DAVID Y. IGE GOVERNOR



DEPT. COMM. NO MIKE MCCARTNEY DEPARTMENT OF BUSINESS, **ECONOMIC DEVELOPMENT & TOURISM**

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CHUNG I. CHANG DEPUTY DIRECTOR

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January 4, 2021

The Honorable Ronald D. Kouchi, President and Members of the Senate Thirty-First State Legislature State Capitol, Room 409 Honolulu, Hawaii 96813

The Honorable Scott K. Saiki, Speaker and Members of the House of Representatives Thirty-First State Legislature State Capitol, Room 431 Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the 2020 State of Hawaii Overseas Offices' Annual Report, as required by Section 201-84, Hawaii Revised Statutes. In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that the report may be viewed electronically at: http://dbedt.hawaii.gov/overview/annual-reports-reports-to-the-legislature/.

With aloha,

Mike McCartney

Enclosure

Legislative Reference Bureau C:



Department of Business, Economic Development & Tourism Business Development & Support Division

STATE OF HAWAII OFFICES IN BEIJING AND TAIPEI

REPORT TO THE 31ST LEGISLATURE

DECEMBER 2020

A REPORT TO THE LEGISLATURE OF THE STATE OF HAWAII AS REQUIRED BY SECTION 201-84, HAWAII REVISED STATUTES

State of Hawaii Office in Beijing 2020 Annual Report

PART 1. HISTEP - ENTERING THE CHINA MARKET WEBINAR SERIES PART 2. CONSISTENT EXPOSURE ABOUT HAWAII IN CHINA PART 3. MAINTAINED CONTACTS WITH OFFICIALS AND ORGANIZATIONS PART 4. PROMOTED HAWAII THROUGH MEETINGS AND EVENTS PART 5. LOOKING AHEAD PART 6. BEIJING OFFICE'S EXPENSE (FY 2020)

PART 1. Hawaii State Trade Expansion Program (HiSTEP) - ENTERING THE CHINA MARKET WEBINAR SERIES

The featured project for SHOB in 2020 was the successful kick-off of 11 informational sessions on *Entering the China Market Webinar Series*. DBEDT and SHOB created this program to adapt to changes in 2020 as a result of the global pandemic.

In early 2020, SHOB initiated plans to organize a high-level State trade mission to China. Unfortunately, by June, DBEDT and SHOB realized that traveling would likely be unrealistic, and plans were quickly adjusted to host a series of webinars for Hawaii businesses to explore opportunities in exporting products to China. SHOB believed that in addition to potential opportunities for economic diversification, the webinars were envisioned to help Hawaii companies expand their access to global markets and to help offset the effects of the global pandemic and the negative impact on Hawaii's tourism industry.

The China Webinar Series was effectively launched on October 22, 2020, following the reopening of Hawaii's tourism industry. Panelists with knowledge and expertise in doing business in China were invited to help Hawaii businesses gain a better understanding of the China market while also encouraging companies to consider doing business in China. Approximately 30 Hawaii companies participated in each of the four webinars since October 2020. The webinar schedule follows.

Webinar	Date	Торіс
1	Hawaii 10/22/2020 THUR China 10/23/2020 FRI	Current Business Environment in China for Hawaii Companies
2	Hawaii 11/5/2020 THUR China 11/6/2020 FRI	Opportunities and Challenges When Doing Business in China
3	Hawaii 11/19/2020 THUR China 11/20/2020 FRI	Steps and Procedures to Start/Establish/Connect your Business in China
4	Hawaii 12/3/2020 THUR China 12/4/2020 FRI	Marketing and Advertising in China
5	Hawaii 12/17/2020 THUR China 12/18/2020 FRI	E-commerce in China
6	Hawaii 12/29/2020 TUE China 12/30/2020 WED	The Power of Promoting Business by Social Media in China
7	Hawaii 01/14/2021 THUR China 01/15/2021 FRI	Building a Hawaii Business Brand in China
8	Hawaii 01/28/2021 THUR China 01/29/2020 FRI	Study Abroad by Chinese Students
Special	Hawaii 02/09/2021 TUE China 02/10/2021 WED	Alibaba (T-Mall Global)
9	Hawaii 02/25/2021 THUR China 02/26/2021 FRI	China Travel and Tourism Industry
10	Hawaii 03/11/2021 THUR China 03/12/2021 FRI	Perspectives of Hawaii Business Who Found Success in China

• Screenshot of hosts and panelists who participated in the webinar.



