



DANISH-CHINESE BUSINESS FORUM

丹麦中国商业协会

UNDER THE PATRONAGE OF HIS ROYAL HIGHNESS THE PRINCE CONSORT OF DENMARK

**Oral report by Chairman, Nils Foss
Annual General Meeting, 24th April 2008**

Dear Ambassador, Dear Members,

In February this year, the Danish government made public its new China Strategy for education and research. The Strategy presents a big step towards ensuring closer cooperation between Denmark and China, especially for Danish companies who increasingly look to China to drive innovation and stimulate knowledge production.

Knowledge is the keyword for Danish-Chinese Business Forum. In fact, the sharing and development of knowledge at executive level was the purpose for which Danish-Chinese Business Forum was established in the autumn of 2005.

Knowledge provides us with a competitive edge which will safeguard our businesses and profitability in the future. And China, having established over 700 new research centres in the past decade, is the place to go.

As you know, Danish-Chinese Business Forum was established in the autumn of 2005 by 16 founders and today our Forum has grown to more than 110 member companies. Our members include more than 325 company executives from large as well as small and medium sized companies as well as some of the major Danish educational institutions. We are thus a truly knowledge based network.

We expect our Forum to grow to 130 members in 2008 - or possibly 140 if we decide to recruit members from the Øresund region, a possibility we will discuss later today. The larger our network grows, the more knowledge each member company will have access to. And, as I will get back to later, the greater our possibilities for initiating sector-specific projects become.

Activities

As you know, Danish-Chinese Business Forum creates networks through four main categories of activities:

- Firstly: we organize about 10 members' meetings per year. Among the topics for the 2008 meetings are: the economic development in China, security in China, legal problem areas in China, R & D in China, talent development in China, expansion strategies in China, the UN climate summit in Copenhagen 2009, Danish activities in connection with EXPO 2010 in Shanghai etc.
- Secondly: As a result of our cooperation with the Danish Ministry of Foreign Affairs and the Chinese embassy, Danish-Chinese Business Forum receives 5 to 10 Chinese high-level delegations per year.

Just to mention a few: Last year we received the Chinese Vice-Minister of Trade, the Governor of the Zhejiang province, the Vice-Governor of the Qinghai province as well as a delegation from China Southern Power Grid Corporation. Because we are an independent organization



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which has received official recognition from both the Danish and the Chinese authorities, we can function as an informal platform for the Chinese delegations – to the benefit of our member companies.

- Thirdly: Danish-Chinese Business Forum has an online knowledge base containing around 40 topics relating to business areas in China. And around 165 executives and specialists from the network make their knowledge available to other members.

The knowledge base has recently been restructured, dividing the 40 topics into the following areas:

- 1) The operational aspects of the companies work such as import, production and sales;
- 2) Support functions with the aim of helping to run businesses in or with China – for example, helping with legal and financial problems;
- 3) External factors influencing the companies when working in China; e.g. Chinese institutions and Chinese politics;
- 4) Sector-specific areas pertaining to specific industries or projects, such as the travel & tourism section and the education and research section.

The various sections of the Knowledge Base also contain short articles granting insight into their central challenges, in addition to contact information for the other Danish-Chinese Business Forum members' experts.

- Last but not least, Danish-Chinese Business Forum has established working groups based on the requirements of the members.
The working groups currently include the following sectors: energy, pharma/medico, food safety, design, and education. Two of these working groups are in particular focus right now: the education & research group and the food safety group.

Since November 2006, the education & research group has played an active role in the Government's new China Strategy, as mentioned earlier, with its suggestions for the areas of education and R & D. The China Strategy takes a coordinated approach where the Danish universities cooperate in branding themselves to China and aims to create a greater number of funded positions for students and researchers from China in Denmark and vice versa.

