

Global Agriculture Information Network

Voluntary Report - public distribution

GAIN Report #CH9818

Date: 7/13/99

China, Peoples Republic of Market Development Reports Business Travel in China 1999

Prepared by:

Scott Reynolds U.S. Consulate General, Shanghai

Drafted by:

Jane Hu and Wade Sheppard

Report Highlights:

China, as the world's most populous country, has quickly become an important market for many U.S. businesses. USDA/FAS representatives in Beijing, Shanghai and Guangzhou warmly welcome U.S. agricultural exporters to China and have prepared this introduction to give business travelers the knowledge and confidence to explore China as a market for U.S. products.

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I. INTRODUCTION

China is the world's most populous country, with approximately 1.25 billion people living in a land area slightly larger than the United States. China has rapidly become an important market for many U.S. businesses, with its cheap labor and vast potential markets being the largest draws. Each day, the nation that is home for almost one-quarter of the world*s population greets business travelers seeking new export markets. In an effort to promote U.S. agricultural products in China, the U.S. Foreign Agricultural Service (FAS) has established an Agricultural Affairs Office in Beijing and two Agricultural Trade Offices (ATO*s), one each in Shanghai and Guangzhou. FAS/USDA representatives warmly welcome U.S. agricultural exporters to China and have prepared this introduction to give business travelers the knowledge and confidence to explore China as a market for U.S. products.

Many business travelers are hosted by Chinese government officials or companies. However, since China has opened its doors to the Western world, it is very convenient to travel to China on your own. What*s more important is to understand that travel in China is quite different from business travel to more developed areas of the world. Planning is key, since you may not be able to count on access to basic services like travel agents, convenient and reliable communications lines and overnight delivery. This introduction offers basic information about travel in China that will help you plan your trip.

Note: Conditions for travelers have improved markedly since the first issue of this report in 1994 and its update in 1997. The top ten cities have already reached the level of other middle income Asian countries. Internet is the best and most convenient way for travelers to get up-to-date information about China, so the following section is included to facilitate first-time China travelers.

II. INTERNET

If you want to learn a little more about China before you arrive, there are many excellent web-sites to choose from. For daily business and political news, check out the China section of the Hong Kong-based "South China Morning Post" (http://www.scmp.com) or the "Hong Kong Standard" (http://www.scmp.com). Dow-Jones publishes a respected news weekly entitled "Far Eastern Economic Review", which has insightful articles and good features on the business climate in China: (http://www.feer.com.) There are also some well-known travel guides which publish portions on the web, such as the Lonely Planet series. While their series is aimed more at the backpacker-style of travel, there is a wealth of pertinent information on local customs, regional weather patterns, and useful phrases: (http://www.lonelyplanet.com.) Another site, which has some excellent government and business links is Surf China: (http://www.surfchina.com.)

Here is a list of some other useful sites:

Shanghai - Shanghai Municipal Govt.: http://www.shanghai.gov.cn

Agricultural Trade Office, Shanghai: http://www.atoshanghai.org

American Chamber of Commerce: http://www.amcham-shanghai.org

Dining/Entertainment: http://www.shanghai-ed.com

Information/Entertainment: http://www.shanghabc.com

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Beijing - American Embassy: http://www.usembassy-china.org.cn

American Chamber of Commerce, Beijing: http://www.amcham-china.org.cn

Ministry of Foreign Trade (MOFTEC): http://www.moftec.gov.cn

Entertainment/dining: http://www.beijingscene.com

Another source of excellent information on doing business in China with extensive, practical information on Chinese cities and provinces is **The China Business Handbook 1999**, compiled by China Economic Review, London, UK. Tel: 44-171-834-7676, Fax: 44-171-973-0076, e-mail: post@alain.demon.co.uk Web site: www.alaincharles.com

III. BEFORE YOU GO

Documents

Traveling in China requires a valid U.S. passport and a tourist or business visa. Business travelers planning a trip to China should first decide whether they need to be in China for a long period of time (more than a month). If traveling to China for only a period of days or weeks, we suggest that the easiest approach is to apply for a tourist visa at the Chinese embassy in Washington, D.C., or at one of the Chinese consulates in New York, Chicago, Houston, Los Angeles or San Francisco. You may apply in person, by mail, or, perhaps most efficiently, through an international travel agent or visa service. Applications, available from the embassy, consulate or travel service, should be accompanied by a valid passport and applicable fees. Business travelers conducting business in China for the first time and not holding an invitation letter will find it easier to travel on a tourist (L-type) visa. In our opinion there is nothing wrong with this approach; nearly every business traveler we have encountered has also hiked on the Great Wall, visited the Shanghai Bund and Museum, or floated down the Li River in Guilin as a tourist during their trip.

