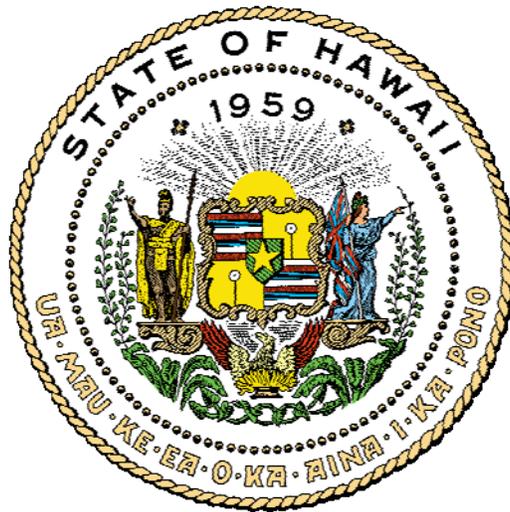


STATE OF HAWAII
Offices in Taiwan and Beijing
January 1, 2014 – December 31, 2014
Annual Report to the Legislature



Business Development & Support Division
Department of Business, Economic Development & Tourism
November, 2014

State of Hawaii Office in Taiwan (SHOT)

Hawaii Education Center in Taipei:

In 2014, a significant strategic shift at the State of Hawaii Office in Taipei (SHOT) focused on promoting Hawaii as an excellent location for overseas study opportunities. The office is also known as the Hawaii Education Center in Taipei.

SHOT promotes student attraction to Hawaii to Taiwan high schools and universities. SHOT attends major education fairs and collaborates with EducationUSA, which is a U.S. Department of State program. SHOT uses its office to display brochures of Hawaii schools interested in recruiting students from Taiwan to their campuses. SHOT's staff regularly meets with students and parents as well as Taiwan post-secondary educational institutions interested in linkages with Hawaii.

SHOT translated the Study Hawaii website from English to traditional Chinese language and hosts the site on a Taiwanese network. Staff also conducted market research of all Taiwan vocational high schools, overseas study consulting agencies, immigration consulting agencies, public and private universities, and developed a databank of education contacts in Taiwan for future use by the office.



Study Hawaii representatives at the Hawaii Education Center in Taiwan.

Hawaii Delegations Visits to Taiwan:

- **Hawaii State House of Representatives Delegation (May 9-14, 2014):** SHOT welcomed and coordinated activities for representatives of the Hawaii State Legislature who visited Taiwan in 2014. House of Representative members included Representatives Dee Morikawa, Chris Lee, Mark M. Nakashima and Cindy Evans. The representatives traveled to Taiwan to promote and embrace relationships with key Taiwan government agencies and officials as well as businesses related to tourism, clean energy and education. The Taiwan government and Hawaii officials engaged in productive discussions of mutual interest. The Hawaii delegation visited the Ministry of Foreign Affairs, Taiwan Visitors Association and Tourism Bureau to learn about Taiwan's success and challenges and identified ways to encourage more travelers between Hawaii and Taiwan.
The government visits included a meeting at the National Development Council and Bureau of Energy to understand Taiwan's clean energy policies and achievements and to encourage participation in a future DBEDT Asia Pacific Clean Energy Summit and Expo. The delegation also met with representatives of the Environmental Protection Administration to discuss common challenges and policies. The Hawaii group also invited fifteen Hawaii alumni to a gathering to discuss ways to attract more Taiwan students to study Hawaii.
- **Governor Neil Abercrombie's Visit to Taiwan (October 9-14, 2014):** Governor Neil Abercrombie and Office of the Governor staff members visited Taiwan to promote and strengthen Hawaii's relationship with Taiwan. The visitation included: a meeting with Taiwan President Ma Ying-jeou; attending National Day Ceremonies; attending a welcome reception with Taipei City Mayor Hau Lung-pin to discuss the U-bike system; and a meeting with Governor Lin Junq-Tzer, Governor of Taiwan. Governor Abercrombie also met with the Ministry of Economic Affairs and was hosted to a luncheon by David Lin, Minister of the Ministry of Foreign Affairs. Other distinguished guests included the Vice President of China Airlines, the Deputy Director of the American Institute of Taiwan, Deputy Minister of the Ministry of Education and the Secretary General of the Taiwan Bureau of Energy.

