four year $61 billion infrastructure investment program. The government is also rebuilding NSW with a plan to unlock an additional $20 billion for investment into NSW infrastructure. Our extensive pipeline of infrastructure projects will require private sector involvement and investment.

There is an immediate opportunity for Chinese firms as the NSW Government welcomes international best practice and foreign investment. The NSW Government will use its networks in Australia and China to ensure that firms are aware of emerging investment opportunities in NSW.

China Merchants Group investment in the Port of Newcastle

In April 2014 the NSW Government agreed to lease the Port of Newcastle for 98 years to a consortium which comprises Hastings Funds Management and China Merchants Group.

The long-term lease will deliver gross proceeds of $1.75 billion. This outstanding result means an extra $1.5 billion will be invested in NSW infrastructure, with 30% to be directed toward projects in rural and regional NSW. Hastings Funds Management and China Merchants Group are equal partners in Port of Newcastle Investments.

China Merchants Group has a 140-year history as an owner and operator of ports and transport businesses. It has been operating in the trading and retail sector in Australia for more than 20 years. In 2010, it acquired leading Australian-based container pallet logistics provider, Loscam.

ACTION 2

The NSW Government will attract Chinese investment into our infrastructure projects by:

• increasing and targeting our promotion of opportunities to Chinese firms, and
• conducting regular trade and investment missions to China.
Double the value of Chinese tourism to NSW by 2020

NSW is Australia’s market leader, with a 60% share of Chinese visitors and a 40% share of visitor nights. There is potential to double overnight visitor expenditure by Chinese visitors in NSW by 2020 as international travel becomes affordable for a growing middle class. NSW’s Chinese tourism exports are forecast to reach $2.1 billion by 2020.

To capitalise on opportunities presented by China over the next decade, Destination NSW has prepared a China Tourism Strategy 2012-20 and identified eight strategic directions:

1. Extend marketing activity into more geographic source markets
2. Support aviation and route development to keep pace with demand
3. Target high performing consumer segments
4. Improve the quality and range of visitor experiences
5. Increase consumer promotion
6. Develop trade distribution networks
7. Expand commercial and government partnerships, and
8. Increase resources to facilitate growth.
PRIORITY ACTIONS

There have been a number of achievements in line with the China Tourism Strategy 2012-20:

• To improve convenience for Chinese tourists an agreement has been reached with Cabcharge and National Australia Bank (NAB) so that Sydney taxis accept China’s largest payment network, UnionPay credit cards.

• There are now 41 flights per week from China to Sydney with the most recent addition being Sichuan Airlines which commenced direct flights from Chongqing and Chengdu to Sydney in December 2013, adding more than 50,000 seats per year.

• NSW has partnered with three large Chinese wholesalers to develop a major campaign to promote new NSW single-state packages in May 2014, and

• A record number of almost 10,000 Chinese tourists visited Sydney during Vivid Sydney in 2014 following integrated marketing campaigns between airline and trade partners.

Future marketing and development activity will be focused on primary tourism hubs within Eastern, Southern, Northern and Central/ Western China, with allocation of resources to facilitate consumer and trade development activities.

ACTION 3

The NSW Government will, through Destination NSW, continue to implement the China Tourism Strategy 2012-20 by:

• working with airline, wholesale, retail and online travel partners to undertake cooperative marketing activities in China to increase visitation to Sydney and NSW.

• rebuilding the website for Chinese visitors (sydney.cn) which will be hosted in China with new content and increased download speed.

• hosting a China Travel Mission in March 2015 to showcase Sydney and NSW tourism products to key trade and travel media, and

• developing partnerships to package and promote travel to Vivid Sydney as well as other key events in NSW.

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Flights from China to Sydney per week
Maximise benefits from an Australia-China Free Trade Agreement

The anticipated signing of a Free Trade Agreement between Australia and China will improve market access and generate new opportunities. The NSW Government has worked closely with the Federal Government to promote the interests of NSW businesses in this agreement.

While the agreement is still being negotiated, increased co-operation in trade and investment is expected in the following areas:

- Agribusiness – particularly associated with dairy, beef, wheat, wool, wine, fruit and vegetables
- Financial Services – particularly associated with banking, insurance, securities, funds management and private equity, wealth management and investment, and
- Legal Services – resulting from the mutual goal of strengthened cooperation in the legal profession given the role of legal services in facilitating two-way trade and investment.

The government has a role to play in communicating the benefits of a Free Trade Agreement to industry and to support the realisation of the benefits. At the highest level, this will include trade missions to China to leverage the opportunities.

For example, reducing the current tariffs on dairy exports from Australia has been a priority in the negotiations and a reduction in tariffs would directly benefit the NSW dairy industry. This will have flow-on benefits to the broader agribusiness sector, such as technology, logistics and management services.