Travelers entering China with a stopover in Hong Kong can apply for a P.R.C. visa at the Chinese Foreign Affairs Visa Application Office (CFAVAO) in Hong Kong. In addition, most major Hong Kong hotels offer P.R.C. visa application assistance for an additional fee, but travelers should check with their hotel in advance. Many business travelers prefer to apply through their Hong Kong hotel concierge, or through the travel agent who books their onward travel to China.

Visa processing in Hong Kong usually takes one to two working days, however express service is also available. One hour express tourist visa issuance is available for HK \$410 (single entry) and HK \$460 (double entry). This visa is valid for entry during a three month period for a stay of up to one month. In addition, one working day visa issuance service is available for tourist visas for HK \$260 (single entry) and HK \$310 (double entry). This visa is valid for entry during a three month period for a stay of up to one month.

CFAVAO is located at 5/F Lower Block, China Resources Building, 26 Harbour View Road, Wanchai, Hong Kong, tel. (852) 2585-1794 or (852) 2827-1881. Hours are Monday through Saturday, 9:00am to 12:30pm, and Monday through Friday, 2:00pm - 5:00pm.

If you need to stay in China for more than a month and are clearly working in an office as an employee, then it may be best to apply for a business (F-type) visa. Business visa applications require a letter of invitation which can be faxed from a China-based company or Chinese government office. Business visa applications without a letter of invitation or with a letter

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of invitation from an American Consulate office such as the ATO Shanghai are usually rejected. It may also help to take evidence of your Chinese business connection. If you request a multiple entry visa that is valid for six months, it allows you to stay in China between 30 and 60 days each entry.

Climate

China's latitude and broad range of climates is similar to the United States. The north is characterized by dry plains and the south by high humidity and lush greenery. The north tends to have extremely cold, dry winters, but the temperature rarely goes below freezing with wetter winters south of Shanghai. Summer weather in most of China can be unpleasantly hot and unpredictable. The best times to visit tend to be spring and fall, although fall weather tends to be more pleasant and reliable. Book air travel well in advance, as spring, end of summer, and fall tend to be the busiest travel seasons in China.

Medical/Health

While many business travelers have successfully ventured in and out of China without regard for medical considerations, U.S. health officials recommend - but do not require - the following vaccinations: hepatitis A, hepatitis B, Japanese encephalitis B, and typhoid (capsules or injection). In addition, make sure you have not tested positive for tuberculosis, and your Tetanus (good for 5 to 10 years), and polio (good for 10 years) vaccinations are current. If you plan to travel in remote areas, a rabies vaccination is recommended and, for travel in subtropical areas during the summer, also bring malaria medication. The availability of quality health care for international travelers has improved remarkably in the 1990's with the opening of many clinics staffed by foreign doctors catering to foreigners. The below listed centers can provide a first point of contact for travelers with illness although travelers with severe problems will likely be medically evacuated to Hong Kong or back to their home countries:

Beijing - Beijing United Family Hospital

Tel: (86-10) 6433-3960 Fax: (86-10) 6433-3963

Beijing AEA International Clinic and Alarm Center

Tel: (86-10) 6462-9112 Fax: (86-10) 6462-9111

International Medical Center Tel: (86-10) 6465-1561 Fax: (86-10) 6465-1961 Beijing Ambulance Service

Tel: (86-10) 6525-5678

Peking Union Medical Hospital

Tel: (86-10) 6529-5269

Shanghai - Worldlink Clinic

Tel: (86-21) 6279-7688

Guangzhou - Greenery Clinic

Tel: (86-20) 8759-5357

[Many thanks to **The China Business Handbook 1999** for compiling this list]

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If you need prescription or over-the-counter medications, bring them with you and carry them on the flight in your hand baggage. Don't count on finding replacements for your prescription drugs in China. Most health professionals also recommend carrying medications to counter stomach upset and diarrhea, a general antibiotic and insect repellent (particularly if you are traveling in summer or in South China). While over-the-counter medications are available in major cities, they may be difficult to find and quite expensive.