Governor Abercrombie also served as a witness to the signing of a Memorandum of Understanding between Hawaii Department of Education and the Taiwan Ministry of Education to collaboratively work on promoting educational exchanges. Governor Abercrombie also attended the Opening Ceremony of the 2014 PILP-G2 with Taiwan at the Institute of Diplomacy and International Affairs, a Pacific Islands leadership training program between the East West Center and the Taiwan Ministry of Foreign Affairs. The Governor also participated in a press conference during his visit.

Study Hawaii Mission to Taiwan:

The Department of Business, Economic Development & Tourism (DBEDT), in collaboration with its partner, the Study Hawaii consortium, organized the inaugural Study Hawaii Mission to Asia, specifically Taiwan and China from October 16 to 27. Participating Hawaii schools included Global Village Hawaii, Hanalani Schools, Hawaii Pacific University, University of Hawaii, University of Hawaii at Hilo, University of Hawaii at Manoa, University of Hawaii English Language Program, Hawaii Community College, Kapiolani Community College, University of Hawaii Outreach College, and the Hawaii State Legislature. The group exhibited in the Hawaii Pavilion at the Oh! Study International Education Expo to promote study abroad opportunities in Hawaii. School representatives promoted their respective institutions and met with parents and students interested in overseas educational opportunities. The Hawaii Pavilion was very popular and school representatives successfully introduced and promoted their schools. More than three hundred people visited the Hawaii Pavilion during the two-day expo.



Hawaii Pavilion and delegation participate in the Oh! Study International Education Expo.

In addition to participating in the expo, SHOT organized a number of briefings for the Hawaii delegation including a Breakfast Meeting with education specialists from the American Institute in Taiwan, Representatives from Education USA and the Fulbright program.

A Roundtable discussion including twenty guests representing Taiwan High schools and colleges, members of overseas study association and immigration consulting association and the Hawaii Tourism Taiwan Director was also organized for the Hawaii delegation.

The Taiwan visit culminated with a Study Hawaii Seminar and reception that attracted 150 guests including representatives of Taiwan Universities, colleges and high schools, education consultants, English Language schools, Immigration consultants, Alumni, education government officials, and also education specialists from the American Institute in Taiwan. The seminar was very successful and provided individual schools the opportunity to deliver presentations followed by a mini trade show format where participants were able to meet with school representatives on a one-to-one basis.



Alex Lei, Executive Director, State of Hawaii Office in Taipei welcomes guests to the Study Hawaii Seminar and Reception at the Sunworld Hotel Taipei.



Seminar guests listen diligently to Hawaii school representatives about why Hawaii is an excellent location for study abroad opportunities.

SHOT worked closely with the Taiwan Hula Association to promote Hawaii's native dance form. Staff also assisted with performances at American schools in Taipei, the Taipei International Travel Fair in the spring and fall and led Taiwan hula dancers to participate in the Merrie Monarch Festival, organized a hula camp in Taipei etc. The Chairwoman Ms. Ann Fan also wrote a book of Hawaii songs and dance as well the history of Hawaii. A book release and press conference was held on October 13th, and attended by Governor Abercrombie and 50 individuals representing media, travel agents and China Airlines. This project was a joint effort by SHOT, the Hula Association in Taipei and Hawaii Tourism Taiwan.



Taiwan Hula Association dancers and entourage share their love of and passion for Hawaii's culture and arts.

Serving as Hawaii's Ambassador in Taiwan:

SHOT Executive Director Alex Lei was frequently invited and attended Taiwan Government functions to promote Hawaii. He is also continues to maintain strong relations with the Ministry of Foreign Affairs, Ministry of Education, Bureau of Energy, Environmental Protection Administration, American Institute in Taiwan, Rotary Clubs, Overseas Trade Development Council, Taipei City Government, Indigenous Council and Taiwan Provincial Government.

Hawaii Products Promotion:

SHOT continued working closely with three major Hawaii product importers in Taiwan -- Rainboii International, Babe International and Volcano Hawaii to promote product exports from Hawaii. SHOT also assisted Bubble Shack Hawaii during the company representative's visit to Taiwan to meet with Hype Mart and department store buyers.

