

POST-MISSION REPORT



Miami-Dade County
Economic Development
& International Trade and
International Trade Consortium

MIAMI-DADE COUNTY FLORIDA
BUSINESS DEVELOPMENT MISSION



People's Republic of China (PRC)
(Shanghai • Hangzhou • Guangzhou)

April 12-20, 2016

ORGANIZED BY THE OFFICE OF ECONOMIC DEVELOPMENT AND INTERNATIONAL TRADE
DEPARTMENT OF REGULATORY AND ECONOMIC RESOURCES, MIAMI-DADE COUNTY





Miami-Dade County
Economic Development
& International Trade and
International Trade Consortium



Business Development Mission People's Republic of China

(Shanghai • Hangzhou • Guangzhou)

April 12 - 20, 2016

Mission Leader

The Honorable Jose “Pepe” Diaz

Miami-Dade County Commissioner

Chairman, International Trade Consortium (ITC) Board of Directors

Post-Mission Report

Office of Economic Development and International Trade

Department of Regulatory and Economic Resources

Miami-Dade County, Florida, USA

Business Development Mission to The People's Republic of China

Mission Sponsors



American Da Tang Group
美国大唐集团



ARIAS TOVAR

Holland & Knight



Business Development Mission to The People's Republic of China

Supporting Agencies



Table of Contents

Appreciation	6
Executive Summary	7
Mission Highlights & Activities	8
♦ By the Numbers	8
♦ Meetings with Municipal Government Officials in Shanghai and Hangzhou	9
♦ Meetings with representatives of Chinese Airlines.....	10
♦ Meeting with Guangzhou Aerotropolis Development District	12
♦ In-Country & Market Opportunity Briefings in Shanghai	13
♦ In-Country & Market Opportunity Briefings in Guangzhou	14
♦ Miami-Dade County Branding Presentation in Shanghai	15
♦ Investment Forum and Business Luncheon in shanghai	16
♦ Business Meeting & Luncheon with Representatives of Ronggui General Chamber of Commerce..	17
♦ Business Networking Reception hosted by the Greater Miami Convention & Visitors Bureau	18
♦ Business-to-Business Matchmaking Meetings in Shanghai	19
♦ 119 th Canton Import/Export Fair, Pazhou Complex, Guangzhou	20
♦ Tour of Alibaba Group Campus, Hangzhou	21
♦ Tour of Vanward New Electric Company Limited, Shunde District	22
♦ Tour of Hangji Industries Group Company Limited, Shunde District	23
♦ Tour of Shunde Municipal Museum	24
Comments & Feedback	25
Media/Press Clips	26
Mission Participants by Industry Sector	28
Appendix 1	31
Miami-Dade County Mayor & Board of County Commissioners.....	37

Appreciation

The Honorable Jose “Pepe” Diaz, Chairman, International Trade Consortium (ITC) Board of Directors and members of the ITC Board of Directors, and the Office of Economic Development & International Trade (EDIT) of Miami-Dade County extend their appreciation and gratitude to mission participants, sponsors, vendors, service providers, interns, volunteers and our partners for their invaluable support and assistance towards the planning and execution of the 2016 Business Development Mission to People’s Republic of China, organized by EDIT.

Our ability to communicate in Mandarin was crucial to the success of this mission. Our business cards, correspondence, on-site translations for meetings with Chinese officials, delegates profiles and other mission materials were made possible by the following individuals: Angie Ki, Jeanie Gallegos, Joe & Mercedes Chi, Jaibin Pan, Geneve Dubois, Chang Du, Chen Frank Peng, Zhijun Tan, Sussy Toyos, Leyi Zhang and Jingyin Huang

The successful outcomes from this mission could not have been achieved without the support, cooperation and collaboration of everyone involved in this mission directly and indirectly.

Thank You!

Executive Summary

The International Trade Consortium (ITC) Board of Directors approved an agency-led outbound business development mission to the People's Republic of China (PRC) at its February 11, 2015 board meeting. After consulting and meeting with numerous stakeholders and staff conducting its own market research, the following three (3) cities were chosen:

Shanghai (April 12 - 15, 2016); **Hangzhou** (April 15 - 17, 2016) and **Guangzhou** (April 17 - 20, 2016).

The purpose of the business development mission to the PRC was to foster bilateral trade, commerce, economic cooperation, tourism and cultural exchanges between Miami-Dade County and PRC. The specific goals for the mission were to:

- Provide business, trade and networking opportunities for mission participants (B2B meetings).
- Engage with Municipal government officials in the PRC to foster closer ties and relations (G2G meetings).
- Discuss potential for Sister Cities engagements.
- Promote and brand Miami-Dade County's attributes and unique assets.
- Meet with potential Chinese investors and investment agencies for in-bound investments.
- Promote Miami-Dade County as a destination for tourism.
- Promote Miami-Dade County as a global gateway, e-commerce and logistics hub.
- Invite Chinese public and private officials to visit Miami-Dade County. (reserve missions).

EDIT staff conducted a pre-mission trip to the 3 cities, planned, organized and recruited participants for the mission in collaboration with partners and stakeholders. Staff then prepared a comprehensive agenda for all mission participants and organized a pre-mission briefing where mission participants were briefed and provided practical information about the mission.

During the mission, participants had ample opportunities to meet with high level U.S. government officials, representatives of municipal governments, American Chamber of Commerce (AMCHAM), including investors, investment agencies, trade and economic development agencies, in an official setting guaranteeing the effectiveness and seriousness of the meetings. In a matter of a couple of days participants met with individuals and businesses who, if they were to go on their own, would take weeks, and cost more, to accomplish.

Additionally, Miami-Dade contingent conducted branding workshops to promote the County's attributes and unique assets, networked and engaged in one-to-one business matchmaking meetings. The delegation visited factories, industrial and technology development zones, Alibaba's e-commerce campus, attended the 119th Canton Import & Export fair (Guangzhou), obtained customized economic briefings and presentations from industry experts, and trade specialists.

No funds from Miami-Dade County government or tax-payers were used for the mission. Mission-related expenses, including travel and lodging, for the mission leader and two (2) staff members from the Office of Economic Development and International Trade were solicited and acquired through sponsorships from the private sector and from the Trade Mission Center (TMC) not-for-profit account.

Business Development Mission

Shanghai, Hangzhou & Guangzhou, People's Republic of China (PRC)