IV. GETTING THERE

Contrary to 10 years ago, it is not difficult to get to China. Currently, however, only two U.S. passenger airlines (United and Northwest) are authorized to fly to mainland China. Flights are available to Beijing and Shanghai. Northwest Airlines started regular non-stop service in 1997 between Detroit and Beijing five times a week. This route saves travelers from the East Coast many hours of waiting at the congested Narita Airport (Tokyo). All other United and Northwest routes to Beijing and Shanghai are via Narita Airport, but that will change by the year 2000. In a landmark agreement in early 1999, China and the USA agreed to increase the number of flights per week between the two countries. We understand that about 35 additional round trips per week were agreed upon and that 17 additional round trips will be shared between three U.S. carriers: Federal Express, Northwest, and United. The remaining round trips will be divided among leading Chinese carriers such as Air China, China Eastern, and China Southern. This will likely make flying between the USA and China far more convenient and cheaper than ever before. For example, United is planning to add a non-stop, round trip flight between Shanghai and San Francisco to compete with the Air China/Northwest code-shared flight which was started in 1998. Long, uncomfortable layovers in either Tokyo or Hong Kong may become a distant memory for many travelers.

Other travel options which your travel agent can explore are available on non-U.S. carriers. For example, JAL also has service to Beijing and Shanghai from the United States via Japan while Korean Airlines and Asiana offer similar service via Seoul. Most major European airlines have regular direct flights from the major cities of Europe to Beijing and Shanghai. In addition, leading Southeast Asian airlines such as Thai and Singapore Air have direct flights from their respective capitals to Guangzhou, as well as to Beijing and Shanghai.

If all other options are fully booked, consider taking Air China, China Eastern or China Southern from the West Coast of the U.S. All three fly to the states and many leading Asian destinations such as Tokyo, Seoul, and Singapore. China Southern offers direct flight service between Guangzhou and Los Angeles, while Air China and China Eastern fly from Shanghai to San Francisco and Los Angeles. Check with your travel agent to make sure that they can issue a boarding pass for Chinese airlines or domestic connection flights within China. On code share flights, such as Northwest/Air China, this should not be any problem, as long as your domestic connections are on Air China's scheduled flights.

It is no longer necessary to consider Hong Kong as a stopover. However, Hong Kong does offer a wider variety of transport options particularly to cities in Guangdong and to Macao: to Guangzhou by air (25 minutes), train (3 hours) or express bus; to Shenzhen by express bus and light rail; and by catamaran or hydrofoil to Zhuhai and Macau.

Domestic travel within China, is possible only on Chinese-owned carriers or via special charter. (See "TRAVELING WITHIN CHINA".) Booking tickets in the USA for domestic flights in China has become much easier than in the past. Check with your travel agent in the USA; many can purchase these tickets for you. Your hotel or a travel agent in China should also be able to do this. There is a departure tax of RMB50 (about US \$6) at the airport for all domestic flights and do remember to take your passport.

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The Foreign Agricultural Service has also identified local travel agents in Beijing, Shanghai and Guangzhou. These travel agents are business-oriented with experience assisting business travelers with logistical arrangements all over China, such as hotel accommodations, air and rail ticketing, transfers, English speaking translators, tour guides and pre/post business meeting sightseeing tours. As a U.S. Government agency, we cannot guarantee the reliability of each of these companies in every situation, but many business travelers have used these companies successfully in the recent past.

Beijing - Guo Ren, Beijing First Co., Ltd.

Contact: Ms. Tian Mei

Tel: (86-10) 6406-8646; Fax: (86-10) 6404-8647 Across China International Commercial Service

Contact: Herry Lu

Tel: (86-10) 6591-7501/03; Fax: (86-10) 6508-6662

Lucky International Travel Service

Contact: Mr. Collin Ma or Mr. Zhou Zhian

Tel: (86-10) 6491-6377; Fax: (86-10) 6491-6399

Bridge to China

Contact: Ms. Lena Lou

Tel: (86-10) 6591-8324; Fax: (86-10) 6508-6480

Shanghai - Great West Corp. Ltd.

Contact: Angel Chen

Tel: (86-21) 6279-8489; Fax: (86-21) 6279-8488; Email: grtwest@public.sta.net.cn

China Forward Co. Ltd. Contact: Ms. Emily Pang

Tel: (86-21) 6270-1532; Fax: (86-21) 627-02965; Email: cforward@public.sta.net.cn

Shanghai China International Travel Service Co., Ltd.