China is also the biggest purchaser of raw wool from Australia and it is anticipated a Free Trade Agreement will also see reductions in tariffs and resulting benefits for our wool industry.

NSW will work to maximise the mutual and practical benefits for both China and NSW in the short, medium and longer term resulting from a Free Trade Agreement.

**ACTION 4**

The NSW Government will work with industries likely to benefit from an Australia-China Free Trade Agreement to ensure the competitive benefits are understood and realised by:

- identifying actions to support our industries to immediately capitalise on the opportunities once the agreement is in place
- facilitating communication of benefits to NSW businesses through briefings and information, and
- partnering with industry to lead trade missions in areas where an increased competitive advantage exists.
5 Promote Sydney as a leading financial services centre and Renminbi trading hub

The NSW financial services sector is our largest sector contributing $57 billion to the NSW economy (ABS, 2012-13).

Sydney is the financial capital of Australia and increasingly recognised as a leading financial services centre in the Asia Pacific. The NSW Government development at Barangaroo will take Sydney’s financial services sector to a new level and provide a new location for international banks.

The five largest Chinese commercial banks have their Australian headquarters in Sydney, as does the People’s Bank of China and China Union Pay.

The Chinese middle class is growing and seeking wealth management services. NSW has a world-class wealth management industry. An opportunity exists for this industry to create wealth management products for distribution into China and to encourage investment into existing wealth management platforms in NSW. China is implementing important reforms in its banking and financial sector, such as the liberalisation of interest rates, launching privately owned banks and moving towards Renminbi convertibility. Financial experts (ANZ Bank, 2014) predict that Renminbi will dominate in Asia and become a genuine rival to the US dollar as a global reserve currency.

In NSW, we are working with industry to increase awareness across the sector of the rapid pace of change in China and the need to think strategically and be ready for the opening up of China’s capital markets. We are promoting the opportunities for our businesses doing direct trade with China to reduce their costs and risks by trading in Renminbi.

Sydney is ready to be a Renminbi trading hub and for the designation of a clearing bank to be located in Sydney. The relevant Government bodies, including the Federal Government, Reserve Bank of Australia (RBA) and NSW Government are prepared and enthusiastic about the opportunity.
Connecting financial markets in Shanghai and Sydney

Sydney will host the 3rd annual Sydney-Shanghai Financial Services Symposium on 18 November 2014, demonstrating the NSW Government commitment to developing ‘deeper and more liquid’ markets.

The Symposium will coincide with the G20 Leaders Forum and the Sydney China Business Forum on 17 November 2014.

The Boao Forum for Asia, which will be held in Sydney in June 2015, provides a further opportunity to profile the financial services sector in NSW.

ACTION 5

The NSW Government will promote Sydney as a leading financial services centre and Renminbi trading hub by:

- promoting our financial services capabilities including wealth management to China
- establishing connections between the financial services sectors in Sydney and Shanghai, and
- partnering with industry in a new “Sydney for Renminbi” initiative which involves:
  - establishment of a Sydney Renminbi Working Group to provide leadership on the practical next steps for the development of the Renminbi market in Sydney
  - demonstrating Sydney’s commitment to the growth of the Renminbi as a leading international currency
  - supporting the Australian Government in securing a clearing bank for Sydney, and
  - promoting opportunities for our businesses to do direct trade with China to reduce their costs and risks by trading in Renminbi.

$57 billion

Contribution made by Financial Services to the NSW economy
Strengthen the position of NSW agriculture and resources in China

Agriculture

With a growing demand for “clean” high quality agricultural commodities, China is seeking long term, sustainable investment in agriculture including:

- grains and cotton cropping, especially barley, sorghum and soy
- red meat production including farm, feedlot and processing capacity
- healthy foods such as macadamias, cherries, blueberries, table grapes and citrus
- technology transfer in research in aquaculture, water management and soil nutrition, and
- dairy, particularly drinking milk and infant milk formula.

The NSW Government is investigating alternative financing models and ways of attracting investment into agriculture. Chinese investors are seeking long term investments to secure export supply. China has demonstrated a willingness to engage NSW management and expertise in the agricultural enterprises in which they invest.

Resources

China’s demand for NSW mineral and energy resources is growing. For example, China’s demand for coal grew from 1.5 billion tonnes in 2000 to 4 billion tonnes in 2012. In 2013, NSW exported 35 million tonnes of coal to China, worth around $2.8 billion (DTIRIS, 2014).

As China grows its manufactured goods exports industry, it relies heavily on importing raw materials from its neighbours. This demand for resources is likely to increase in line with China’s projected economic growth.

Investments from China in the NSW mining sector have led to a growth in exploration, employment and mining services. With the boom in global supply, commodity prices have dropped and companies have sought to increase mining productivity in order to remain competitive.