• Posters published on social media accounts in China.



PART 2. CONSISTENT EXPOSURE ABOUT HAWAII IN CHINA

SHOB recognized the importance of establishing a consistent flow of communication with businesses in China that are interested in Hawaii. SHOB effectively used social media to promote Hawaii especially during the pandemic.

Besides utilizing existing social media accounts on WeChat, SHOB also established accounts on Vedio and TicTok. Through these social media platforms, SHOB was confident that target audiences were still very interested in Hawaii, and many Hawaii enthusiasts continued to contribute content to SHOB's accounts. Exposure focused on three areas:

- 1. News and updates on Hawaii and China and how the pandemic was being handled.
- 2. Major news in Hawaii, and support between Hawaii and its Sister-State Provinces.
- 3. Updated news and policies regarding Hawaii schools and Chinese students.

Below is a collection of posts on SHOB's social media platforms. The Vedio posts have already attracted close to 10,000 viewers since being established.

• Shared the news of Hawaii supporting the Chinese community in February.

夏威夷州各界正在积极行动支援中国! 征集信息,万分感谢 À



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• Shared the news of China donating PPE to Hawaii.

夏威夷航空包机 HA8103/0910 满载着 口罩等防疫物资从深圳出发,于北京 时间今天上午抵达檀香山国际机场。



...

• Shared the news of two Hawaii high school students who raised money to help with the fight against the Coronavirus.

...

夏威夷普纳荷学校的学生 Annie Wang 和 Jaime Wang正在为武汉筹集口罩防 护服等急需的医疗物资。两姐妹曾在 2015年去武汉旅行并记忆深刻。



temary at 3:00 All HONOLUU, Hawaii (Hawaii NewsNow) - Two high school students in Hawaii with ties to Wuhan are raising money for supplies in hopes of greventing the coronavirus outbreak from spreading further.

Twin sisters Annie and Jaime Wang say they have fond memories of their trip there in 2015 to visit relatives.

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• Shared the news of Hawaii school activities on social media including K-12 schools, community colleges, and universities.

...

夏威夷 K12 学校伊奥拉尼近期设计并制造了数千个防护面罩赠予医护和抗击肺炎的一线人员。校长 Timothy Cottrell 博士、本校工程师、设计师小组和学生们通力合作,在苏利文中心将想法变为现实。



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「2020夏威夷毕业季」今年各校的毕 业典礼少了些人群聚集的温馨场面, 但学生们乐观坚毅的眼神和家长们的 欣喜之情一如往年。再多风雨,总会 过去;成长之路,砥砺前行。保持勇 敢乐观,未来无所畏惧!



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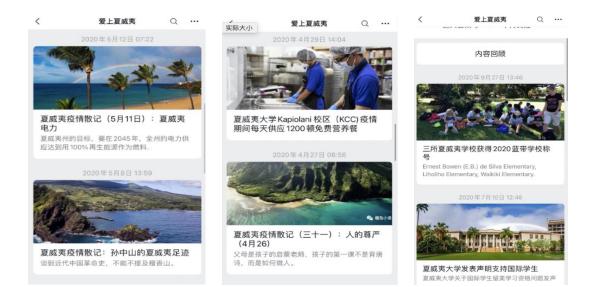
校园美丽依旧,静谧令人心疼。

Aloha UH KCC

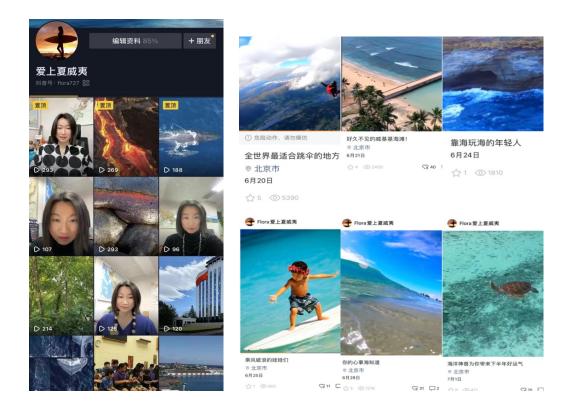


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• Established new social media platforms and promoted Hawaii.