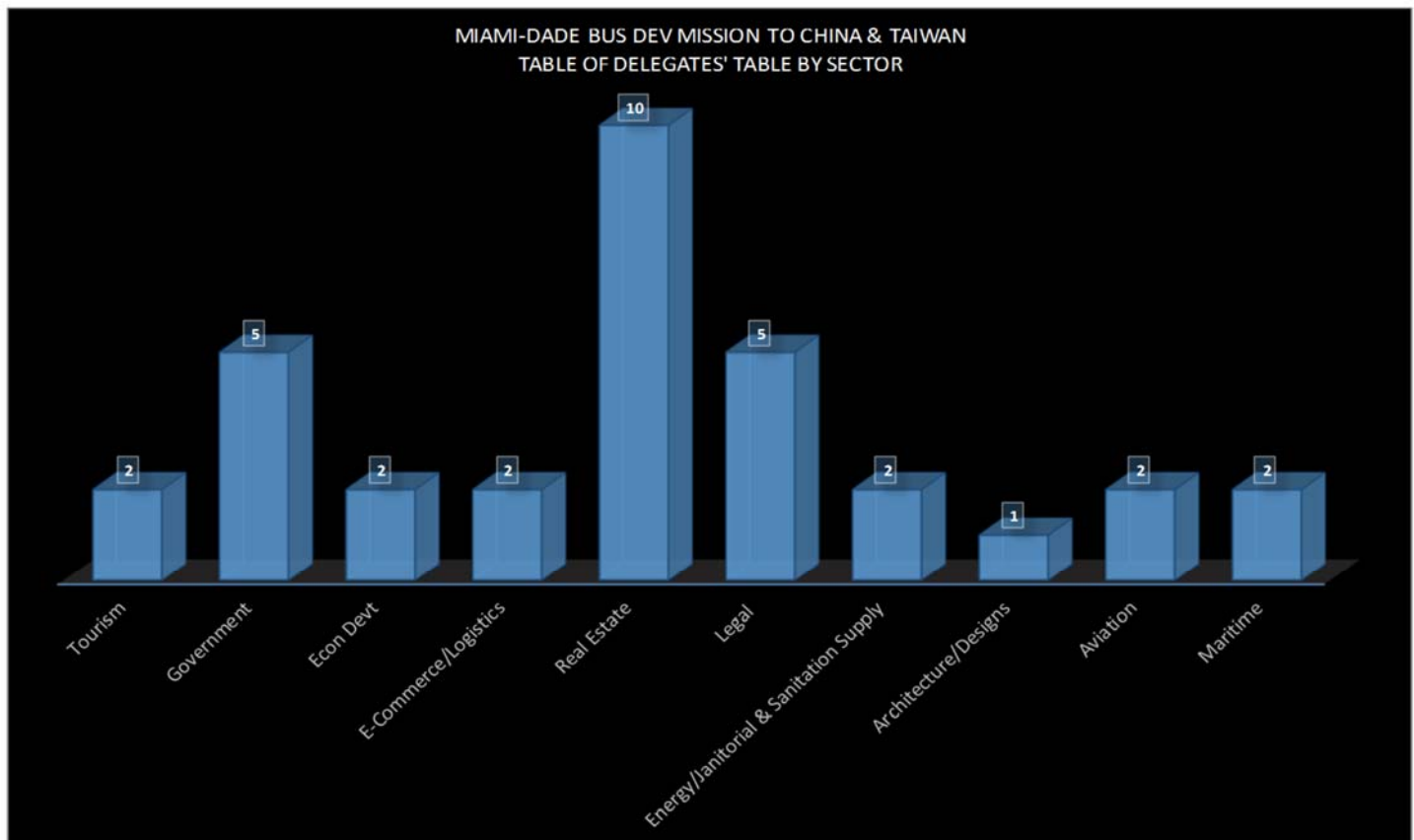
April 12 - 20, 2016

Mission Highlights By the Numbers

- ♦ **33** - Total number of registered participants.
- ♦ **25** - Private sector participants,
- ♦ **8** - Public sector participants and
- ♦ **25** - total number of Business-to-Business (B₂B) matchmaking appointments for private sector participants
- ♦ **15** - total number of Government-to-Government (G₂G) meetings.

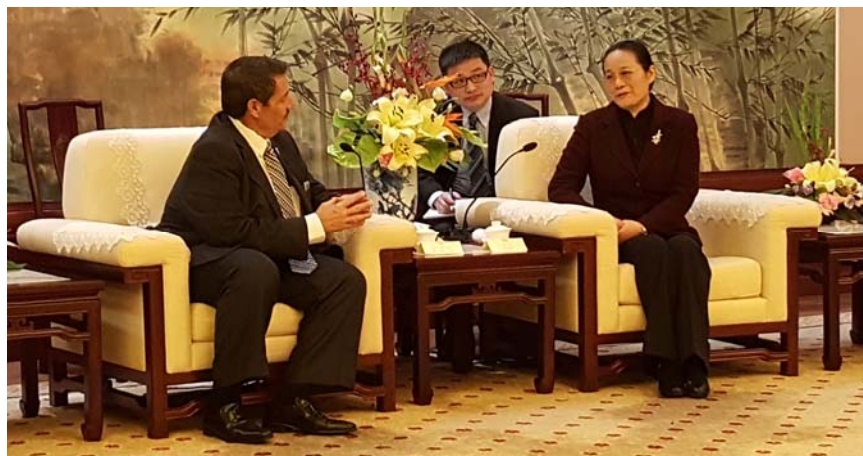
The Invest Miami Magazine website containing information about Miami-Dade County in Mandarin language recorded more than 437 visits after the branding presentation in Shanghai.

The office of Economic Development and International Trade has received requests to host three (3) in-coming delegations from the PRC as a direct result of this mission. These in-bound missions create a positive and robust economic impact for local Miami-Dade County businesses.



Meetings with Municipal Government Officials in Shanghai and Hangzhou

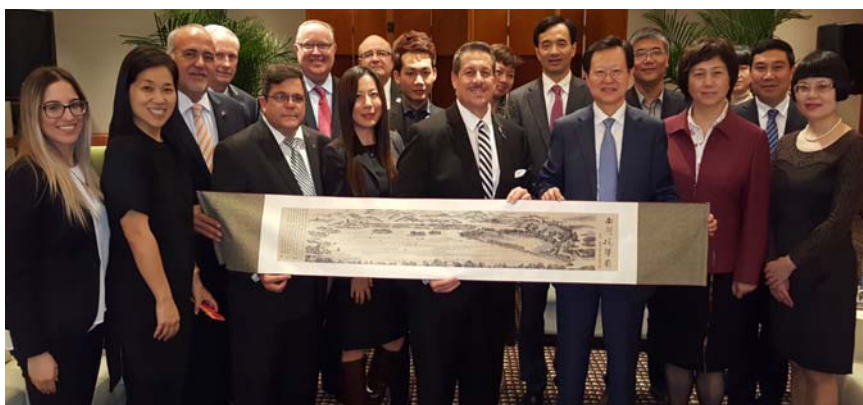
Commissioner Diaz, and the Miami-Dade public sector participants, met with officials of Shanghai Municipal Government and Hangzhou Municipal People's Government during the mission. The purpose of these meetings were to discuss ways to foster bilateral relations, economic cooperation, cultural exchanges, trade and tourism. They discussed issues ranging from trade, tourism, e-commerce and logistics. Commissioner Diaz extended an invitation to the officials to visit Miami-Dade. In Shanghai, Commissioner Diaz delivered the letter from Mayor Carlos A. Gimenez, addressed to the Mayor of Shanghai, to Deputy Mayor Wen.



Commissioner Jose "Pepe" Diaz speaking through an interpreter with Hon. Zhao Wen, Vice Mayor, Shanghai Municipal Government.



Commissioner Jose "Pepe" Diaz met with Hon. Xie Shuangcheng, Deputy Mayor, Hangzhou Municipal People's Government.



Mission participants pose with Hangzhou Municipal Government officials.

Meetings with Representatives of Chinese Airlines

Commissioner Diaz and Mr. Kenneth Pyatt, Deputy Director, Miami-Dade Aviation Department (MDAD) made presentations about Miami International Airport to officials of the following three Chinese airlines: **China Eastern Airlines**, **China Southern Airlines** and **Hainan Airlines** during the mission. They were accompanied to these meetings by Manny Gonzalez, Eric Olafson, Mario Sacasa, Desmond Alufohai, Geneve Dubois, Chang Du, Angie Ki and Jaibin Pan .

“The purpose of these high level meetings with the airlines were to discuss the feasibility of non-stop air service between mainland China and Miami International Airport. The talks were very positive and productive,” noted Ken Pyatt, Deputy Director, Miami-Dade Aviation Department (MDAD).

Mr. Ken Pyatt’s detailed reports, containing technical information about these meetings, are provide under “Appendix 1” of this report.



Ken Pyatt (standing) presenting MIA’s Global Hub International Airport to officials China Southern at their Corporate Headquarters in Guangzhou.



Miami-Dade County delegation pose with officials of Hainan Airlines in Guangzhou.

Pictures of Meetings with Representatives of Three (3) Chinese Airlines, Contd.

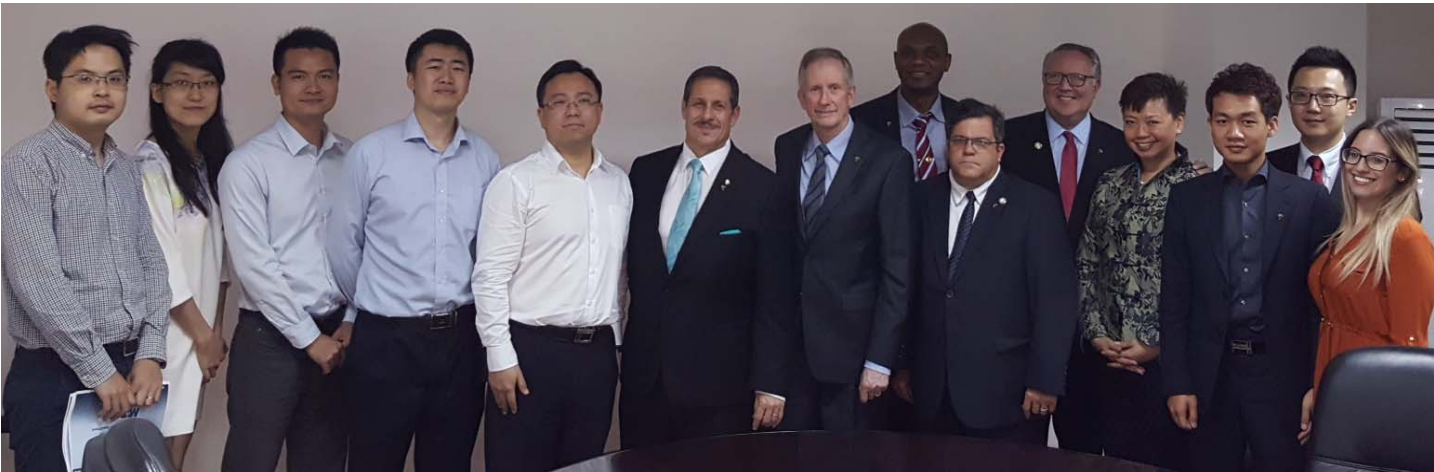


L-R: Chang Du, Commissioner Jose “Pepe” Diaz’ Ken Pyatt and Ying Geneve Dubois at the Hainan Airlines briefing.



