

Press Release for the Conclusion of the 105th Canton Fair

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Friends from Press, ladies and gentlemen,

Good morning! Welcome to the press conference and thank you for your attendance. The 105th Session of China Import and Export Fair is going to be concluded this afternoon and this is the last press conference for this session. Today, we are delighted to have with us Mr. Wen Zhongliang, Deputy Director of the Department of Foreign Trade of the Ministry of Commerce of P.R.C. and Director of the Business Office of the Canton Fair, to co-chair the conference with me and answer your questions.

The 105th Canton Fair was held against the backdrop of the deepening and spreading financial turmoil which exerted a severe impact on China's foreign trade. Therefore, the CPC Central Committee and the State Council have attached tremendous importance to the 105th Canton Fair by adopting a package of policies and measures that are conducive to ensuring a steady growth in foreign trade. During the Fair, Wen Jiabao, Premier of the State Council paid a visit to the Fair and gave a significant instruction which served as great encouragement and boosted confidence for those staff working in the area of foreign trade, notably the exhibitors. The Ministry of Commerce and the governments at all levels timely promulgated various kinds of proactive measures in supportive for exporting business. With great support and collaboration of relevant departments of Guangdong province and Guangzhou municipality as well as concerted efforts by all circles, this session of the fair saw active attendance of overseas buyers, a large number of business negotiations, the first match of foreign and domestic trade, and achievement of safe and reliable environment by successfully preventing H1N1 influenza epidemic. In all, everything was going well in a balanced way with better-than-expected results, which made great

contributions to stabilizing foreign trade, maintaining economic growth, expanding domestic demand and adjusting economic structure.

Now I'd like to brief you on the 105th Canton Fair.

Firstly, a modest decline was seen in the number of overseas buyers attending the fair

In this session, the number of overseas buyers from 209 countries and regions was 165436, 9126 less than that of last session representing a decrease of 5.2%. The top 5 countries and regions in this regard were Hong Kong SAR, USA, Taiwan Province, Malaysia and India, whose figures reached 26863, 9035, 8612, 6422, 5002 respectively. 57210 new buyers and 2169 international chain business attended this session.

Secondly, the turnover of export decreased to some extent

The total export turnover of this session stood at USD 26.23 billion, USD 5.32 billion less than that of the previous session representing a decrease of 16.9 %.

Machinery and electronic products still remained a corner stone

The turnover of machinery and electronic products reached USD 11.26 billion, accounting for 42.9% of the total and decreased by 19.5% over the previous session. The turnover of light industry products reached USD 8.37 billion, accounting for 31.9% and went down by 15.3%; The turnover of textiles and garments reached USD 3.23 billion, with a decrease of 11.7% and accounting for 12.3% of the total.

The majority of products suffered a decline in turnover while some categories saw a rise

The turnover of household electrical appliances reached USD 4.77 billion, 11.7% down; the turnover of hardware reached USD 2.13 billion, 28.3% down; the turnover of clothes and accessories was USD1.62 billion, 15.2% down; the turnover of articles for daily use was USD 980 million, 2.4% down. While the turnover of food and

footwear reversed this downward trend and stood at USD 410 million and USD 550 million respectively, up by 3% and 1.9%. Spurred by rocketing market demand, medical devices and disposables witnessed a rise in the turnover, with USD 220 million representing an increase of 34.7%.

Export to traditional markets was down while to emerging markets was up

The turnover of EU, the Middle East and US still remained the Top 3, with USD 7.57 billion, USD 4.08 billion and USD 3.3 billion, decreased by 28%, 4.7% and 8.1% compared to the previous session, accounting for 28.8%, 15.5% and 12.6% of the total respectively. Some of the emerging market saw another picture. Argentina, India and ASEAN have achieved the turnover of USD 380 million, USD 770 million and USD 1.93 billion, representing increases of 10.2%, 6.2% and 7.1% respectively.

Turnover of online transaction decreased

The visit to the Canton Fair's websites accumulated to 190 million times, increased by 2.5%. The intended turnover of online transaction reached USD 510 million, decreased by 13.7%.

Thirdly, more efforts were made to strengthen IPR protection

This session has received 581 complaints concerning infringement of IPR. 748 enterprises were complained, and 446 enterprises were confirmed to be suspected of infringement of IPR. No complaints were found in the International Pavilion The number of complaints from the National Pavilion, enterprises being complained, and enterprises being confirmed to be suspected of infringement of IPR decreased by 9.4%, 17.5%, and 10.4% respectively.

In this session, 5 inspection groups were organized to oversee the usage of stands with strict enforcement, contributing to the maintenance of trading order and a desired effect.

Fourthly, match-making conference for redirection of exports to the domestic

market was first ever held.

In order to respond the financial crisis effectively, the Ministry of Commerce held match-making conferences for redirection of exports to the domestic demand in the second and the third phase of the Fair respectively which were the first-ever held activities open to domestic buyers in fifty-three-year. This is of special significance to promoting the redirection of exports to the domestic demand by this new attempt through the Fair. We'll further explore better ways for more match-making based on this successful experience.

Fifthly, the effective prevention of H1N1 influenza epidemic secured a safe and smooth Fair.

During the Fair, in response to the outbreak of H1N1 influenza epidemic which took place in Mexico and spread across the world, under the leadership and with the cooperation with relevant departments of Guangdong province and Guangzhou Municipality, we timely initiated an emergence plan concerning a package of precaution and prevention measures targeting on this matter. All these efforts ensured a safe and health situation for the smooth progress of the Fair. By far, there's no similar case being found in the mainland. Thanks to the clean environment and fresh air in the complex, well-performed hygiene and health index were achieved, and the number of patients received in the temporary clinic was basically equivalent to that of the previous session.

Sixthly, exhibition service level was improved effectively

In this session, our exhibition service level was improved on all fronts which had been warmly recognized by many overseas buyers and exhibitors. First, the first-ever operation of newly-established Customer Service Centre witnessed a success with remarkable achievements in two aspects, namely, the accelerated speed of response to the problems, and less complaints accounting for one fifth of the total of the previous session. Second, launch of VIP service for exhibitors and buyers embraced warm welcome. As of May 6, Overseas VIP Club received 1836 VIP overseas buyer in total.

Seventhly, the duration of the 106th Canton Fair will be shortened by 2 days.

Approved by the Ministry of Commerce, the duration of the 106th Canton Fair will be adjusted from 23 days to 21 days. And the time span for stand dismantling and construction is going to be shortened from 4 days to 3 days while the exhibiting time of 5 days in each phase remains unchanged. Following the new regulation, the schedule of the coming session will be from Oct 15 to 19 for Phase I, from Oct 23 to 27 for Phase II, from Oct 31 to Nov.4 for Phase □, with two intervals from Oct 20 to 22 and from Oct 28 to 30.

In this session, the measures we adopted have caught wide attention from all walks of life and gained positive remarks from the media, namely, extension of business promotion, intensified publicity, upgrading of exhibition service and the introduction of the match-making conference for redirection of exports to the domestic market. Moreover, the press made objective, complete and in-depth reports on the proactive measures to innovate and expand transaction by governments at all levels, local business administrative departments and exporters across the country aimed at fighting against the financial crisis. They also covered the successful experience, market information from home and abroad reflected through the Canton Fair. Hereby, on behalf of the Press Center of the Canton Fair, I would like to express my sincere gratitude to all of you for your excellent work and dedicated spirit.

Wish you a successful career and a pleasant life.

Thank you!