The Ministry's strategy will, among other things, provide scholarships and grants for Danish researchers in China, funding for Chinese researchers at Ph.D. programs in Denmark, and funding for networking activities between Danish and Chinese researchers - all within areas of core competencies productive for the Danish business community.

With the government's new China Strategy, Danish-Chinese Business Forum's research & education project could provide Danish-Chinese Business Forum's members with the elite of Chinese researchers and students and valuable contacts amongst both Danish and Chinese research institutions.

In November 2008, Novo Nordisk will host a Danish-Chinese Business Forum member meeting where the Ministry of Science, Technology and Innovation will talk the future development of the China Strategy.



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Currently, Danish-Chinese Business Forum's Food Safety group, in co-operation with the Danish Agricultural Counsel, is working on the project "Food Safety and Fair Payment", aiming to ensure that Chinese farmers receive better prices for their products and the 2nd Sino-Danish Conference on Applied Food Safety took place the day before yesterday in Beijing.. At the same time, the project aims to ensure an even better quality of the food products which will benefit consumers and enable China to export more of this type of products.

In addition, we are working to establish an import group as several of our members have indicated that they would find this very useful. Danish-Chinese Business Forum is the catalyst which makes things happen when requested by our members. We do not take on the role as organizers but we help put together the relevant people to ensure productive cooperation.

Member Survey

In autumn 2007, Danish-Chinese Business Forum conducted a member survey in cooperation with Deloitte. The objective of this survey was to assess our members' satisfaction with the forum and the services provided. The response rate was satisfactory, and we would like to thank you for participating. The survey gave us valuable information in relation to the continuous improvement of our services, and your suggestions and comments are taken into consideration when planning future events and developing our services.

96% of the respondents from the 69 companies that participated in the survey stated that they would recommend others to become members of Danish-Chinese Business Forum.

In particular, the relevance of member meetings, the quality of the website and newsletters, and the responsiveness and thoroughness of the secretariat were rated satisfactory.

The survey also pointed out areas for improvement, especially concerning the functionality of the Knowledge Base. A significant part of the participants stated that they seldom or never use the Knowledge Base available online, which is dissatisfactory since we believe that the Knowledge Base can be a valuable tool for the members. This was the reason for the aforementioned restructuring of the Knowledge Base.

Major Activities planned for 2008 to 2010

As mentioned, our activities are decided by our members. In 2008, Danish-Chinese Business Forum will primarily focus on some of the long term projects in which Denmark is engaged, as many of our members have expressed an interest in the following:

The Food Safety group will continue its activities in 2008 and 2009 and two seminars in Beijing scheduled for 2009 concerning food safety and fair payment for the Chinese farmers. In 2010, we aim to organize similar seminars in some of the major Chinese rural provinces. The focus of the seminars will be on the improvement of both quantity and quality of Chinese agricultural produce, whilst ensuring the farmers a better payment for their products.



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As you know, Denmark will host the UN Climate Conference in 2009. Danish companies are world leaders within clean-tech and sustainable energy. This large event will be a great opportunity for Danish companies to display their products and it also provides a political platform of high importance to Denmark. The members of Danish-Chinese Business Forum should be able to benefit from this platform in relation to China.

EXPO 2010 Shanghai has the theme "Better City, Better Life", and is also a long term project with which Danish companies get the opportunity to profile their high-level products and competencies. "Better City, Better Life" can become a showcase for Danish architecture, infrastructure and design, for the Danish health sector model, including Danish pharma, medico and biotech companies, and of course for Danish innovation with environment- and energy-technologies. It has just been confirmed that quite a number of the seats in the steering committee for EXPO 2010 will be occupied by Danish-Chinese Business Forum members.

I have just returned from a two-week trip to China where I have visited ministries, businesses, and cultural institutions. I am glad to report that Danish-Chinese Business Forum has a good name and a good reputation already. We have all the charges to work effectively for our members; that means of course as you know that we will have a lot to do. We must work actively and tirelessly to make full use of our strong position in order to ensure progress.