Top right: Mr. Ken Pyatt makes a key point during the briefing with the Chairman of China Eastern Airlines in Shanghai.

Below: Miami-Dade County delegation pose with officials of China Eastern Airlines.



Group photo of Miami-Dade County mission delegation pose with officials of China Southern Airlines.

Meeting with Representatives of Guangzhou Aerotropolis Development District

They also met with officials of the Guangzhou Aerotropolis Development District (GADD), operating agency of the Guangzhou Baiyun International Airhub to discuss air route development service between PRC and Miami International Airport.

Right picture: Guangzhou Aerotropolis Development District (GADD) officials led by its chairman - Mr. Sun Xiuqing (Center).

Below: Miami-Dade County team at the meeting with GADD officials.



In-Country & Market Opportunity Briefing in Shanghai

Mission participants learned first-hand, “How to do Business in PRC,” through customized briefings highlighting the political, economic and business opportunities available in the PRC. The briefing was held at AmCham Shanghai’s conference room and conducted by Eric Wolff, Deputy Principal Commercial Officer, U.S. Department of Commerce and Scott Williams, Vice President of Programs & Services, AmCham Shanghai.



Top Left & Right: Eric Wolff, Deputy Principal Commercial Officer, U.S. Department of Commerce, Shanghai (left) and Scott D. Williams, Vice President of Programs & Services, AmCham Shanghai briefed mission delegation about business opportunities in China at the AmCham Conference Room in Shanghai.

Below: Mission participants at the In-Country Briefing.



In-Country & Market Opportunities Briefing in Guangzhou

In Guangzhou, mission participants also received a customized briefing about the business opportunities in South China. Harley Seyedin, president of AmCham South China and Lola Gulomova, Commercial Officer, U.S. Consulate General in Guangzhou gave PowerPoint presentations on the subject matter.



Lola Gulomova, Commercial Officer
U.S. Consulate General in Guangzhou



Harley Seyedin
President, AmCham South China, Guangzhou



Mission delegates pose with Mr. Seyedin and Ava Xing, Events & International Programs Director, AmCham South China

Miami-Dade County Branding Presentation in Shanghai

One of the major purposes of conducting out-bound trade missions is to promote Miami-Dade's attributes and unique assets abroad. In Shanghai, the Miami-Dade panelists showcased and promoted the County's unique assets and its Global Gateway status to more than 60 invited Chinese guests. The Miami-Dade panelists included: Commissioner Jose "Pepe" Diaz, Councilman Pete Cabrera (City of Doral), Manny Gonzalez (Office of Economic Development & International Trade), Ken Pyatt (Miami-Dade Aviation Department), Eric Olafson (PortMiami), Tina Yao (Greater Miami Convention & Visitors Bureau, Shanghai Office) and Mario Sacasa (The Beacon Council). Jose Tovar, Angie Ki and Geneve Dubois, from the private sector, also gave personal testimonials about Miami's attributes as an international trade hub.



Top left: Commissioner Jose "Pepe" Diaz welcomed guests to the Miami-Dade Branding Workshop



Middle: Mario Sacasa gave a PowerPoint Presentation about the Beacon Council



Top right: Commissioner Diaz, Tina Rao and Ken Pyatt respond to questions from the Media after the Branding Presentations



Top and Right photos: Cross-section of mission participants and invited guests at the Branding Workshop.



Investment Forum and Business Luncheon in Shanghai

The Business Forum and luncheon with Chinese investors and investment agencies was the major highlight of the mission. The purpose of the forum was to provide a platform for mission participants to meet with Chinese investors and investment agencies to discuss Foreign Direct Investments (FDI) opportunities and viable projects and programs available in Miami-Dade County. The meeting attracted more than 70 guests. The Miami-Dade team distributed the “Invest Miami” handbook published in Mandarin language and provided information about South Florida’s vibrant real estate market, projects and programs with the potential for public-private-partnerships (P³), etc. The luncheon was sponsored by AECOM Shanghai. AECOM is a global network of experts working with clients, communities and colleagues to develop and implement innovative solutions to the world’s most complex challenges. AECOM is in the business of delivering clean water and energy, building iconic skyscrapers, planning new cities, restoring damaged environments, connecting people and economies with roads, bridges, tunnels and transit systems, designing parks where children play, helping governments maintain stability and security, etc.

Clockwise:

Commissioner Jose “Pepe” Diaz, welcomes attendees to the Forum;

Alton P. Chow, Vice President of Building + Places, Greater China, AECOM.

Manny Gonzalez, Chief, EDIT presents the “Invest Miami initiative” to the audience.

Cross-section of attendees at the forum.

Miami-Dade Team (L-R): Angie Ki, Jose Tovar, Esq., Geneve Dubois, Esq., and Mario Sacasa.



Business Meeting & Luncheon with Representatives of Ronggui General Chamber of Commerce in Shunde

The visit to Shunde District was arranged by AmCham South China, providing the opportunity for mission participants to meet and network with more businesses in South China. Shunde District, with a population of approximately 1.7 million, is a district in the city of Foshan in the Pearl River Delta, Guangzhou Province. Shunde was once a traditional agricultural county. It has now become one of the most affluent counties in Guangzhou and mainland China. In Shunde, mission participants visited Vanward New Electric company factory, Hangji Metal Product Industries factory, Shunde Municipal Museum and a business luncheon organized by the Ronggui General Chamber of Commerce.



Group photo of representatives of Ronggui General Chamber of Commerce with Commissioner Jose “Pepe” Diaz and Councilman Pete Cabrera.

Below: Mission participants pose with their Chinese hosts.



Business Networking Reception hosted by the Greater Miami Convention & Visitors Bureau

The Greater Miami Convention and Visitors Bureau (GMCVB) sponsored and hosted a cocktail reception in Shanghai on behalf of the Miami-Dade mission participants in Shanghai. The reception provided additional networking opportunity for mission participants to engage in business with their Chinese counterparts.



Commissioner Jose "Pepe" Diaz presented a "Certificate of Appreciation" to Tina Yao, Director of Greater Miami Convention & Visitor Bureau.

Business-to-Business Matchmaking Meetings in Shanghai

One of the mission highlights for private sector participants was the opportunity to meet one-on-one with their Chinese business counterparts. The business-to-business matchmaking meetings were organized on behalf of the Office of Economic Development & International Trade by AmCham Shanghai for businesses that subscribed for the service for a fee. Two participating businesses, Trans Express and Sunsol Hotels, took advantage of the services provided by AmCham Shanghai during the mission.



Pictured from L-R:

Jaime Basagoitia, VP of Trans Express, Hector Guzman, GM of Trans Express, discussing with a potential client during the B2B matchmaking session.



Rafael Hernandez of Susol Hotels (left) meets with his counterparts in Shanghai during the B2B matchmaking meeting.

119th Canton Import & Export Fair, Pazhou Complex, Guangzhou

China's Import and Export Fair, also known as the Canton Fair, is held biannually in Guangzhou every spring (April) and autumn (October) since 1957. The Canton Fair is the largest trade fair in China. It has the largest assortment of products, the largest attendance, and the largest number of business deals made. Canton Fair attracts more than 165,000 visitors, 24,000 of China's best foreign trade companies with good credibility and sound financial capabilities, and more than 500 overseas companies annually. Various types of business activities such as economic and technical cooperation and exchanges, commodity inspection, insurance, transportation, advertising, consultation, etc, are also carried out during the Fair. The Fair also provides the opportunity for business people from all over the world to gather in Guangzhou, to exchange business information and develop friendships.