PART 3. MAINTAINED CONTACTS WITH OFFICIALS AND ORGANIZATIONS

SHOB maintained contacts with organizations such as with Chinese government offices such as the China Council for the Promotion of International Trade (CCPIT); the Ministry of Commerce in Governments of Guangdong and Hainan Provinces; EducationUSA among others.

As China gradually reopened cities beginning in May, SHOB resumed in-person activities including participation in local seminars, shows and exhibitions. SHOB adjusted its objectives and priorities due to the changing global situation as a result of the pandemic. The following are some of the featured events in 2020.

- With Guangdong Provincial Government:
 - 2020 marked the 35th anniversary of the Hawaii-Guangdong Sister-State relationship. In September, SHOB assisted the Guangdong government in obtaining a recorded video message from Governor David Ige. The video was shown at the 2020 Guangdong -U.S. Investment Cooperation Conference that was held on September 16, 2020. SHOB also shared the news on its WeChat account.

今日,夏威夷友好省广东召开合作交 流会,商务部、商会、贸委会等各界 代表线上线下共聚。夏威夷州州长 David Ige先生录制了视频介绍两省州 在农业、教育等领域的合作现状与未 来发展。调整步伐保持前行,大家一 起来面对这个挑战与机遇并存的时代!



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- Held meeting with CCPIT on September 22, 2020. The meeting was to brief the new officials at CCPIT on current developments in Hawaii. CCPIT indicated that they are exploring the possibility of conducting a China business webinar series for Hawaii businesses in the future.
- On September 24, 2020, met with new officers in the U.S. Embassy, and the officers in charge of Education USA; Cultural Affairs Office; and the Beijing American Center.
- Reconnected the officials in charge of the Sister-State relationships with Hainan Province. Ideas were exchanged with Hainan's Department of Commerce. The department was a main supporter of the China Webinar Series that SHOB organized. Hainan is considered one of the new expansion provinces in China which may provide good opportunities for Hawaii.

PART 4. PROMOTED HAWAII THROUGH MEETINGS AND EVENTS

• On January 8, 2020, SHOB staff presented information to 25 principals of Beijing K-12 schools on the topic of Hawaii education with an emphasis on innovative education and talent development.



• On January 10, 2020, SHOB attended the 2020 annual conference on China Foreign Investment at the invitation of the Ministry of Commerce. SHOB promoted Hawaii to over 20 high-ranking diplomats, representatives of international organizations and well-known Chinese enterprises.



 On July 30, 2020, SHOB attended the new media for education event, and promoted Hawaii as an international education location to 100 representatives from educational organizations. SHOB also had the privilege of presenting an award during the event.



• On October 11, 2020, SHOB attended the 2020 EducationUSA Beijing College Fair. Over 370 people attended the fair, and more than 100 students visited the Hawaii booth. Parents and students said that the fair gave them the confidence in pursuing further study in the U.S.



 On November 27, 2020, SHOB was invited by Education for Growth in China, a non-profit organization founded by a group of educators who returned home from the U.S. SHOB delivered an online presentation to introduce Hawaii, its education system and teaching in Hawaii. SHOB also had discussions with students who majored in education in the state. There was interest and a willingness to teach in Hawaii.



Events that SHOB provided information and support:

• In January 2020, a group of 15 people from Hainan Tropical Ocean University visited the University of Hawaii (UH), Hawaii Pacific University (HPU), and the Hawaii Wastewater Treatment Plant.



• In January 2020, representatives from Beijing Normal University visited Hawaii to attend the International Forum on China Studies, organized by the Center for Chinese Studies at University of Hawaii at Manoa (UHM).