Contact: Mr. Tang En Guang

Tel: (86-21) 6321-7200x266; Fax: (86-21) 6329-1035

Shanghai CYTS Corporation, Euro-American Department

Contact: Mr. David Lu

Tel: (86-21) 6433-1322; Fax: (86-21) 6437-0041; Email: cvts@public.sta.net.cn

Jin Jiang Holidays

Contact: Ms. Katherine Schiffeler

Tel: (86-21) 6415-3080; Fax: (86-21) 6415-3055

<u>Guangzhou</u> - Yue Hai Ticketing(for domestic travel-within China)

Contact: Ms. He Xiao Bing(speaks Chinese only)

Tel: (86-20) 8385-6565, 8385-7785; Fax: (86-20) 8385-7676

Guangzhou Tourist Information Center (for international travel)

Contact: Mr. Anthony Meng

Tel: (86-20) 8387-0711, 8387-4272; Fax: (86-20) 8387-0712

The Garden International Travel Service (for international travel)

Contact: Mr. Joe Chan

Tel: (86-20) 8387-7770, 8387-7773, 8387-7776; Fax: (86-20) 8387-7703

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Although there has been a great liberalization of pricing and sales of air travel tickets in the last few years, such as permitting the sale of discounted domestic tickets, the government recently cracked down on the industry to stem pricing irregularities. Discounted domestic tickets are temporarily not available, except to tour groups, senior citizens, and other special categories. This should not pose a problem for international business travelers, who may be surprised at the relatively cheap cost of air travel in China compared to similar distances covered on domestic carriers in America.

V. HOTEL ACCOMMODATIONS

In some larger cities like Beijing, Shanghai or Guangzhou, you may find a large choice of accommodations from truly full service five-star hotels to much more modest and also economical options. While accommodations in major cities have improved in recent years, the criteria that have warranted some hotels China*s five-star rating fall short of Western standards. Hotels that have less than a three-star rating are not recommended for business travelers. Most non-Chinese-speaking Americans prefer four or five-star hotels, not only because of the amenities, but also because of the presence of some English-speaking staff.

When traveling outside major cities, be prepared to lower your expectations somewhat. Depending on where you visit, you should be able to find clean, comfortable accommodations, although with limited business and personal services. However, a recent expansion of 4 and 5 star hotels in second-tier cities should improve the range of options.

Leading Hotels in Shanghai:

<u>Properties</u>	<u>Telephone</u>	Fax(+21)	Web-site
Garden Hotel	6415-1111	6415-8866	www.gardenhotelshanghai.com
Grand Hyatt (Pudong)	5049-1234	5049-1111	www.hyatt.com
Hilton	6248-0000	6248-3848	www.hilton.com
Holiday Inn Crowne Plaza	6280-8888	6280-3353	www.crowneplaza-shanghai.com
JC Mandarin	6279-1888	6279-2314	www.jcmandarin.com
New Asia Tomson (Pudong)	5831-8888	5831-7777	www.nathsha.com
Portman Ritz-Carlton	6279-8888	6279-7014	www.ritzcarlton.com
Regal International Hotel	6415-5588	6445-8899	www.regal-hotels.com
Shangri-La (Pudong)	6882-8888	6882-6688	www.shangrila.com
Westin Taipingyang	6275-8888	6275-5420	www.westin.com

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Reservations

For information about hotels in Beijing, Shanghai and Guangzhou, you may contact the FAS Agricultural Trade Office representatives in those cities.

Beijing - Agricultural Affairs Office

Tel: (86-10) 6532-3431/3831 ext. 275/276

Fax: (86-10) 6532-2962

Shanghai - Agricultural Trade Office

Tel: (86-21) 6279-8622 Fax: (86-21) 6279-8336

Guangzhou - Agricultural Trade Office

Tel: (86-20) 8666-3388 ext.1283 or 8667-7553

Fax: (86-20) 8666-0703

Travelers to other cities in China may wish to explore booking accommodations with one of the well-known international chain properties (Hilton, Holiday Inn, Inter-Continental, Shangri-La, Sheraton, etc.) or may contact CITS or a local travel agent identified by FAS. (See previous section for phone and fax numbers.) Since 1998, the Holiday Inn, Shangri-La, and Sheraton chains have expanded rapidly in China and now manage hotels in many of the top twenty cities. It is now relatively easy to call the toll free numbers for these chains in America to make reservations in many cities throughout China.

VI. WHAT TO BRING

Clothing

Depending on where in China you plan to travel, you will find a wide variance in climate and temperature. Latitudes are comparable to North America so seasons will be similar. Expect hot rainy conditions in extreme south China beginning in March, while typhoon season generally runs from July through September.

While business dress is generally less formal than in major U.S. cities, most Westerners wear standard business attire for business meetings and dinners. Also bring comfortable shoes since you may do a fair amount of walking.

Toiletries

Although the larger five-star hotels in the major business cities do provide some toiletries, it is wise to have your own supply as the hotel selection may be limited. However, many familiar brands of toiletries are available in local stores if you forget to bring a necessary item.