Mr. Joe Chi, a member of the ITC Board of Directors, arranged with Fair organizers to provide access and a tour of the Fair Grounds to mission participants during the show.



Pictures of mission participants at the Canton Fair Exhibition.



Manny Gonzalez presents a "Certificate of Appreciation" to Sophia Jiang, International VIP Service Executive, China Foreign Trade Center.

Tour of Alibaba Group Campus, Hangzhou

Alibaba Group Holding, Limited, is a Chinese e-commerce company that provides consumer-to-consumer, business-to-consumer and business-to-business sales services via web portals. It also provides electronic payment services, a shopping search engine and data-centric cloud computing services. Alibaba's consumer-to-consumer portal, Taobao, similar to eBay.com, features nearly a billion products and is one of the 20 most-visited websites globally. The Group's websites account for over 60% of the parcels delivered in China by March 2013 and 80% of the nation's online sales. Alipay, an online payment escrow service, accounts for roughly half of all online payment transactions within China. Alibaba reported sales of \$14.32 billion on China's Singles' Day on November 11 2015, up 60% from 2014. In April 2016, Alibaba became the world's largest retailer.



Stephen Chao, Business Development & Marketing, BD Projects Manager, Alibaba Group received and briefed mission participants about Alibaba's business operations.



Mission participants pose for a photo at the entrance of the Alibaba Campus

Tour of Vanward Manufacturing Company, Shunde District

Mission participants visited the Vanward New Electric Co., Ltd, founded in 2003 and headquartered in Shunde High-Tech Industry Development Zone to see first-hand, a manufacturing facility in the PRC. Vanward is the leading manufacturer of gas appliances in PRC and initiator and propellant of Chinese Gas Appliances development and The Chinese Hardware Product Association Fuel gas Apparatus Branch.



Pictures of the tour of the Vanward facility in Shunde.



Below: Mission participants pose with Mr. Yuanzhang Ye, Chairman of Vanward.



Tour of Hangji Industries Group Co. Ltd, Shunde District

Mission participants also visited the Hangji Metal Product Industries Co., Ltd, established in 1989. After more than 20 years of unremitting efforts, it has grown into a modern enterprise. It manufactures HVAC fittings and integrates R&D, design, manufacturing and sales as one. The main products are service valve, ball valve, charging valve, check valve, distributor, manifold, heat-exchanger, joints and various kinds of HVAC fittings, automobile parts, compressor jackets and insulation materials.



Mr. Alex Suen, Vice President of Sales for the HJIC Group conducting a tour of the metal fabrication plant.



Tour of Shunde Municipal Museum

Mission participants visited the Shunde Museum to learn about the 2000-year old city's industrialization process. **Shunde District**, with a population of approximately 1.7 million, is a district in the city of Foshan in the Pearl River Delta, Guangdong Province, China. Once a traditional agricultural county, it has become one of the most affluent counties in Guangdong and mainland China.



Above: Visual History of the Shunde's industrialization.

Below: Mission participants pose for a group photo at the entrance of the Museum.



Comments & Feedback

"The trip exceeded my expectations in many ways: boosted credibility for our company, helped to establish important business relationships with Chinese buyers of real estate. It also opened a door for cooperation in recycling business for high-rise buildings...Every dollar of this trip was well spent. Thank you!!!"

- **Svetlana Karpova, Dragon Estate, LLC, (mission participant).**

"I'm impressed about this trade mission, the organization and the efforts from the staff to make the best effort, not only to achieve our goals, but to make us feel so special on this trip..."

- **Erika Correa, Westvest Associates (mission participant).**

"It was a pleasure traveling with the group...All the participants and events exceeded my expectations and I hope the results will be as expected. I'm looking forward to the next mission."

- **Rafael Hernandez, Sunsol Hotels (mission participant).**

"This mission assisted me to make new contacts that I initially would not have thought of and I am pleased with the "vibes" of the people I met."

- **Franklin Aponte, Miami International Exchange (mission participant).**

"Participating in this mission gave me the opportunity to attend the Canton Fair and establish new connections with vendors and manufacturers..."

- **Harry Aponte, Miami International Exchange (mission participant).**

"Great trip...I learnt so much and have so much to learn."

- **Chinaedu Okoro, Chi-Ada Supply & Distribution Inc.' (mission participant).**

"This was an exploratory trip. Our objective was to get introduced to China, its benefits and challenges. I believe that our expectations were met. Contacts were also made. Mu compliments to the mission leaders and coordinators. Great experience!"

- **Jaime Basagoitia, Trans Express, Inc. (mission participant).**

"It helped by making the necessary appointments with businesses and people...the business trip was very successful."

- **Hector J. Guzman, Trans Express Inc., (mission participants).**

"This trade mission definitely exceeded my expectations..."

- **Angie Ki (mission participant).**

"After participating in numerous trade missions, I believe this is one of the most beneficial ever."

- **Al Maloof, GJB Consulting LLC. (mission participant).**

"This has been the best trade mission organized in Miami-Dade County...this mission was extraordinarily successful."

- **Jose Arias Tovar, Arias Tovar Associates (mission participant).**

"I have to say, it was a truly rewarding experience to be able to attend incredible events that were planned, such as the visit to the Alibaba Campus."

- **David Fonseca, American Da Tang Group (mission participant).**

"We are indeed working to bring a high-level Chinese government and business delegations to your beautiful city."

- **Harley Seyedin, President, AmCham South China, Guangzhou, PRC.**

"We appreciated working with you to promote greater Miami in the Chinese market."

- **Tina Yao, AVIAREPS Shanghai Representative Office, c/o Greater Miami Convention & Visitors Bureau**

WEEK OF THURSDAY, FEBRUARY 28, 2015

April county mission to send teams to China and Taiwan

By BLANCA VENIGAS

A mission to China and Taiwan will be held in April to promote business development, trade and tourism in Miami-Dade County.

The April 11-23 mission will be led by Jose "Pepe" Diaz, Miami-Dade County commissioner and chairman of the International Trade Consortium Board.

Funds for travel come from registration fees and sponsorships, according to Manuel Gonzalez, director of Miami-Dade County Economic Development and International Trade.

Participants will travel to Shanghai, Guangzhou and Hangzhou, where networking opportunities with Chinese businesses will be available.

Participants may choose between the Mainland China or Taiwan portion of the mission. The main purpose for this mission is to promote a better linkage of the county to that part of the world, Mr. Gonzalez told Miami Today.

"We are looking to target the investment community in China," he said. "But most importantly, we are setting the foundation to have the proper infrastructure to have Chinese business people come to Miami."



"We are looking to target the investment community in China," said trade director Manuel Gonzalez in June.

Participants will visit the Hangzhou Economic & Technology Development Zone and Hangzhou High-Tech Development Zone. In Guangzhou, delegates will participate in the 19th Canton Fair, China's Import & Export Fair. The mission will also join Enterprise in Taipei.

"In 2014, China was our number-three trading partner for Miami, with \$6.6 billion worth of trade," Mr. Gonzalez said.

County data, by 2022 the population of China's middle class is estimated to reach 630 million, and it will be consuming goods and services valued at \$3.4 trillion, 24% of gross domestic product.

Miami has also been "significantly out of the loop" in terms of branding and marketing, Mr. Gonzalez added.

"There's a considerable amount of Chinese middle-class families that are sending their sons and daughters to Miami-Dade County educational institutions," he said.

"A lot of Chinese don't know about Miami-Dade County, and this trip gives us the opportunity to promote the county and discuss what we as a community have to offer."

Desmond Alufahai

about Miami-Dade County, and this trip gives us the opportunity to promote the county and discuss what we as a community have to offer," Mr. Alufahai said.

"We look forward to the government-to-government relations," he said, "and for the business to start a deal that will help increase sales for them."

MIAMI TODAY

THURSDAY, MAY 19, 2016

A Singular Voice in an Evolving City

WWW.MIAMITODAY.COM

3 China airlines ask trade team for Miami flight

By SUSAN DANSEYER

How planes key to nonstop Asia link, pg. 12

Three leading China passenger airlines expressed interest in nonstop Miami flights during a county-led development trip to mainland China and Taiwan in April, one of many outcomes participants said should reap long-term benefits.