PART 5. LOOKING AHEAD

Promoting Hawaii as an education location has been an area of focus for SHOB during the past few years. However, the number of Chinese students going to the U.S. has been uncertain due to the pandemic, as well as visa restrictions. According to data published by the U.S. Department of State, Bureau of Consular Affairs, from April to September, the U.S. issued 806 F1 visas and 154 J1 visas to the Chinese nation, accounting for 1 percent and 0.6 percent of those categories of 2019. Although it is not possible to speculate on how policies will evolve in the future, there is still enthusiasm from Chinese students about study abroad opportunities in the U.S.

Through SHOB's on-going China Market Webinar Series, participants will be able to explore opportunities in China by hearing from various experts who SHOB recruited for the series. For Hawaii companies interested in exporting to China, understanding about opportunities in China and how products can be featured on online platforms will be beneficial as they increase exports to China.,

PART 6. BEIJING OFFICE'S EXPENSE (FY 2020)

Description of Expenses	Total
Director's Contract	\$37,800
Assistant's Salary	\$22,800
Office Rent	\$28,044.32
Office Management Fee	\$2,594.37
Bank Fee	\$145.68
Phone/Fax/Long Distance	\$191.41
Office Supplies	\$986.79
Taxi Fare	\$90.09
Miscellaneous Expense	\$596.21
Printing	\$7.74
Total Expenses	\$92,256.61

State of Hawaii Office in Taipei 2020 Annual Report

PART 1. PROMOTED STUDY IN HAWAII PART 2. INVESTMENT ATTRACTION AND BUSINESS PROMOTION PART 3. CULTURAL PROMOTION PART 4. SISTER-STATE AND GOVERNMENT RELATIONSHIPS PART 5. TAIPEI OFFICE'S EXPENSE (FY 2020)

PART 1. PROMOTED STUDY IN HAWAII

 March 13, 2020: Meeting held with Dean Lu Feng-Shun, Taipei Medical University System. Dean Lu and his wife are interested in sending their son to study in Hawaii.



 May 27, 2020: Received a courtesy call from Dr. Chan Li-Ming, Director of Research and Development, China Science and Technology University. Dr. Chan is interested in promoting Sister-School relationships and internship opportunities between Hawaii and Taiwan.



• May 28, 2020: Delivered a speech at the National Taipei Science and Technology University to promote study in Hawaii.



• September 11, 2020: Held meeting with Wang San, the CEO of Pai-Youth Education Institute, and Mr. Lin Ling-Lin of the San-Hsia Rotary Club. Director Lei introduced the Study Hawaii Consortium to them. Mr. Wang is interested in promoting Study Hawaii programs once borders reopen.



• September 14, 2020: Received a courtesy call from Ms. Chen Kuo-Gen and Mr. Lee Ming-Der. They are interested in organizing a student summer camp in Hawaii in 2021.



• September 29, 2020: Delivered a speech at Nan-Shan High School to promote Hawaii education path to study in Hawaii. Taipei Office Director Alex Lei spoke to 200 students to introduce the Hawaii education system, as well as encouraged students to study abroad in order to develop into global citizens.



 October 6, 2020: Received a courtesy call from Dr. Lee Ping-Ming, International Corporation Office of National Pingtung Science and Technology University (NPUST), and two of his colleagues at the Taipei office. NPUST is interested in establishing a Sister-School relationship with University of Hawaii at Manoa (UHM), to further promote academic, research and student exchanges.



• November 24, 2020: Taipei Office Executive Director Alex Lei was invited to meet with Overseas Chinese University in Taichung City. During the visit, activities included exchanges with teachers and students and a presentation of educational opportunities in Hawaii to over 100 students.



• December 1, 2020: Taipei Office Executive Director Alex Lei spoke at the China Science and Technology University. He addressed 90 students to encourage them to study in Hawaii.