Electrical Adapter Kit

Not only is the standard electric current different in China (220 volts, versus 110 volts in the U.S.), so are the outlets. In fact, you may find more than one type in the same hotel room. Unfortunately none will accept the standard U.S. two- or three-pronged plugs. Bathrooms in larger hotels in major cities have built-in converters for shavers. Beyond that, if you

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consider your hair dryer, laptop computer or other travel appliances necessities, arrive in China equipped with appropriate converters and adapters.

Metric Conversion Calculator or Chart

China uses the metric system for all weights and measures, including temperature. If you are not familiar with metric measures, a pocket conversion calculator or chart will come in handy.

Toilet Tissue

Off the beaten track, outside the major cities, or even in small local restaurants outside the larger hotels, you will find somewhat primitive toilet facilities. Experienced travelers carry their own paper (the small travel packs of facial tissues are most convenient) and moist towelettes at all times when outside the hotel.

Cash or Travelers Checks and a Money Belt

Bring cash or travelers checks. Credit card acceptance is growing; and the most common credit cards are accepted at major hotels, hotel restaurants, branches of Friendship Stores, government-run antique and handicraft stores, and in factory sales rooms that deal with foreign tourists. However, if you plan to travel outside the major cities, or dine and shop outside the larger hotels, you will need plenty of cash, which will be safest if carried in a money belt. Travelers checks can be converted to local currency at most hotels and at branches of the Bank of China. (See ?MONEY" and ?SAFETY" for more information.)

Business Information/Materials

Given the infrequent use of the English language in China, it would be most helpful to bring Chinese-English bilingual business cards, a Chinese translation in simplified characters (the standard writing system of mainland China) of basic company and product information, and CIF China major port and Hong Kong price lists. Bring product samples, especially for new to market items, although product pictures are a good alternative if you can*t bring samples. And finally, after your meetings with the Chinese, it*s a nice gesture to offer a small company-related or USA memento (e.g. pens, caps, paperweights, mugs).

Product Samples

It is extremely rare for foreigners' ordinary luggage to be searched upon arrival at airports in China. Therefore, business travelers should bring small quantities of product samples packed inside their regular tourist luggage (not packed in cardboard boxes). Additionally, many U.S. companies have successfully shipped a box or two of samples and brochures via DHL, FedEx or other carrier to a Chinese address. We don't recommend shipping samples by air freight on commercial carriers. If there is no alternative, then make sure to write the following on the invoice: "No Commercial value, Not dangerous, Sample only," and make sure that the price of the sample is marked zero, no commercial value. Otherwise a lot of problems can occur, such as delays, tax assessments, or other bureaucratic hassles.

Business meetings

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It helps to have a permanent base in China in order to manage the negotiating process there. Business meetings in China are frequently a cause for confusion. Try to work out the management structure of the Chinese organization. It is not always easy to discover who is the most senior official or executive. Often, the person with the most impressive title is not the one who makes the decisions; it may be his/her deputy. Remember to carry plenty of business cards yourself. All documentation presented at meetings should be in both English and Chinese. Language should be kept as simple as possible to ease the task of the interpreter.

VII. ARRIVING IN CHINA

Chinese authorities require all foreign visitors to undergo passport, health, and customs formalities prior to entering the country. The process is simple and involves completing brief forms provided by most international airlines prior to landing. If you do not receive these forms, they will be available near the arrival gates at the airport.

Health Declaration Form - must be filled out by all foreign visitors and handed to officials at special counters in each airport.

Entry-Exit Form - required of visitors not traveling with a group. Handed to immigration officials along with the passport at border control counters in each airport.

Customs procedures have been simplified. Only visitors with large amounts of cash, commercial samples, office equipment (not just a single laptop computer) have to complete the Customs Declaration Form at the airport. If you must fill out the form, retain the stamped copy until you leave China, for checking by Customs officials.

All baggage must be x-rayed at some ports of entry before you will be allowed to carry it through Customs. Beyond this, only periodic spot-checking of luggage occurs.

VIII. MONEY

Unless your transportation from the airport is arranged by your host in China, you will need to change some money at the airport in order to get a taxi to your destination.

The official Chinese currency is the Renminbi (RMB), translated literally, ?the people*s currency." The basic unit of currency is the yuan, generally called ?kuai" when referring to amounts of money. Each yuan is divided into 10 jiao, called ?mao" when speaking of amounts. (Not so unlike the U.S. where quarters, dimes, nickels and pennies are all ?cents" when speaking of sums.) Each jiao is divided into 10 fen. Yuan notes are issued in denominations of 100, 50, 10, 5, 2 and 1. There is also a 1-Yuan coin. Jiao and fen are issued in both paper currency and coins in denominations of 5, 2, and 1 each. Except for a few old fen notes, all bills and coins are marked with ?western" numerals denoting their value. Denominations are also printed in ?pinyin" which will help you distinguish the larger yuan notes from the jiao.