Miami International Airport did well; meetings with government officials including mayors opened doors for the future; and mission members were widely welcomed in Shanghai, Hangzhou and Guangzhou, China, and Taipei, Taiwan, Manuel Gonzalez, county economic development and international trade director, told the Miami-Dade commission's Trade & Tourism Committee last week.

With an objective to foster bilateral trade, commerce, tourism and cultural exchanges, it was the county's largest trade mission to date, Mr. Gonzalez said.

Seven of 33 participants were from government, 25 from business. County Commissioner Jose "Pepe" Diaz, chairman of the International Trade Consortium Board, led the delegation.

Mr. Diaz and Deputy Aviation Director Ken Pyatt led talks with three Chinese

airlines - China Eastern Airlines, China Southern Airlines and Hainan Airlines - regarding nonstop service to Miami. All showed interest, Mr. Gonzalez said.

The trip was a landmark in ongoing pursuit of nonstop passenger flights to Asia, said Aviation Director Emilio Gonzalez in a written statement. "The renewed interest by these Chinese airlines is very promising, and we look forward to continuing our discussions. There are now a number of strong prospects for the first Asia-Miami passenger route."

Delegates also learned of China's demand for US products, particularly through e-commerce.

"For the first time, we engaged in an investor forum and did a Chinese version of 'Invest Miami,'" Manuel Gonzalez said. The outreach paid off in a number of ways, he said. "By September, we'll have a mission on industrial life sciences for the hotel industry coming here from our relationships made in Shanghai."

China was our number-three trade partner in 2015 at \$6.4 billion. County data estimate that by 2022 China's middle class

will grow to 630 million, 45% of total population, and will consume \$3.4 trillion in goods and services, 24% of gross domestic product.

Commissioner Xavier Suarez asked about barriers to trade and whether any one added a \$500 billion US trade deficit with China.

"Talking about two-way trade and investment will take more time, but we have entered to 1.36 billion people," Manuel Gonzalez replied. "The Chinese have been told by central government they need to invest in foreign markets. They realize we all live in a world economy and are opening markets for consumer products."

Relations formed on the mission can't solve a \$500 billion deficit, Manuel Gonzalez said, but "the biggest opportunity we have is e-commerce."

A key thing the delegation heard, in addition to a direct Miami flight, is "they're interested in F3s [public-private partnership]." Mr. Diaz said. "They want to come in and do business with us, so this is the start of something."

The goal was to wake everybody up to Miami-Dade, he said. "Anything we can do to bring these folks in will help."

New aircraft may be key to vital nonstop links with Asia

By SUSAN DANSEYER

Miami is one of the largest business and leisure markets to Asia without direct access, but Miami-Dade Aviation Department officials believe new aircraft that could be considered for the route may be key for near-term possibility of nonstop flight.

Up until the last few years, the idea of a nonstop flight between Miami and Asia was not taken seriously because no aircraft could make the journey, said Aviation Director Ken Pyatt. He told Miami Today this week several airlines could be considered for the route: the 777, 300 ER, 787, and A350.

"The key for Miami is it's the largest US city without nonstop service to Asia and the reason is distance," Mr. Pyatt said.

"During the recent trade mission to China and Taiwan, we talked to three Chinese airlines that expressed interest in a nonstop Miami-Asia flight," he said.

"Many carriers have options to purchase or lease one of the



"The key for Miami is it's the largest US city without nonstop service to Asia and the reason is distance."

Ken Pyatt

sengers in 2014; and MIA continues to provide more flights to Latin America and the Caribbean than any other US airport.

Airport officials hosted the second meeting of the MIA Asia Task Force on May 10 to review the results of travel surveys from more than 100 local organizations with strong business ties to the Asian region. The group also discussed next steps in its efforts to secure first-ever nonstop passenger service between Miami and Asia.

Among the key findings discovered in the survey results: a majority of the respondents conduct business activity in Asia and travel to Asia regularly; and most of the respondents would use nonstop service to Asia, regardless of the frequent flyer program.

During the recent trade mission to China and Taiwan, Mr. Pyatt said the director of Guangzhou's airport was very supportive of a nonstop Asia-Miami passenger route and anticipates the airport will grow by a large percentage.

"We heard on this trip the travel population has increased over the last few years and Chinese airlines are looking at destinations in the US," he said.

"Three airlines we met with expressed interest and could be considered for that route."

Discussions will be ongoing. However, Mr. Pyatt said, it's a long and often complicated process before a flight to a new destination takes off. There are a lot of moving parts, he said. Just one, for example, is the long-range planning that goes

into determining the "event window" for a new route.

Any airline that has airplanes in the air must identify which aircraft can be taken away from one route and swapped for another, Mr. Pyatt said, and planning must be done well in advance. "Just that aspect, can take nine months."

There are a myriad of other details to be considered and worked out, which can take years before a new passenger route is settled, Aviation Department officials told Miami Today this week. Yet they are optimistic, along with county Commissioner Jose "Pepe" Diaz who, along with Mr. Pyatt, led talks with three passenger Chinese airlines about the potential for nonstop service to Miami.

"We had exceptionally positive talks with some of China's most prominent airlines [all three of which] expressed great interest in route development to Miami," said Mr. Diaz, chairman of the Trade and Tourism Committee and the county's International Trade Consortium Board. "We're encouraged by their receptivity, and we're optimistic about the near-term possibility of direct flights to mainland China."

上海日报

ShanghaiDaily.com

Home | Business | Metro | Nation | World | Sports | Feature | Opinion | Sunday | Multimedia | PDF | Subscribe | DEALShanghai

Latest news: More costly fuel

National

Clear head, good lungs save man from tiger

A VILLAGER in northeast China last week survived a close encounter with a tiger by shouting at it. Cao Bingguang...

9 people killed, 3 missing in heavy rains

HEAVY rains across the country have left at least nine people dead and three others missing, the National Meteorological...

Duterte 'open' to South China Sea talks

PHILIPPINES president-elect Rodrigo Duterte is willing to talk with China over a highly sensitive territorial dispute...



Feature

Miami officials promote city during Shanghai visit

MIAMI is home to an array of pristine beaches, vibrant nightlife, luxury resorts and picturesque national parks...

Langkawi: The jewel in Malaysia's tourism crown

WITH its pristine beaches and turquoise waters, Langkawi is one of the most famous island destinations in Asia...

Good times for tourists in gem of the Midwest

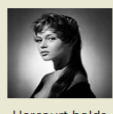
MISSOURI state is never the first choice for tourists on their first visit to the US. The glitzy lights of New...



Sunday



Earth's beauty through an astronaut's eyes



Harcourt holds portrait show in Shanghai



Shanghai's luxurious Seagull

World

It's safety first as Cannes gets set for festival

CANNES yesterday began rolling out the red carpet as stars including Kristen Stewart and Blake Lively swept into...

Philippines' next president vows a relentless crackdown on crime

PHILIPPINE politician Rodrigo Duterte yesterday vowed a relentless crackdown on crime after securing a landslide...





Invest: Miami Chinese Edition | Capital Analytics Associates

Page 1 of 4



Invest: Miami Chinese Edition | Capital Analytics Associates

Page 3 of 4



What's so hot about Miami?

The gateway to the Americas is ready for business. To learn more about what this vibrant market has to offer, Miami-Dade County and The Economic Development and International Trade Department of Regulation and Economic Resources invites you to read Invest: Miami.

通往美洲关口已经准备好迎接商业贸易。为了解更多关于这个生机勃勃的市场，迈阿密戴德郡诚邀您阅读《投资：迈阿密》。

Invest: Miami offers readers the most in-depth, comprehensive report on the dynamics of the Greater-Miami market. Read by top executives, investors and political leaders from around the world, this publication has everything the reader needs to make important business and investment decisions in Miami-Dade.

Sign up now for complimentary, full access to the Members' Only area and get the complete story of Miami's growth and development in Invest: Miami 2016. 现在注册就能进入会员专享区域，阅读《投资：迈阿密2016》了解迈阿密发展和零风险投资的完整信息。

Other helpful Miami-Dade Websites:

其他了解迈阿密戴德郡的网站：

Economic Development & International Trade

迈阿密经济发展与国际贸易部门

Miami International Airport

迈阿密国际机场

PORTMIAMI

迈阿密港

Greater Miami Convention and Visitors Bureau

大迈阿密会议与旅游局

Please follow these steps to get the complete story of Miami's growth and development:

- Click the "Instant access" button below
- Select the cover of **Invest: Miami**
- Click "add to cart"
- Use the coupon code Miami 2016, then "apply coupon"
- "Proceed to checkout" for complimentary access to **Invest: Miami**
- Open the email about your **Invest: Miami** order
- Click the title of the book to begin reading

Happy Reading!

