

GOVERNOR LINGLE TO PROMOTE TOURISM, CLEAN ENERGY PARTNERSHIPS, ECONOMIC DEVELOPMENT OPPORTUNITIES IN CHINA

For Immediate Release: October 28, 2009

HONOLULU – Governor Linda Lingle announced today she will travel to China to build on the State's strategic efforts to strengthen Hawai'i's economic base by tapping China's growing outbound tourism market as well as developing opportunities and partnerships in clean energy and international trade.

During the trip (October 30 – November 13), the Governor will visit six cities where Hawai'i has developed important economic interests: Beijing, Shanghai, Hong Kong, Haikou and Sanya in Hainan Province and Guangzhou, Guangdong Province. Beijing is the capitol and political and administrative center of China; Shanghai is the country's economic and business center; Hong Kong continues to be a leading global financial center and trading base; both Hainan and Guangdong Province are sister-states to Hawai'i.

"This trip's focus on promoting tourism and seeking partnerships in clean energy and other sectors are part of my Administration's five-point economic plan to stimulate Hawai'i's economy, create jobs and position our state and residents for the future," said Governor Lingle. "With a 9 percent increase in its gross domestic product in the third quarter, China's continuing economic recovery is critical to the recovery worldwide, as well as to Hawai'i's economy. In today's global economy, it is important that Hawai'i continue to strengthen our partnerships with China so that our local businesses have the opportunity to capitalize on this large, emerging market."

China's Emerging Outbound Visitor Market – Opportunities for Hawai'i

A major part of the Governor's trip will be to ensure Hawai'i is prepared to maximize economic opportunities from China's emerging outbound tourism market. Over the past several years, the Lingle-Aiona Administration has focused on strengthening partnerships with the growing Chinese tourism industry as part of a strategic effort to diversify the geographic mix of visitors to Hawai'i. This is particularly important now, as Hawai'i is expected to benefit from an increase in Chinese travelers due to recent developments.

In June 2008, a memorandum of understanding (MOU) between the U.S. and China began allowing for increased group leisure travel from China to the U.S. and permitted tour operators to market and advertise group tours to Hawai'i. The MOU was expanded earlier this month to allow Chinese citizens from a total of 21 provinces to visit the U.S. in tour groups.

In addition, the first nonstop scheduled airline service from China to Hawai'i is expected to begin early next year. Hainan Airlines, which has had ongoing discussions with Governor Lingle and members of her cabinet and the Hawai'i Tourism Authority regarding direct China-Hawai'i service, received approval last month from the U.S. Department of Transportation to begin operations. The carrier will start one flight a week initially and plans to increase the frequency of the Beijing-Honolulu service as demand builds. The Governor will meet with the chairman of the board and other senior executives of Hainan Airlines in its home base of Hainan Province to discuss the upcoming flight service.

To encourage Chinese tour groups to visit Hawai'i and to take advantage of the upcoming nonstop flight between Beijing and Honolulu, the Governor will address Chinese tourism officials, tour wholesalers, travel agents, airline executives and travel writers at two events in Beijing and Shanghai. In conjunction with these events, she will participate in media roundtables with Chinese media, including the nation's major news outlets as well as travel and leisure publications to promote Hawai'i as a travel destination.

The Governor will also meet with Shao Qiwei, chairman of the China National Tourism Administration (CNTA), the country's tourism ministry, to continue to build on the progress made since the Governor's first business mission to China in 2005, which set the groundwork for a cooperative agreement between the State of Hawai'i and CNTA to increase two-way travel between Hawai'i and China. Most recently, Chairman Shao met with Governor Lingle last Saturday during his stopover in Hawai'i and they discussed the importance of increasing travel between the U.S. and China and the many opportunities Hawai'i has in increasing visitors from China.

Another major tourism-related issue that will be addressed during the trip is expediting the visa application and approval process for Chinese visitors to the United States. The Governor will meet with newly appointed U.S. Ambassador John Huntsman to continue discussions they had in Honolulu in August to ensure that obtaining a U.S. travel visa will not be an obstacle to traveling to Hawai'i or the rest of the U.S. Among the proposals Governor Lingle will raise with Ambassador Huntsman are establishing set interview times for Chinese travelers applying for a visa, designating a point-of-contact at each U.S. consulate in China to focus on the visa issue and determining a process to facilitate last-minute travel applications.

In Hong Kong, Governor Lingle will meet with Rita Lau, the Hong Kong Government's cabinet Secretary for Commerce and Economic Development, who also holds the tourism portfolio, to discuss Hong Kong's potential role as a gateway to Hawai'i for Chinese tourists from southern China.

The Governor will be joined at the tourism-related events and meetings in Beijing and Shanghai by Kelvin Bloom, chair of the Hawai'i Tourism Authority and Hawai'i Tourism China which is organizing the tourism events in Beijing and Shanghai.

Hawai'i-China Clean Energy Partnerships

During her meeting with Ambassador Huntsman, the Governor will also expand on earlier conversations she had with him on the role Hawai'i can play in fostering partnerships and investments, as the U.S. and China work toward reducing dependence on fossil fuels and developing clean, renewable energy alternatives.