ACTION 6

The NSW Government will support the growth of agricultural exports by:

- promoting NSW as a clean, green and safe source of high quality food products
- identifying niche opportunities for manufactured foods especially in the nut, chocolate, salty snacks and ready to eat meal categories
- continuing to develop relationships between NSW and Chinese agricultural researchers both at university and at the government level, and
- harnessing NSW expertise in grassland management, aquaculture and water monitoring with respect to quality and usage.

The NSW Government will grow resource exports to China by:

- communicating mine investment opportunities to potential Chinese investors through production of a NSW wide Minerals Audit in 2014, investment review reports on targeted commodities, and access to decades of geological data
- promoting NSW sector and mineral assets at China’s largest mining congress and expo, China Mining 2014-15, and
- continuing to streamline mining approval processes and removal of duplication amongst regulators of mining projects.
Maintain our leading market share in education

NSW has the largest share of the Australian international education market and attracted 57,000 Chinese students in 2013. The growth in international student enrolments from China is currently 6% per annum.

The Higher Education (University) Sector in NSW has by far the largest number of Chinese student enrolments with over 28,000 enrolments in 2014.

NSW Government schools are the largest provider of international education for the schools sector in Australia. Chinese student enrolment grew 12% (2014), compared to the national growth of 7.8%. More significant is the increase in Chinese student commencements in 2014 of 26.7% in NSW, compared to the national figure of 14.9%.

The number of TAFE NSW students enrolled in 2014 have increased by 15%, exceeding the national measures. The relationship is strengthened through 26 agreements in 12 Chinese provinces.

The NSW ELICOS (English Language) sector enrolments are also on the rise with a 35% increase in the number of Chinese students in non-award courses in 2014.

The Department of Education and Communities has a wide presence in China. The reach of NSW Government Schools and TAFE NSW across China includes Sister School Relationships, MoUs and partnerships.

**Priority Locations for NSW Education (TAFE & Schools)**

EXISTING EDUCATION LINKS

- TAFE NSW
- NSW GOVERNMENT SCHOOLS
While education services continue to be a mainstay of the economic relationship between China and NSW, there are a number of challenges arising from a strong Australian dollar and growing competition from tertiary institutions around the world. The NSW Government is currently investigating options to continue to support the industry, including the opening of on-shore campuses in China and targeting students seeking specialised training at centres of excellence.

**ACTION 7**

The NSW Government will support NSW education service exports in an increasingly competitive market by:

- exploring on-shore campuses in China
- growing opportunities under the existing MoUs, and
- identifying new agreements between NSW and China.

**Grow export of NSW innovation**

**Innovation & Research**

NSW has a culture of innovation which is supported by its world-class universities and research institutes with outstanding strengths across a variety of fields including next generation communications, energy technology, robotics, biotechnology, eResearch, health and medical research.

NSW is home to many innovations used around the world - including hearing implants, Wi-Fi technology, Google Maps and the Jameson Cell, used for separating minerals in mining.

NSW research institutions provide consortia and businesses with access to expertise and cutting edge R&D infrastructure including large-scale facilities for testing and prototyping. NSW is home to 11 universities, two of which are ranked in the top 100 in the world (Academic Ranking of World Universities, 2014).

NSW has specialised collaborative research centres, including:

- Australian Research Council Centres of Excellence – hubs of research expertise in fields such as photonics, quantum computing, cognition and climate science
- Cooperative Research Centres – research organisations and industry working together in areas including capital markets regulation, hearing, asthma and digital services
- CSIRO laboratories – including astronomy, ICT, life sciences and energy, and
- National ICT Australia (NICTA) - Australia’s leading dedicated ICT research and commercialisation body.
NSW has world-class research infrastructure which is accessible to local and international industry:

- Australian Nuclear Science and Technology Organisation (ANSTO) – Australia’s only nuclear research reactor
- Australian Microscopy and Microanalysis Research Facility
- Australian National Fabrication Facility – nano, micro and photonics fabrication
- National Imaging Facility (NIF) - medical imaging capabilities
- National Measurement Institute - Australia’s peak measurement body responsible for biological, chemical, legal, physical and trade measurement, and
- Bioplatforms Australia – genomics, proteomics, metabolomics, and bioinformatics.

Clean Technology

China is increasingly focused on environmental sustainability. NSW has world leading sustainable developments underway like Barangaroo, our new financial services centre in Sydney’s CBD which will be carbon neutral, water positive and generate zero waste.

The success of our green building industry in Australia is a result of Australia’s strong building code and our green building rating system (NABERS) which measures energy efficiency, water usage, waste management and indoor environment quality.