Mission Participants
Public Sector/Economic Development Agencies

INDUSTRY SECTOR

**GOVERNMENT &
ECONOMIC DEVELOPMENT**



Hon. Jose "Pepe" Diaz
Miami-Dade County
Commissioner -
District 12



Hon. Pete Cabrera
Councilman -
City of Doral



Kenneth Pyatt
Miami-Dade Aviation
Department



Mario Sacasa
The Beacon Council



Manny J. Gonzalez
Econ Devt & Intl Trade
Miami-Dade County



Desmond Alufohai
Econ Devt & Intl Trade
Miami-Dade County



Eric Olafson
PortMiami
Miami-Dade County



Anabel Mendez
Office of Commissioner
Jose "Pepe" Diaz
Miami-Dade County

Mission Participants

Private Sector



Chang Du
Dumon Design

INDUSTRY SECTOR
ARCHITECTURAL DESIGNS



Silvia Gutierrez
TIC Logistics

INDUSTRY SECTOR
AVIATION



Hector J. Guzman
Trans Express

INDUSTRY SECTOR
E-COMMERCE



Jaime Basagoitia
Trans Express

INDUSTRY SECTOR
ENERGY (JANITORIAL & SANITATION SUPPLIES)



Chinaedu Okoro
Chi-Ada Supplies

INDUSTRY SECTOR
LEGAL & PROFESSIONAL SERVICES



Al Maloof
GJB Consulting



Ying Liu "Geneve" Dubois
Holland & Knight



Robert Lee
Rimon Law



Ileana Arias Tovar
Arias Tovar & Associates



Jose G. Tovar
Arias Tovar & Associates

Mission Participants

Private Sector, Contd.

INDUSTRY SECTOR

NON-PROFIT



Julia Yue Shen

China Council Florida, Inc.

INDUSTRY SECTOR

REAL ESTATE



Franklin Aponte

Miami International Exchange



Harry Aponte

Dream Team Investments LLC.



David S. Fonseca

American Da Tang Group



Erika Correa

WestVest Associates Inc.



Jeanie K. Gallegos

American Da Tang Group



Angie Ki



Elliot Lee

American Da Tang Group



Svetlana "Lana" Karpova

Dragon Estate



Ariel Martinez

Dream Team Investments LLC.



Chen Frank Peng

Quantum Epoch, LLC.

INDUSTRY SECTOR

TOURISM (HOSPITALITY & EB-5 PROGRAM)



Rafael Hernandez

Sunsol Hotels

Appendix 1: Report of Meetings with Chinese Airlines

By Ken Pyatt, Deputy Director, Miami-Dade Aviation Department

Memorandum



Date: June 13, 2016

To: Emilio T. González
Aviation Director
Miami-Dade Aviation Department

From: K. A. Pyatt *K.A. Pyatt*
Deputy Aviation Director
Miami-Dade Aviation Department

Subject: Trip Report - Miami-Dade County Trade Mission to China and Taiwan

During the period April 11-24, 2016, I participated in the Miami-Dade County Trade Mission to China and Taiwan under the leadership of Commissioner José “Pepe” Diaz. Details about government agencies, officials, and corporations visited are summarized in a separate report prepared by Mr. Desmond Alufohai, International Trade Coordinator, Department of Regulatory and Economic Resources. An important part of the trip was to assist Commissioner Diaz in the facilitation of high level meetings with China’s largest airlines - China Eastern Airlines, Hainan Airlines, and China Southern Airlines, to discuss in detail the feasibility of non-stop air service between mainland China and Miami International Airport (MIA). Our talks were very positive and productive. A brief overview of each airline, along with the names of those executives participating in the meetings, is provided below. It is important to point out that the three types of aircraft that are currently capable of flying the distance between mainland China and MIA are: Boeing 787, Boeing 777-300ER, Airbus A350. Technical information contained in this report was provided by InterVISTAS, the Miami-Dade Aviation Department’s route development marketing consultant.

China Eastern Airlines

China Eastern Airlines (MU) is China’s third largest airline, behind Air China and China Southern. Started in 1988, China Eastern remains owned for the most part by Eastern Air Group Co., the government’s holding company although there are plans to decrease government ownership by less than half. MU serves destinations throughout Greater China (including Hong Kong, Macau, and Taiwan), Asia, Australasia, Europe, and North America from dual main hubs at Shanghai and Beijing. Shenyang and Urumqi are regional hubs and MU also operates from ten regional focus cities. Additional destinations are served through codeshare agreements, primarily with its SkyTeam global alliance partners. MU carried 93.8 million passengers last year, an 11.8% jump from 2014. A strategic partnership with Qantas was launched in November 2014 and includes coordinated schedules, fares and other commercial services, and has since expanded in November 2015 with additional codeshares and the carrier’s co-location to Terminal 1 at Shanghai Pudong International Airport (PVG). In September 2015, MU and Delta (DL) extended their longstanding codeshare agreement to include revenue management and schedule coordination and established a long term strategic alliance. The new relationship implemented codeshares on 123 routes, comprising “nine international major routes” and 114 domestic routes in China and the USA. This newly approved structure provides a strong market advantage to SkyTeam in China versus other global alliances. Delta invested \$450 million in MU and owns a 3.55% equity stake. The alliance is expected to be applied to the two carriers’ joint offering between China and the USA. In March 2016 MU launched intercontinental services from Beijing to Europe and the USA, starting with Chicago. In March 2016 MU leadership indicated the total level of state ownership in MU could be reduced to around 40%

Appendix 1: Report of Meetings with Chinese Airlines, Contd.

By Ken Pyatt, Deputy Director, Miami-Dade Aviation Department

through capital injections from other investors. In April 2016 Chinese online travel agent Ctrip, the largest online travel site in China, announced it would invest RMB3 billion (\$463 million) for an initial approximate 3.55% stake in MU and that it could increase to 10% within twelve months.

Headquarters: 2550 Hongqiao Road, Hongqiao International Airport Shanghai 200335. MU's corporate offices are at the predominantly domestic airport in Shanghai - Hongqiao (SHA) not PVG.

Primary Executives Participating in Miami-Dade County Meetings:

Liu Shaoyong, President and Chairman

Bob Dong, Chief Marketing Officer

U.S. Service

China Eastern operates non-stop Shanghai service to five U.S. gateway airports including four in the contiguous U.S. - Los Angeles (LAX), John F. Kennedy International Airport (JFK), San Francisco International Airport (SFO) and the most recent destination Chicago O'Hare (ORD) as well as to Honolulu (HNL) in the South Pacific. LAX and JFK are served with double daily flights, while ORD, SFO and HNL have daily service with limited SkyTeam partner presence. The MU team expressed strong interest in non-stop service to MIA, and said that the route is on their "short" list for new service (one to two years out).

Service from PVG Hub

MU provides non-stop service to 107 markets with over 1,300 total weekly departures from its PVG hub. In China, MU flies to 55 markets with over 740 weekly departures. Throughout Asia, MU operates 411 weekly flights to 34 non-stop markets and provides long-haul service to 18 markets with over 150 weekly departures. Long - haul destinations include Sydney (SYD) and Melbourne (MEL) Australia as well as Auckland, New Zealand (AKL); Vancouver (YVR) and Toronto (YYZ) Canada; five European points - Prague (PRA), Paris (CDG), Frankfurt (FRA), Rome (FCO) and Amsterdam (AMS) as well as Moscow (SVO) and the five U.S. gateways highlighted above.