PART 2. INVESTMENT ATTRACTION AND BUSINESS PROMOTION

 July 2, 2020: Attended a meeting with Director General Mr. Yeh Ming-Suan, Taiwan External Trade Development Council (TAITRA), to promote bilateral trade. TAITRA is a Quasi-Non-Governmental Organization under the Ministry of Economic Affairs



 July 3, 2020: Attended a meeting at the Bureau of Foreign Trade (BOFT), Ministry of Economic Affairs, to discuss the possibility of organizing an event on U.S. Business Day in October 2020. As a result of the meeting, BOFT decided to launch an event in October and all U.S sellers and officials participated online to meet the Taiwan buyers who were located in a conference room at the Taipei World Trade Center (TWTC).



August 14, 2020: Taipei Office Executive Director Alex Lei attended the Taiwan-U.S. Business Alliance Launching Ceremony. The Alliance promotes trade and investment for Taiwan companies to do business with the U.S. Over 100 Taiwan businesses participated. Mr. Lei's office staffed a booth at the event to promote opportunities in Hawaii.



 August 21, 2020: Received a courtesy call from Deputy Director Sun Jing-Ran and Manager Lin Yeh-Zeng, from TECO Electric & Machinery Co, Ltd. TECO is one of the largest electronics and machinery company in Taiwan and has recently focused its efforts on clean energy development. Mr. Lei introduced the Hawaii Clean Energy Initiative and encouraged TECO to invest in Hawaii.



 September 3, 2020: Taipei Office Executive Director Alex Lei, along with Mr. Daniel Chen, CEO, and Mr. Eric Chen, Vice General Manager of IMC Group, traveled to Pingtung County to visit National Pingtung Science and Technology University (NPUST). IMC Group is planning to invest 60 million dollars for its Kaluanui Hauula Hawaii project and ECO-TECH organic farm on Oahu. The purpose of the visit was to strengthen the relationship between NPUST and IMC Group who is seeking technical assistance and cooperation from NPUST.



 September 16, 2020: Taipei Office Executive Director Alex Lei visited the Importers and Exporters Association of Taipei (IEAT) to express interest in working with the association for trade and product promotion. IEAT assisted the Taipei Office by sending invitations to targeted members for the Virtual Hawaii Coffee Mart in November 2020. IEAT also offered two pages for an article to introduce Hawaii in 2021.



• September 17, 2020: Taipei Office Executive Director Alex Lei was invited by the American Institute in Taiwan (AIT) to attend the U.S. Investment and Trade Forum.



• October 15, 2020: Attended U.S. Business Day, organized by the Taiwan Bureau of Trade, Ministry of Economic Affairs. At the event, Taipei Office Executive Director, Alex Lei, made a presentation to introduce Hawaii in the areas of trade, clean energy initiative, investment, and education.



• October 22, 2020: Taipei Office Executive Director Alex Lei was invited by the American Chamber of Commerce to its annual event and delivered a speech to promote Hawaii at the event.



• November 14, 2020: Taipei Office Executive Director Alex Lei visited the 2020 Coffee, Tea and Wine Expo at the TWTC Exhibition Hall II. Mr. Lei met with many well-known coffee operators, experts, and importers and invited them to attend the Virtual Hawaii Coffee Mart that was held on November 18.



 November 18, 2020: Virtual Hawaii Coffee Mart was held at the Taipei Grand Hyatt Hotel to promote Hawaii coffee. Seven companies including famers from Hawaii gave a virtual presentation about their products to over 40 representatives/buyers from Taiwan's coffee industry who attended the event in Taipei. Coffee samples were displayed and buyers were able to taste Hawaii coffee at the event. Forms were distributed to buyers to complete for postevent follow-up with Hawaii coffee companies. The event was organized by the State Department of Business, Economic Development and Tourism (DBEDT) and co-sponsored by Hawaii Coffee Association (HCA); the American Institute in Taiwan (AIT); and the U.S. Department of Agricultural (USDA) Foreign Agricultural Services (FAS), whose Administrator Mr. Ken Isley, pre-recorded remarks for the event.









PART 3. CULTURAL PROMOTION

July 23, 2020: Taipei Office Executive Director Alex Lei attended the opening ceremony of the 2020 Austronesia Forum – Cultivating Program for Young Talents in International Affairs. Mr. Lei was invited by the Council of Indigenous Peoples (CIP) to deliver opening remarks, and also gave a two-hour lecture to the young talents in the Pacific region.