The RMB is not traded on international markets. It can be bought or exchanged within China and Hong Kong and along some northwestern borders. It is also possible to purchase some RMB from currency exchange windows in American airports, but the rate is particularly unfavorable and shouldn't be considered under normal circumstances. Any RMB you have left should be converted before leaving the country. Make sure you keep enough to pay for transportation to the airport and the required departure tax. (See ?LEAVING CHINA".)

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Current exchange rates are published in the China Daily. This rate applies in all banks, hotels, airport and retail (Friendship Store) exchange counters. Travelers checks bring a slightly better rate, however some banks and hotels add a small fee, which may offset the advantage. In recent years, the currency has been very stable against the US dollar, U.S. \$1=RMB8.27.

You may be approached on the street by people offering to ?change your money" at a better rate. FAS does not recommend that you try this due to ?sleight of hand" tactics and counterfeiting. There is also the occasional crackdown on black market money changers often found loitering within a few feet of bank entrances, so it is prudent to avoid the practice altogether.

Banking hours are generally 8 a.m. to 5 p.m., weekdays, and 8 to 11:30 a.m. on Saturdays. Hotel exchange counters are open longer, seven days a week.

IX. GETTING AROUND - TRANSPORTATION WITHIN MAJOR CITIES

The easiest way to get around Beijing, Guangzhou, Shanghai and other major business centers is by taxi or hired car. If you are visiting a host organization, it may be easiest to let them make your transportation arrangements. If not, you can arrange taxi or car service through the concierge at most major hotels. In most cities, you can also hail a cab on the street. If you*re traveling on your own, consider picking up a recent English/Chinese bilingual map, available in most hotels.

Taxis in most cities are metered, but the quality of service varies depending on the size of the city. Furthermore, drivers do not generally speak English. Unless you speak fluent Mandarin, ask the hotel concierge to provide a card that shows the name of your destination and your hotel in Chinese characters. Keep the card and use it when you want to return. Taxis usually charge by distance and time taken, so check that the driver has turned on the meter at the beginning of each trip. Traveling between 11pm and 5am will result in a 25% surcharge. On arrival, ask for a receipt. You are less likely to be cheated if you get in a taxi at the taxi stand in front of a major hotel, particularly if the doorman gives you a card with the taxi's license plate number.

Be advised: Beijing, Shanghai, Guangzhou and some other major cities are oversupplied with cabs, bicycles, pedestrians and, in some cities, motorcycles, resulting in serious traffic jams. Leave early for your destination; getting there could take longer than you think.

Note: Self-driven rental cars have been available in Beijing and Shanghai for a few years, although with traffic so chaotic, you probably wouldn*t want to attempt driving in China.

X. TRAVELING WITHIN CHINA

By Air

Domestic air travel in China is operated by the Civil Aviation Administration of China (CAAC) which has a number of domestic and international carriers, currently including Air China, China Eastern, China Southern, China Northern, China Southwest, China Northwest, Great Wall, Xiamen, Shanghai, Sichuan, Xinjiang, Wuhan and Yunnan Airlines. Domestic service is improving rapidly. Still, in areas like on-time departure, in-flight meals, etc., China*s airlines are not up to international standards. Nonetheless, conditions are improving rapidly and it is likely that the Boeing 757s or 767s used

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on domestic routes in China are much newer than the fleets operated by U.S. carriers in the U.S.A.

Flights within China can be booked in person, through CITS or by an authorized travel agent in China. (See ?GETTING THERE"). Most major hotels will provide ticket purchasing services for guests for a fee. If you have an onward domestic flight, re-confirm your flight a day or two in advance of the flight.

One final note: now that English is being used with more frequency at airports, it is now relatively easy to fly between the major cities without a Chinese companion. Just go to your gate promptly, stay alert, and be ready to move out when those around you waiting for the same flight start to line up at the gate. When traveling outside of the top ten cities, it may be helpful to have someone with you who speaks Mandarin.

By Train

If your business travel takes you outside the major cities, you may find your destination is not accessible by air or the few flights available are sold out. Train travel (usually overnight) is another option for completing your itinerary. If you must travel by train, book a ?soft sleeper," the highest class available in China, though most American travelers find this class of travel far below even three-star hotel accommodations. This option is only for the more adventurous, but it does provide a real feel for China. Tickets should be purchased through CITS or from a station ticket booth designated for foreigners. A Chinese person familiar with the system can purchase tickets for you -- cash only, no credit cards.