FY 2014 Taipei Office Expenses

DESCRIPTION	TOTAL
Director's Salary	\$42,624.00
Assistant's salary	\$21,867.92
Office Rent	\$10,926.31
Health Insurance	\$659.69
Labor Insurance	\$860.31
Newspaper Subscription	\$121.37
Copy machine rental	\$1,009.94
Utilities	\$339.70
Phone/Fax/L-distance	\$1,613.19
Mobile Phone	\$1,589.61
Postage	\$197.34
Freight & delivery charge	\$3.93
Office Supplies	\$716.84
Office Equipment	\$3,531.26
Miscellaneous Expenses	\$21.36
Membership Fees	\$118.50
Printing	\$317.46
Out State Travel Exp.	\$4,015.26
Chinese Website	\$166.67
Telephone Equipment	\$35.00
TOTAL EXPENSES	\$90,795.66

State of Hawaii Office in Beijing (SHOB)

Change of Executive Director:

In February 2014, the State of Hawaii Office in Beijing welcomed Gordon Zhang as its new executive director. Mr. Zhang has over 14 years of experience in public service with the Chinese government and 10 years as a business consultant. Gordon has traveled through the United States, including Hawaii, and has worked in organizations in Southeast and South Asia. With his performance in 2014, he proved to be an ideal successor to Bo Wu, the former executive director. The outgoing executive director, Bo Wu, who had served the State for over 10 years, offered valuable assistance to Mr. Zhang and which enabled the management transition to be smooth and seamless including progress on all on-going projects.



Gordon Zhang, Executive Director of the State of Hawaii Office in Beijing stands in front of the newly branded State of Hawaii Office of Education Services.

Refocusing Office's Focus:

The last 5 years has seen a marked growth in the number of Chinese students studying in the U.S., including the collateral expenditures associated with the influx of students. DBEDT has identified the recruitment of international students to be a key part of Hawaii's economy with direct impact to the state's travel and tourism industry. With limited resources, DBEDT directed the Beijing office to focus its efforts on promoting the state's educational advantages. A new tag-line was added to the signage in office – State of Hawaii Office of Educational Services.

Building and Strengthening Connections with Chinese Educational Institutions:

Gordon established key contacts and increased dialogue with a number of national and provincial level government offices and organizations related to international education including the U.S. Commercial Service office in Beijing, Education USA (Fulbright Scholarships), China Education Association for International Exchange and China Council for International Education Exchange (CEAIE and CCIEE are offices within China's Ministry of Education in charge of international student exchange), and Beijing International Education Exchange Center (an organization under Beijing Education Commission). In September 2014, Gordon was elected Deputy Director in the Education and Cultural Council of American States Association in China (ASAC).

Study Hawaii Education Mission to Beijing and Taiwan:

In May, SHOB started preparations for DBEDT's first education mission to China. The mission to Beijing and Taipei, in collaboration with the Study Hawaii Educational Consortium, was praised by mission participants representing 20 educational institutions and programs. The mission's itinerary was packed with events which included a discussion with the commercial and education sections in the U.S. Embassy; a roundtable discussion with Chinese educators and recruiting representatives; a seminar with schools, recruiting agents, Hawaii alumni and potential students; site visits to a private college preparatory high school and the top communications university in China; and participation in the China Education Expo international student recruitment trade show which registered over 60,000 visitors to the two-day event.



Eric Black (center), Director of Education USA-Beijing, makes a point to delegation members.



Dennis Ling, DBEDT Administrator, opens the discussion with U.S. Commercial Service, Education USA officials and Hawaii delegation.

Highlights of the mission included:

1. The U.S. Commercial Service office in Beijing agreed to work with DBEDT and the Study Hawaii Education Consortium to formulate a marketing strategy to boost Chinese student applications to Hawaii schools and programs.
2. China Education Association for International Exchange (CEAIE) and China Council for International Education Exchange (CCIEE) proposed to enter into a memorandum of

understanding with DBEDT and Study Hawaii to channel more students to Hawaii.

3. Site visits to the Beijing New Talent Academy and the Communications University of China which generated substantial interest on the part of both schools to establish agreements with Study Hawaii member schools and programs.

4. Founder and President of International Data Group, one of top venture capital investors in China, supported the use of his resources to help DBEDT tap the Chinese education market.

5. The full itinerary of education-focused events in Beijing confirmed for Study Hawaii participants that China was a viable market to promote study abroad opportunities to Hawaii.



Rep. Ken Ito opens the roundtable discussion between the Study Hawaii group and education professionals in Beijing.



Roundtable discussion between Study Hawaii group and representatives from Beijing schools, Hawaii Tourism China and student recruitment agencies



Cy Feng, UH-Kapiolani Community College, explains Hawaii's interest in recruiting more students from China to **Ms. Hongmo Sun, Director** of the China Council for International Education Exchange.



Site visit to Communications University of China to discuss expanding school-to-school relationship with Hawaii institutions.