Existing linkages to collaborate and share knowledge between NSW and China on clean technology include:

- Australia’s Information and Communications Technology Research Centre of Excellence, NICTA, which is currently promoting its air quality prediction system into the mainland China market
- Beijing Zhongguancun Science Park (Z-Park) recently established an office in Sydney and is currently working with the University of Technology Sydney on its first open lab focused on ‘big data’ and is also in discussions with the University of NSW on a water treatment project, and
- An MoU with the Chinese Ministry of Science and Technology with Traditional Chinese Medicine a key focus.

Creative Industry Services

In May 2014, NSW organisations representing film and architecture participated in the China International Fair for Trade in Services (CIFTIS), one of the largest trade exhibitions in services in the world. Building on the 2013 MoU between the NSW Government and the Beijing Municipal Government, the mission showcased the creative industries services sector, which is estimated to generate around $19 billion a year for NSW.

ACTION 8

The NSW Government will support the growth of innovation exports by:

- promoting NSW clean technology and creative industry capabilities
- identifying new opportunities for collaboration between NSW and China, and
- partnering with the Australian Institute of Architects to co-host a forum for small-medium sized architectural firms looking to operate in the Chinese market.
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<th><strong>WHAT NSW WILL DO</strong></th>
<th><strong>LEAD</strong></th>
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<td>Department of Trade and Investment, Regional Infrastructure and Services</td>
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<td>• hosting a China Travel Mission in March 2015 to showcase Sydney and NSW tourism products to key trade and travel media, and</td>
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<td>• developing partnerships to package and promote travel to <strong>Vivid Sydney</strong> as well as other key events in NSW.</td>
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<tr>
<td><strong>Action 4</strong> Maximise benefits from an Australia-China Free Trade Agreement by:</td>
<td>Department of Trade and Investment, Regional Infrastructure and Services</td>
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<td>• working with industries likely to benefit from the Australia-China FTA to ensure the competitive benefits are understood and realised by NSW businesses</td>
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<td>• identifying actions to support our industries to immediately capitalise on the opportunities once the agreement is in place</td>
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<td>• facilitating the communication of benefits to NSW businesses through briefings and information, and</td>
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<td>• partnering with industry to lead trade missions in areas where a competitive advantage is evident.</td>
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<tr>
<td>Action</td>
<td>What NSW Will Do</td>
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<td>5</td>
<td><strong>Promote Sydney as a leading financial services centre and Renminbi trading hub by:</strong></td>
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<td></td>
<td>• promoting our financial services capabilities including wealth management to China</td>
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<td></td>
<td>• establishing connections between the financial services sectors in Sydney and Shanghai,</td>
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<td></td>
<td>• partnering with industry in a new “Sydney for Renminbi” initiative which involves:</td>
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<td>– establishment of a Sydney Renminbi Working Group to provide leadership on the practical next steps for the development of the Renminbi market in Sydney</td>
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<td>– demonstrating Sydney’s commitment to the growth of the Renminbi as a leading international currency</td>
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<td></td>
<td>– supporting the Australian Government in securing a clearing bank for Sydney, and</td>
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<td></td>
<td>– promoting opportunities for our businesses to do direct trade with China to reduce their costs and risks by trading in Renminbi.</td>
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<td>6</td>
<td><strong>Strengthen the position of NSW agriculture and resources in China by:</strong></td>
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<td>• promoting NSW as a clean, green and safe source of high quality food products</td>
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<td></td>
<td>• identifying niche opportunities for manufactured foods especially in the nut, chocolate, salty snacks and ready to eat meal categories</td>
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<td></td>
<td>• continuing to develop relationships between NSW and Chinese agricultural researchers both at university and at the government level</td>
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<td>• harnessing NSW expertise in grassland management, aquaculture and water monitoring with respect to quality and usage</td>
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<td>• communicating mine investment opportunities to potential Chinese investors through production of a NSW wide Minerals Audit in 2014, investment review reports on targeted commodities, and access to decades of geological data</td>
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<td>• promoting NSW sector and mineral assets at China’s largest mining congress and expo, <em>China Mining 2014-15,</em> and</td>
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<td>• continuing to streamline mining approval processes and removal of duplication amongst regulators of mining projects.</td>
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<td>7</td>
<td><strong>Maintain our leading market share in education by:</strong></td>
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<td>• exploring on-shore campuses in China</td>
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<td>• growing opportunities under the existing MoUs, and</td>
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<td>• identifying new opportunities for forming agreements between NSW and China.</td>
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<td>8</td>
<td><strong>Grow export of NSW innovation and professional services by:</strong></td>
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<td></td>
<td>• promoting NSW clean technology and creative industry capabilities</td>
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<td></td>
<td>• identifying new opportunities for collaboration between NSW and China, and</td>
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<td></td>
<td>• partnering with the Australian Institute of Architects to co-host a forum for small-medium sized architectural firms looking to operate in the Chinese market.</td>
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