Long Haul Fleet

China Eastern has a long haul fleet of 53 aircraft currently comprised of 21% Boeing and 79% Airbus planes. The majority of the U.S. flown aircraft is operated by B-777-300 airplanes. In the near term MU will receive 9 B-777-300 aircraft between 2016- 2017. It is difficult to estimate the incoming fleet for the Chinese carriers accurately as China buys the aircraft and allocation is not publicized ahead of time. In late April, China Eastern agreed to an order for 20 Airbus A350-900s and 15 Boeing 787-9s as part of a long haul fleet modernization program. MU plans to take delivery of the A350s between 2018 and 2022. Two aircraft will arrive in 2018, three in 2019, and two in 2020 before the remaining 13 are introduced in 2021-22. China Eastern will receive the 787-9s from 2018 to 2021 with four 787s delivered in 2018, followed by six in 2019, and the other five in 2020-21. As part of the fleet upgrade program the carrier will retire 12 Airbus A330s and six Boeing 767s from service. The B-777 and B-787s will experience a weight penalty to operate non-stop to Miami - whether it's seasonal or year round. The weight penalty level is an issue that needs to be assessed by the carrier in combination with Boeing and through the airlines experience. Weight penalty/performance information is extremely confidential and difficult to obtain however, from InterVISTAS experience, Asian carriers operate with weight penalties at JFK at various times during the year so MIA should expect the same situation as its distance is further.

Hainan Airlines

Hainan Airlines (HU) was founded in 1993 and is China's largest privately-owned airline (4% government ownership) and part of the Hainan (HNA) Group, serving a scheduled domestic and

Appendix 1: Report of Meetings with Chinese Airlines, Contd.

By Ken Pyatt, Deputy Director, Miami-Dade Aviation Department

international route network from Haikou (HAK; main base/headquarters) on Hainan Island and Beijing International Airport (PEK). PEK is HU's primary hub and regional headquarters and the carrier also operates secondary hubs in several major cities across China. In 2015, HU carried over 21.5 million passengers. HU's international network serves destinations in Africa, Asia, Europe, and North America. Charter flights from HAK also serve Asian cities including Busan (PUS), Kuala Lumpur (KUL), Seoul (ICN) and Singapore (SIN). Urumqi Airlines (UQ) and Fuzhou Airlines (FU) are joint-venture subsidiary carriers. HU holds a 48% stake in French carrier Aigle Azur (ZI). In July 2015, shareholder Grand China Air (CN) announced plans to increase its stake in HU to over 36%, confirming its position as HU's controlling investor. HNA group operates and manages Hainan Airlines, Tianjin Airlines, Deer Jet, Lucky Air, Capital Airlines, West Air, Fuzhou Airlines, Urumqi Air, Beibu Gulf Airlines, Yangtze River Airlines, Guilin Airlines, My CARGO, Africa World Airlines, and Aigle Azur. HNA's aviation division has maintained a high level of operational standards and its flagship subsidiary—Hainan Airlines, was awarded SKYTRAX 5-Star Airlines for 5 consecutive years. HU is an unaligned carrier although it has a code share in SEA with AA and is trying to expand to further cities with AA. They also code share with Alaska Airlines (AS).

Headquarters: Regional office - 3F Grand China Building, 2 East 3rd Ring North Road, Chaoyang District, Beijing; main headquarters HNA Development Building, No. 7 Guoxing Road, Meilan District, Haikou, Hainan, China.

Primary Executives Participating in Miami-Dade County Meetings:

Jie Chin, Area Director, Sales and Marketing

Luolin Cui, Deputy Manager, Sales and Marketing

Tingting Zheng, Senior International Account Manager, Sales and Marketing

Doris Chen, International Account Manager, Sales and Marketing

U.S. Service

Hainan entered the U.S. market in 2008 with its launch of SEA-PEK service flying three weekly flights and by mid-2012 increased operations to daily frequencies. Since then, HU has added several markets from PEK over the last seven years including: Toronto (2010), Chicago (2013), Boston (BOS, 2014) and San Jose (SJC, 2015) with each city receiving daily service. Recently, HU started operating service to the U.S. from Shanghai as well as secondary cities in China. In June 2015, HU launched Shanghai - Boston with four weekly flights and daily Shanghai - Seattle service and in January 2016, LAX - Changsha (CSX) began operation with two weekly flights. In June 2015, HU applied for the rights to serve JFK (PEK-Tianjin-JFK) and Tianjin-Vancouver starting in June 2016. Most recently in November 2015, HU applied to serve Beijing - Las Vegas (LAS) and Beijing - Calgary (YYC). HU plans to start Calgary in June and Las Vegas service in September with both markets receiving three weekly flights. Of the three carriers we visited, the Hainan team was the most enthusiastic about non-stop MIA service. They were especially interested in the number of connecting opportunities from MIA to Latin America. The HNA Group is composed of five core industries: HNA Aviation, HNA Holdings, HNA Capital, HNA Tourism, and HNA Logistics. There was consensus among their team that new service to MIA could potentially stimulate growth in real estate, financial services, and tourism.

Service from Beijing Hub

Hainan's primary hub at PEK serves a total of 55 non-stop markets with 565 weekly flights worldwide including 36 destinations in China, five in Asia and 14 long haul routes. HU's long-haul markets include four to Europe - Brussels (BRU), Prague, Berlin (TXL) and Manchester (MAN), two to Canada (YYZ and YUL), three to the Russian Federation (St. Petersburg, LED), Moscow, and Irkutsk, IKT) and Tel Aviv (TLV). In addition, Hainan serves four U.S. points from Beijing including Seattle, Chicago, San Jose, and Boston.

Appendix 1: Report of Meetings with Chinese Airlines, Contd.

By Ken Pyatt, Deputy Director, Miami-Dade Aviation Department

Fleet

Hainan has a long haul fleet of 36 aircraft comprised of Boeing (36%) planes including three 767s and ten 787-800s as well as 23 Airbus (64%) A330s. The 787 is core to Hainan's international expansion plans - especially within North America. In March 2015, HU signed a letter of intent with Boeing for 30 787-900s, which will bring its 787 fleet to 40 aircraft by 2021.

China Southern Airlines

China Southern Airlines (CZ) was founded in 1988 and is the largest of China's three government controlled major airlines (to include Air China and China Eastern) as measured by passengers carried. China Southern operates scheduled service to destinations throughout Greater China including Hong Kong (HKG), Macau (MFM), and Taiwan (TPE), across Asia, Australasia, Europe and North America from its main hub at Guangzhou (CAN), secondary hubs at Beijing and Urumqi and ten regional focus cities. Additional destinations are served through codeshare agreements, primarily with SkyTeam global alliance partners as CZ became a member in 2007. Worldwide cargo operations are provided by Shanghai Pudong based subsidiary China Southern Cargo, which operates an all widebody dedicated freighter fleet largely comprising Boeing 777s. Parent China Southern Air Holding Company also owns a controlling stakes in Chongqing and Xiamen Airlines and a large minority stake in Sichuan Airlines. In 2015, CZ carried 109.4 million passengers, of which 10.7% were from international flights. International passenger numbers had the sharpest increase of almost 28% from 2014, compared to 6.4% in domestic traffic and a 7.8% increase in passengers to/from Hong Kong, Macau, and Taiwan.

Headquarters: Guangzhou International Airport, 278 Airport Road, Guangzhou, 510405, China.

Primary Executives Participating in Miami-Dade County Meetings:

Dai Yiping, Vice Director General, Corporate Strategy Transformation

Eric Zhang, Director, Network Optimization

Mimi Chan, Director, International Relations

U.S. Service

CZ operates non-stop service to only three U.S. markets from Guangzhou Baiyun International Airport (CAN) including LAX, San Francisco and NY/JFK. From CAN, CZ serves LAX with 11 weekly departures, JFK has 10 weekly flights and SFO has four weekly operations. SFO is also served by CZ with three weekly flights to Wuhan (WUH). The routes are served with a mix of aircraft including Boeing 787, 777, and Airbus 380s. China Southern Airlines recently disclosed that its intercontinental flights were profitable for the first time in 2015, brought about partly by improved operating efficiency on those routes as they have upgraded their long-haul fleet. The CZ team was attentive to our presentation and agreed that MIA service merits further study.

Service from Guangzhou Hub

CZ's largest hub is Guangzhou Baiyun International Airport located in south eastern China in Guangdong Province and serving one of the strongest economic regions in China, the Pearl River Delta. CZ operates a total of over 2,100 scheduled weekly departures to 119 markets worldwide. Within China CZ flies non-stop to 75 markets with 1,643 weekly departures, throughout Asia CZ serves 27 destinations with 319 weekly departures and operates to 17 long haul points with 141 weekly scheduled departures to regions including Africa, Canada, Europe, the Gulf/ME, the Pacific, the Russian Federation, and the U.S.

Appendix 1: Report of Meetings with Chinese Airlines, Contd.