Site visit to Beijing New Talent Academy, one of the top college preparatory schools in China. Beijing New Talent Academy has an international student body interested in study abroad opportunities.

Todd Shumway (left), President of Study Hawaii and Joel Weaver, Director of the UH-Hawaii English Language Program, address the audience at the Study Hawaii seminar in Beijing.





Todd Shumway, UH-Hilo, speaks to parents interested in sending their children to study in Hawaii.



Alex Lei (center) and Gordon Zhang (left), DBEDT overseas staff, explain the advantages of studying in Hawaii.



Hawaii booths at the China Education Expo in Beijing. Over 60,000 visitors attended the largest international education show in Beijing.



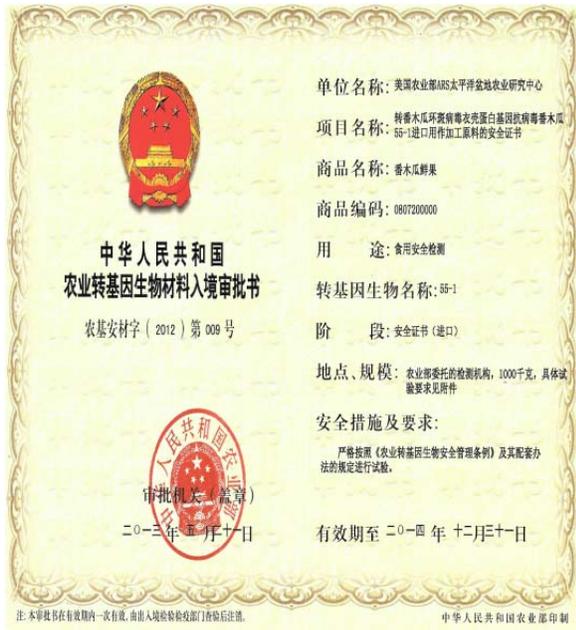
Study Hawaii delegation members promoting the advantages of studying in Hawaii.

Committing to Streamlining Office Operations:

Gordon reworked office procedures to maximize the impact of the office and minimize operational expenditures. In light of continual depreciation of the U.S dollar against Chinese renminbi, SHOB was able to contain increased costs due to hikes in the exchange rate. SHOB acquired the services of an experienced office administrator hired on a task/project basis. SHOB also reduced utility costs and is currently in discussion with the landlord to reduce office rent in the future.

Facilitate State's Efforts to Introduce Hawaii GMO Papaya to the China Market:

SHOB continues to provide on-the-ground assistance to the Hawaii Department of Agriculture, U.S. Department of Agriculture's Agricultural Research Service/Pacific Basin Agricultural Research Center and the University of Hawaii's College of Tropical Agriculture & Human Resources in their efforts to have Hawaii GMO papaya accepted for export into China. While the process was started in 2013, SHOB continues as the intermediary with the Ministry of Agriculture as it requires an in-country representative to handle the application process and any revisions to the application. With SHOB's assistance, the export of Hawaii GMO papaya into China will help Hawaii's papaya growers diversify their overseas markets.



Ministry of Agriculture issued certificate to permit food safety testing on the GMO papaya.

Other Duties to Promote the State of Hawaii:

The State of Hawaii Office in Beijing continues to maintain good relations with the Chinese government. Leveraging the goodwill developed over time, the office has a proactive attitude to assist Hawaii-based companies in various industry sectors interested in doing business in China. Contacts in China include, but are not limited to the China National Tourism Administration, China Council for the Promotion of International Trade, Ministries of Commerce, Education and Agriculture and the U.S. Embassy in Beijing, U.S. Consulates in Guangzhou, Shanghai, Shenyang and Chengdu.

FY 2014 Beijing Office Expenses

DESCRIPTION	TOTAL
Director's Salary	\$50,337.06
Office Rent	\$20,292.97
Office Management Fee	\$2,329.00
Office Storage	\$1,616.40
Janitorial Services	\$688.76
Lunch coupon	\$591.33
Bank Fees	\$73.54
Phones/Fax/Long Dist.	\$650.87
Mobile Phones	\$501.03
Postage	\$92.11
Office supplies	\$413.90
Office Equipment	\$948.26
Taxi Fare	\$132.81
Lunch meetings	\$330.22
Miscellaneous/Meeting Expenses	\$265.00
Membership Fees	\$361.62
Courier	\$58.02
Translation Fee	\$153.60
Notary Services	\$103.88
TOTAL EXPENSES	\$79,941.02