 November 25, 2020: Attended the Austronesia Forum executive council meeting at the Grand Hotel Taipei that was organized by the Council of Indigenous Peoples (CIP). In 2021, the executive council's meeting will be held in the Marshall Islands. Mr. Lei suggested that the CIP and its members consider transits and stopovers in Hawaii.



PART 4. SISTER-STATE AND GOVERNMENT RELATIONSHIPS

 June 4, 2020: Director of the American Institute in Taiwan (AIT), Mr. Brent Christensen, hosted a meeting with members of the American State Office Association (ASOA). AIT was updating general information related to U.S.-Taiwan development and expressed its concerns about operational matters due to the COVID pandemic.



- In June 2020, State of Hawaii Office in Taipei reached out to the National Women's League of the Republic of China (Taiwan) and successfully received a donation of 1,000 isolation gowns and 10,000 surgical masks to help the State of Hawaii better protect medical professionals as well as vulnerable populations in the state. Governor David Ige issued an appreciation letter to the National Women's League of Republic of China (Taiwan).
- With respect to Sister-State relationships, the Taiwan Ministry of Foreign Affairs continued to support the office rent for the State of Hawaii Office in Taipei, a subsidy of USD \$4,800 annually, about one-third of the office's total rental cost.
- Due to the COVID pandemic, a rental reduction was granted by TITRA in the amount of USD \$600 for the months from April to June 2020.

 July10, 2020: Taipei Office Executive Director Alex Lei was invited by the Director General Ms. Ho Yi-Ming of the Economic Development Administration, New Taipei City Government. Director Ho introduced 15 Taiwan companies who specialized in and manufactured personal protective equipment.



• August 1, 2020: Taipei Office Executive Director Alex Lei was invited by the Council of Indigenous Peoples (CIP) to the Taiwan Indigenous Conference.



 August 3, 2020: American State Office Association (ASOA) arranged a visit to meet with Taipei City Mayor Ko Wen-Je. During the meeting, members of the state representatives introduced their office priorities and objectives and expressed a desire to conduct more exchanges with Taipei City in the future. Mayor Ko introduced his executive team to ASOA members and encouraged further communication and cooperation in the future.



 August 4, 2020: Received a courtesy call from Director General Ho Yi-Ming, Economic Development Administration, New Taipei City Government. Director General Ho expressed their interest in enhancing education and economic cooperation with the State of Hawaii.



 September 25, 2020: Taipei Office Executive Director Alex Lei was invited by the Ministry of Foreign Affairs (MOFA) to meet with the Taiwanese Chambers of Commerce of North America. At the event, Mr. Lei gave a presentation and invited the delegates to conduct business with and invest in Hawaii. President Alfred Ho of the Taiwanese Chambers of Commerce in Hawaii attended as one of the delegates.



 December 11, 2020: Taipei Office Executive Director Alex Lei was invited by the American Institute in Taiwan (AIT) to attend the SelectUSA Reception. AIT also invited Taiwan Government officials, businesses, and community leaders to attend the event. Director of AIT, Mr. Brent Christensen, encouraged and welcomed Taiwan Companies to do more trade with and investments in the U.S.



PART 5. TAIPEI OFFICE'S EXPENSE (FY 2020)

Description of Expenses	Total
Director's Contract	\$46,102.11
Assistant's Salary	\$21,361.75
Office Rent	\$11,874.52
Health Insurance	\$587.10
Labor Insurance	\$999.99
Newspaper Subscription	\$143.54
Copy Machine Rental	\$986.56
Utilities	\$286.89
Phones/Fax/Long Distance	\$816.49
Mobile Phone	\$1,123.93
Postage	\$174. 54
Freight & Delivery Charge	\$65.12
Office Supplies/Internet	\$550.11
Office Equipment	\$3,584.67
Membership Fees	\$333.33
Intrastate Travel Expense	\$99.33
Telephone Equipment	\$414.35
Total Expenses	\$89,504.33