Through the Hawai'i Clean Energy Initiative, a partnership between the State of Hawai'i and the U.S. Department of Energy which aims to have 70 percent of Hawai'i's energy come from clean sources by 2030, Hawai'i can be a global role model of renewable energy development. The Governor will focus on identifying opportunities for Hawai'i businesses to share their expertise in clean energy, as well as securing Chinese partners that can invest in Hawai'i to help the state achieve its clean energy goals, while stimulating the local economy.

Toward that end, in Beijing the Governor will meet with officials from the China Academy of Engineering and the National Reform and Development Commission (NDRC), two central government agencies responsible for China's ambitious clean energy and emissions reduction plans. Included in these meetings are three internationally recognized Chinese clean energy experts who spoke at the Asia-Pacific Clean Energy Summit and Expo that was held in Hawai'i in September. The China Academy of Engineering plans to participate in the 2010 Asia-Pacific Clean Energy Expo what will be held in Hawai'i.

In Hong Kong, she will meet with Edward Yao, Hong Kong's Secretary for the Environment to focus on opportunities for Hawai'i in the area of clean energy development and environmental protection both for Hong Kong and for southern China.

Promoting Hawai'i Exports

In Beijing, the Governor will meet with the China Ministry of Commerce (MOC), the nation's top trade and economic development agency. In an attempt to narrow China's trade surplus with the U.S., the MOC is launching a program to promote American products to the Chinese consumer, especially the growing Chinese middle class. Governor Lingle will discuss the MOC's interest in launching a Hawai'i products showroom and trade center, fully funded and operated by the MOC, that will promote and distribute Hawai'i products in China.

In Shanghai, Governor Lingle will meet with the organizers of the Shanghai Expo, a six-month international exhibition to be held May to September of 2010. The organizers expect 70 million people to visit the Shanghai Expo, of which 67 million will be Chinese domestic visitors. Governor Lingle will explore utilizing the expo as a platform for promoting the export of Hawai'i products and services.

In the meeting with Hong Kong Secretary for Commerce and Economic Development Lau, the Governor will discuss opportunities for Hawai'i businesses to utilize Hong Kong as an export window into China.

The Chinese Chamber of Commerce in Hawai'i will join Governor Lingle in Hainan Province and Guangdong Province to develop and further relationships with its Chinese counterparts. Specific areas of interest for the Chinese Chamber is exports of Hawai'i products, professional services and education and cultural exchange.

Strengthening International Partnerships in the Global Economy

The Hainan Province and Guangdong Province portions of the trip will focus on strengthening existing relationships with Hawai'i's historic sister-states in China. Sister-states are the internationally accepted formal basis upon which closer economic, business and cultural exchange between two foreign states are promoted.

At the invitation of Guangdong Province Governor Huang Huahua, Governor Lingle will travel to Guangzhou to celebrate the 30th anniversary of Guangdong Province's sister relations program. Governor Lingle has been invited to address foreign officials from Guangdong's sister provinces/states, including governors and other dignitaries from Australia, Canada, Denmark, France, Germany, Indonesia, Japan, Mexico, Netherlands, Poland, South Korea, Spain, Sweden, Turkey and the United States. The Guangzhou itinerary will also include a forum on the innovation economy.

In 1985, Hawai'i established a sister-state relationship with Guangdong, ancestral home to many of Hawai'i's Chinese immigrants. Guangdong has since developed into China's foreign trade powerhouse, accounting for up to 40 percent of China's trade. In 2005, Governor Lingle led a Hawai'i delegation to Guangzhou to mark the 20th anniversary and to sign a reaffirmation agreement.

In 1992, Hawai'i established a sister-state relationship with Hainan Province when it was separated from Guangdong Province. Hawai'i and Hainan share many similarities as island states, with similar issues and aspirations in tourism – Hainan is known as "China's Hawai'i" – and sustainable energy and agriculture development. Hainan is the home base of Hainan Airlines. Governor Lingle will be the first Hawai'i governor to visit Hainan Province since the sister-state relationship was established.

Traveling Party and Expenses

Governor Lingle's air travel expenses will be paid for with State funds.

Accompanying the Governor will be Ted Liu, director, Department of Business, Economic Development and Tourism. His air fare will be funded by DBEDT.

Kelvin Bloom's air travel expenses will be covered by Hawai'i Tourism Authority. Bloom will travel to Beijing and Shanghai only.

Abbey Mayer, executive director of the Office of Planning, who will be in China attending a non-state-funded conference, will join the Governor and Liu in Hainan and Guangzhou.

The Governor's party will be hosted by the Chinese People's Association for Friendship with Foreign Countries, Hainan Provincial Government and Guangdong Provincial Government, which will pay for hotel accommodations and ground transportation in Beijing, Shanghai, Hainan and Guangzhou. Expenses in Hong Kong will be paid for with personal funds.

####

For more information, contact:

Lenny Klompus
Senior-Advisor – Communications
Phone: (808) 586-7708

Russell Pang
Chief of Media Relations
Phone: (808) 586-0043