Experienced train travelers recommend checking into a decent hotel upon arrival to get cleaned up and, perhaps, catch up on lost sleep before any meetings.

XI. LANGUAGE

Mandarin Chinese is the official language of China. However, in some areas, people speak a local dialect or a regional language (Cantonese, Shanghainese, Sichuanese) which will be unrecognizable, although nearly all also speak Mandarin fluently as a second language. You will find that most of the staff at leading hotels will speak some English, but they may not be very fluent. Remember to speak slowly, articulate carefully and take extra care when leaving messages, spelling names and providing return phone numbers.

Your hosts, if they are college-educated, will probably speak some English. Many Chinese government officials and business executives have studied English, however, few are fluent. If your host organization does not provide an interpreter, your travel agent or hotel concierge may be able to help you find one. The Agricultural Affairs Office, Beijing, and the ATO*s in Shanghai and Guangzhou maintain a partial list of available translation services.

Consider carrying a small traveler*s guide to Chinese words and phrases -- a good primer for learning to speak a few civilities like?thank you" (xie xie in pinyin, pronounced like?shay-shay"), ?hello" (nin hao in pinyin, pronounced like?neen how").

XII. SAFETY

China remains one of the safest places in the world for foreign travel. You can walk almost anywhere at any time and be safe. But use common sense. Keep large amounts of cash and other valuables in a money belt worn under your clothes

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or locked in your hotel's safe deposit box. Lock baggage on all flights, don*t leave temptations in your hotel room and keep your wallet or pocketbook secure at all times. It*s also a good idea to keep a photocopy of your passport and visa, just in case you lose your original.

XIII. WATER

Never drink the tap water in China. Most hotels supply bottled water or boiled hot water in a thermos. Distilled and mineral water in plastic bottles can be found in most cities at a reasonable price.

XIV. DINING

Your Chinese hosts may regale you with banquets. You will get your fill of good Chinese food. If you*re adventurous, you will find an array of delicious dishes far beyond those served in Chinese restaurants in the U.S.A. However, if you need a taste of home, you can find Western food in the major hotels. For Western dining ideas, check out one of the free newspapers for expatriates usually available from the concierge at your hotel: Beijing Scene, Shanghai Talk, and City Talk in Guangzhou. Otherwise, you can consult the Lonely Planet guide or chat with other foreigners along the way. Quality varies. In the major and secondary cities, you*ll find Western-style fast food restaurants, such as KFC, McDonalds, Pizza Hut, and others. Outside the top thirty cities, it*s strictly Chinese or Asian-style food.

You may be tempted by the countless street vendors offering an array of cooked and fresh items, but be very cautious about eating them. It's very difficult to maintain strict hygiene while cooking in the street. Before eating any raw fruits or vegetables, either peel them, or soak them in a Clorox solution and clean them in hot soapy water.

XV. TIPPING

With the great influx of foreign travelers to China, the practice of tipping is on the increase. Many hotel restaurants add a 15% service charge to the bill. In most other instances, tipping is not expected and may cause embarrassment for the staff. However, in the most developed coastal cities if you tip a bartender or waiter, they are unlikely to refuse.

XVI. KEEPING IN TOUCH WITH HOME

Phone

Domestic and international long distance calls can often be made through direct dialing or booked through your hotel. Most major hotels in larger cities will add the charges to your hotel bill, however, some business travelers report having to pay for the calls immediately after they are completed. If you are unable to place a long distance call from your room, even when such services are noted in hotel literature, contact the front desk or operator and tell them you wish to have your room phone reconnected to long distance service. Some hotels turn off long distance service to unoccupied rooms and forget to reconnect promptly once a guest has checked in.

Collect calls are much cheaper than direct calls from China. Because of the changing rates, the least expensive method for placing phone calls varies. Currently, the AT&T, MCI and Sprint cost-per-minute for calls to the United States that are longer than a few minutes is substantially less than the Chinese rate.

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IDD (International direct dial) and DDD (domestic direct dial) phones, fax, international/domestic post, telex and telegraph are available at the better hotels or the local Post & telecommunications offices. Check costs, minimum connection time, fax paper charge and service charges when calling or faxing from a hotel.

If you have an international calling card with one of the major long distance carriers, check with your representative before you go about the most economical rates and method of calling. Calls to China from the U.S. are usually less expensive than calls from China to the United States.