By Ken Pyatt, Deputy Director, Miami-Dade Aviation Department

Fleet

CZ has a long haul fleet of 65 aircraft including a mix of Boeing 777 and 787s (35%) and Airbus (65%) aircraft including A380 and A330s. In the next two years CZ will add 1 Boeing 777-300 to its fleet. It is difficult to estimate the incoming fleet for the Chinese carriers accurately as China buys the aircraft and allocation is not publicized ahead of time. China Southern Airlines' workhorse aircraft for long haul service includes the Boeing 777 and 787 aircraft especially to the U.S. Its limited number of Airbus 380s, one of the largest planes in the world, is focused at LAX because of the high volume of local demand the market generates. The B-777/787 will experience a weight penalty to operate non-stop to Miami - whether it's seasonal or year round and what level penalty is an issue that needs to be assessed by the carrier in combination with Boeing and through the airlines experience.

Challenges

Implementing non-stop service between mainland China and MIA presents a unique set of challenges which must be addressed before service can commence. These include expanding the bi-lateral air service agreement between China and the U.S. and visa requirements for Chinese citizens. These issues are discussed in greater detail below.

U.S. - China Aviation Bilateral Agreement

The latest air service bilateral amendment governing combination passenger air service between the U.S. and China dates back to 2007, with the original agreement signed in 1980. Passenger air service between China and the U.S. has increased significantly since 2010 and the bilateral is in need of an update. The agreement governing combination passenger service is structured by Zones in China and the government authorities are allocated by these regions. Zone 1 includes Beijing, Shanghai Pudong and Guangzhou International Airports ("the Big 3"). Zone 2 includes international airports within seven (7) coastal provinces: Fujian, Guangdong (except Guangzhou), Hebei, Jiangsu, Shandong, Tianjin, and Zhejiang. Zone 3 airports include all other areas -- 22 provinces in China, which are granted unlimited authorities for both U.S. and Chinese carriers. The 2007 agreement allows for the Chinese to have more weekly frequency authorities in Zone 1 than the U.S. The authorities allocated include 180 weekly frequencies for China and 160 for the U.S. The weekly frequencies equate to approximately 26 and 23 daily flights by the Chinese and U.S. carriers respectively - so the U.S. has about three fewer daily authorities in Zone 1 per the agreement. The authorities allow for a U.S. or Chinese carrier to operate combination service from any U.S. point to one of the Big 3 airports in China. The existing aviation agreement in China is managed by the Chinese Aviation Authority of China (CAAC) however they have limited authority to negotiate aviation bilateral agreements fully like the U.S. Department of State (DOS), Transportation (DOT) and Commerce (DOC). The U.S. relies on the CAAC to track and report their carriers use of authorities by season however the information reported is limited and somewhat challenging to collect. Currently the Chinese carriers are "operating within" the 160 range so they have approximately 20 more weekly - or less than three daily - authorities left at a Zone 1 airport. The U.S. carriers have nine weekly authorities left and in the last few months both DL and AA have proposed to use seven weekly Zone 1 frequencies to fly between LAX - PEK. Currently the U.S. DOT is holding a contested route case proceeding evaluating the two service proposals. Once a decision is made, there will be two weekly authorities left between U.S. gateway airports and China's Big 3 - Zone 1 - airports until a new amended bilateral agreement is negotiated or service levels change. In addition to the authorities in Zone 1, the Big 3 China Airports are slot-controlled and the system utilized by the Chinese is opaque - the process and rules governing slots is quite difficult for U.S. carriers to navigate to secure required slots - especially "commercially viable" slots. The slots process for Zone 1 airports is one of the issues that stalled the latest round of formal air service bilateral discussions between the U.S. and China in 2015. Zone 2 airports include seven coastal provinces and allow for 28 weekly authorities or four daily flights for both the U.S. and Chinese carriers. Zone 2 authorities are starting to be used

Appendix 1: Report of Meetings with Chinese Airlines, Contd.

By Ken Pyatt, Deputy Director, Miami-Dade Aviation Department

although currently service is limited. UA applied for a Zone 2 authority early this year and will serve SFO - Hangzhou (HGH) starting in July 2016 with three weekly flights decreasing the available authorities for U.S. carriers to 25. From China, China Eastern began operating two weekly flights between LAX and Nanking - a Zone 2 area - in June 2015 leaving 26 weekly authorities left for Chinese airlines. In May 2015, the U.S. and Chinese met in Washington, DC after eight years for a preliminary discussion on amending the air service bilateral. Both sides were "far apart" on a number of issues including the slot process at the Big 3 airports and concluded their discussions without a planned follow on date. They have not met since and no formal discussions are scheduled for this year. There are some conferences scheduled for 2016 that will provide government officials time to talk informally which may lead to another formal discussion in the near term -- meetings can be scheduled fairly quickly if there is interest by both parties. The U.S. would like to move the agreement forward with amendments - our country's ultimate goal is to negotiate an open skies agreement for air service however the Chinese do not have the appetite for that currently or in the midterm.

Visa Requirements

The U.S. and China signed an agreement in November 2014 allowing for a ten year, single or multi entry visa. Previously the longest visa was a year with single or multi entry access. According to the U.S. DOC, from November 2014 through September 2015 about 2.5 million visas were processed for Chinese citizens obtaining a ten year visa, a 52.6% increase over the same period in the previous year and a substantial growth in first-time applicants. Since the tragic events of September 11th, the U.S. has restricted transit without visa (TWOV) program to foreigners and so far this has not returned as an option for travelers - it is doubtful it will be brought back any time soon due to security reasons and given the tragic attacks in Europe (Paris, Brussels Airport) within the last two years.

Next Steps

Due to the positive nature of discussions with all three Chinese carriers, letters have been sent to their representatives expressing our appreciation for the meetings and suggesting an ongoing dialog to discuss logistics and incentives provided to Asian carriers through MIA's ASIP program.

C: Commissioner José "Pepe" Diaz

Attachments

MIAMI-DADE COUNTY OFFICIALS



Carlos A. Gimenez
Mayor



Jean Monestime
District 2
Chairman, Board of
County Commissioners



Esteban Bovo, Jr.
District 13
Vice Chairman, Board of
County Commissioners



Barbara J. Jordan
District 1



Audrey M. Edmonson
District 3



Sally A. Heyman
District 4



Bruno A. Barreiro
District 5



Rebeca Sosa
District 6



Xavier L. Suarez
District 7



Daniella Levine Cava
District 8



Dennis C. Moss
District 9



Sen. Javier D. Souto
District 10



Carlos C. Zapata
District 11



Jose "Papa" Diaz
District 12



Harvey Ruvlin
Clerk of Courts



Pedro J. Garcia
Property Appraiser



Abigail Price-Williams
County Attorney

MIAMI-DADE BOARD OF COUNTY COMMISSIONERS

The Commissioners set policies and establish laws for the community. Commissioners are chosen in non-partisan, single-district elections. Miami-Dade County is structured into 13 districts. Residents choose only from among candidates running in the district in which they live. Commissioners serve four-year staggered terms, with elections scheduled every two years. Effective with the terms starting in 2012, Commissioners are limited to no more than two consecutive terms.

The Board of Commissioners selected Jean Monestime as Chairman, with his two-year term as Chair beginning Jan. 1, 2015.

GOVERNANCE

The Miami-Dade Board of County Commissioners is the governing body of unincorporated Miami-Dade County, and has broad, regional powers to establish policies for services that transcend city boundaries. The government provides major metropolitan services countywide and city-type services for residents of the unincorporated areas.

STRONG MAYOR

Miami-Dade has a Strong Mayor with the power to veto Commission action items. In January 2007, the Mayor was given additional powers providing for the oversight of the day-to-day operations of Miami-Dade. The Mayor can only serve two full terms of four years.

OTHER OFFICIALS

The Miami-Dade County Clerk is a constitutional officer of the State of Florida, elected to a four-year term. The Clerk serves as the County Recorder, custodian of all records filed with the Court, and as Clerk of the Board.

In 2008 voters made the position of Property Appraiser an elected one. The Property Appraiser is charged with determining the value of all property within the County for tax purposes, maintaining related records and granting exemptions.

The Miami-Dade County Attorney's Office provides legal representation to all aspects of Miami-Dade County government, including the Mayor, Board of County Commissioners, Property Appraiser, County departments and numerous boards, authorities, councils and commissions.