Another option is the recent arrival of the IP Telephony card, which must be purchased from a domestic telecom provider for use within China. The card functions for all intents and purposes like a calling card, but routes calls through the Internet, thus allowing significant savings for a minor reduction in quality. International calls cost approximately \$.60/minute and the cards are available in denominations up to RMB500 (approx. \$60). Ask the hotel concierge or have a Chinese speaking member of your company inquire at the local phone company office.

News Media

English-language media published in China includes China Daily, Beijing Review, Beijing Weekend, Shanghai Star and China Today. There are also some locally published monthly entertainment magazines geared at expatriates, and you should look for them at the concierge desk of your hotel. They include the Beijing Scene in Beijing, Shanghai Talk in Shanghai, and City Talk in Guangzhou. Many foreign newspapers (The Asian Wall Street Journal, the International Herald Tribune, USA Today) and some U.S. news magazines may be available at hotel kiosks at prices higher than in the U.S. Most major hotels in the large business centers offer at least one or two satellite television channels, such as CNN, BBC and Star TV; however, reception varies. In South China hotels carrying TVB Pearl, the CBS Evening News is broadcast live from 7:30-8:00 a.m..

Mail

Airmail/domestic stamps are available at the front desk or kiosk in most major hotels. Some hotel business centers provide comprehensive letter and parcel services. Major international courier services operate in many cities; however, service takes three or four days instead of overnight. Further, they are more reliable for shipping things back to the U.S. than for getting something to China. Rule of thumb: If you need it and it cannot be sent by fax, bring it with you.

XVII. TIME

All of China is in the same time zone, and referred to as "Beijing" time. Beijing time is 13 hours ahead of the east coast of the United States (EST), except during daylight savings time when the difference is 12 hours. For example, 9 a.m. in Beijing is 8 p.m. the previous evening in New York (EST).

Chinese time is 16 hours ahead of Pacific Time.

XVIII. BUSINESS HOURS

Business hours vary with season and location but are normally 8:30 a.m. to 11:30 a.m., 1:30 p.m. - 5 p.m. While arranged business lunches are becoming more common, it is rarely practical to expect to find Chinese willing to conduct business

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during breakfast or during the midday lunch/rest time. Chinese government and other offices do not work on Saturday and Sunday, so count on a five-day work week for conducting business. Use your weekends for sightseeing or report preparation and do not expect the Chinese to be anxious to give up their weekends to meet with you.

Banking hours usually run from 9am to noon and then from 1pm to 5pm, while on Saturdays hours are from 8am to 11:30am. Some banks close on Mondays. Department stores usually open at 9:00am and close around 9:00 pm.

Also, do not plan a business trip for October 1 (Chinese National Day, similar to the U.S. Fourth of July) or too close to Spring Festival (Chinese New Year, which is based on a lunar calendar and falls in mid-January to mid-February depending on the year), when much of the country shuts down for at least two weeks and the transportation networks are overloaded with people heading for home or back to work. This is particularly true in 1999 when China celebrates the 50th anniversary of the People's Republic of China during the first week of October. With many new airports, highways, and infrastructure projects being rushed to completion to commemorate the occasion, it might be wise to stay at home and watch it on TV, allowing others the pleasure of experiencing potential Y2K-like snafus.

U.S. exporters are also discouraged from visiting Guangzhou during the twice per year (April 15-30, October 15-30) Canton Trade (Export) Fair which features mostly light industrial export items. Hotel and restaurant prices double or triple during the fairs while traffic jams worsen, meetings are difficult to arrange, and transportation in and out of the city is booked well in advance.

XIX. LEAVING CHINA

Make sure to confirm departure arrangements at least 72 hours before flight time. If you don*t, you will risk losing your seat. The concierge at your hotel, or someone with your host group, can handle this detail.

Before departing China, you must pay a departure tax (RMB 90) and obtain a receipt at the airport. (Unless you are departing Guangzhou by train, boat or bus to Hong Kong, in which case, you may not be subject to a departure tax.) The airport departure tax can be paid at counters located just inside the front doors of most airports. With the departure tax receipt, your passport and your tickets, you may proceed toward the check-in counter. On the way, you*Il pass an x-ray security check where all bags you plan to check must be screened. Boarding passes and seat assignments will be issued at the check-in counter. As on arrival, all departing passengers must complete an exit form (usually found near the lines for passport inspection). Your passport, boarding pass and exit form must be presented to the border control officials before you will be allowed to proceed to the gate. Expect crowds and delays each step along the way, so allow about two hours prior to your departure time for international flights.

Welcome to China! We encourage you to come over and explore this dynamic country.

(ATO Shanghai Office - July 1999)