



*The number of apologies received by the Chief Executive Officer indicated that a quorum would not be present at the meeting. The meeting was adjourned to December 2016.*

## **AGENDA**

### **FOR STRATEGIC AND INTERNATIONAL PARTNERSHIPS SUB COMMITTEE MEETING TO BE HELD ON**

**14 NOVEMBER 2016 AT CONCLUSION OF SPORT, RECREATION AND GRANTS  
AND PROGRAM REVIEW COMMITTEES**

**IN COMMITTEE ROOM 1, 12 JAMES STREET, SALISBURY**

#### **MEMBERS**

Cr E Gill (Chairman)  
Mayor G Aldridge (ex officio)  
Cr D Balaza (Deputy Chairman)  
Cr G Reynolds  
Cr J Woodman  
Mr Brett George (Sporting Club Representative)  
Mr Christopher Moore (Rotary Representative)  
Mr Roderick O'Brien (Community Representative)  
Mr Pat Trimboli (Service Club Representative)  
Mrs Heather Vogt (High School Representative)  
(Advisor) Professor Nigel Relph (Dep Vice Chancellor: Int'l & Advancement, UniSA)

#### **REQUIRED STAFF**

Chief Executive Officer, Mr J Harry  
General Manager City Development, Mr T Sutcliffe  
Manager Economic Development & Urban Policy, Mr G Ratsch  
PA to General Manager Community Development, Mrs B Hatswell

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**APOLOGIES**

**LEAVE OF ABSENCE**

**PRESENTATION OF MINUTES**

Presentation of the Minutes of the Strategic and International Partnerships Sub Committee Meeting held on 12 July 2016.

**REPORTS**

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**OTHER BUSINESS**

**CLOSE**



**MINUTES OF STRATEGIC AND INTERNATIONAL PARTNERSHIPS SUB  
COMMITTEE MEETING HELD IN COMMITTEE ROOMS, 12 JAMES STREET,  
SALISBURY ON**

**12 JULY 2016**

**MEMBERS PRESENT**

Cr E Gill (Chairman)  
Mayor G Aldridge (ex officio)  
Cr D Balaza  
Christopher Moore (Rotary Representative)  
Roderick O'Brien (Community Representative)  
Pat Trimboli (Service Club Representative)  
Heather Vogt (High School Representative)

**OBSERVERS**

Cr B Vermeer

**STAFF**

Chief Executive Officer, Mr J Harry  
General Manager, Community Development, Ms J Trotter  
Manager Community Planning and Vitality, Mrs N Kapitza  
Manager Economic Development & Urban Policy, Mr G Ratsch

The meeting commenced at 7:21pm.

The Chairman welcomed the members and staff to the meeting. All members and staff introduced themselves.

**APOLOGIES**

Apologies were received from Cr G Reynolds, Cr J Woodman, Mr B George, Mr R Morris and Mr N Relph.

**LEAVE OF ABSENCE**

Nil.

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## PRESENTATION OF MINUTES

The last meeting of the Committee, scheduled for 12 October 2015 did not proceed due to lack of a quorum. Minutes from the meeting held on 14 July 2015 were presented directly to the Policy and Planning Committee on 19 October 2016.

## REPORTS

### SIPSC1 Appointment of Deputy Chairman - Strategic and International Partnerships Sub Committee

Moved Mayor G Aldridge  
Seconded Service Club Representative P Trimboli

1. Cr D Balaza be appointed as Deputy Chairman of the Strategic and International Partnerships Sub Committee for a period of 12 months commencing 01/08/2016.

**CARRIED**

### SIPSC2 China Action Plan

Moved Cr D Balaza  
Seconded Mayor G Aldridge

1. That the information be received.

**CARRIED**

### SIPSC3 Request for Sister City Relationship from the City of San Agustin, El Salvador

Moved Cr D Balaza  
Seconded Mayor G Aldridge

1. A report be prepared setting out a proposed program for a delegation visit from the City of San Agustin, including resource implications, to enable the Strategic and International Partnership Committee to determine whether an invitation for a delegation can be extended to the City of San Agustin.

**CARRIED**

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**SIPSC4 Mobara Educational Exchange Program and Mobara Delegation  
2016**

Moved Cr D Balaza

Seconded Rotary Representative C Moore

1. The program for the 2016 Mobara Educational exchange program (as set out in Attachment 1, Item SIPSC4, Strategic and International Partnerships Sub Committee, 12/07/2016) be endorsed.

**CARRIED**

**OTHER BUSINESS**

Nil.

**CLOSE**

The meeting closed at 8.27pm.

CHAIRMAN.....

DATE.....



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**ITEM** SIPSC1  
**STRATEGIC AND INTERNATIONAL PARTNERSHIPS  
SUB COMMITTEE**

**DATE** 14 November 2016

**HEADING** Presentation of the Minutes of the Strategic and International Partnerships Sub Committee Meeting held on 14 July 2015

**AUTHOR** Bronwyn Hatswell, PA to General Manager, Community Development

**CITY PLAN LINKS**

**SUMMARY**

**RECOMMENDATION**

1. The Minutes of the Strategic and International Partnerships Sub Committee Meeting held on 14 July 2015, be taken and read as confirmed.

**ATTACHMENTS**

This document should be read in conjunction with the following attachments:

1. Minutes of Strategic and International Partnerships Sub Committee Meeting held 14 July 2015







**MINUTES OF STRATEGIC AND INTERNATIONAL PARTNERSHIPS SUB  
COMMITTEE MEETING HELD IN COMMITTEE ROOM 1, 12 JAMES STREET,  
SALISBURY ON**

**14 JULY 2015**

**MEMBERS PRESENT**

Mayor G Aldridge (ex officio) (5.12 pm)  
Cr E Gill (Chairman)  
Cr D Balaza  
Cr J Woodman (5.19 pm)  
Mr Brett George (Sporting Club Representative)  
Mr Christopher Moore (Rotary Representative)  
Mr Pat Trimboli (Service Club Representative)

**STAFF**

Chief Executive Officer, Mr J Harry  
General Manager, City Development, Mr T Sutcliffe  
General Manager, Community Development, Ms J Trotter  
Manager Community Planning and Vitality, Mrs N Kapitza  
Manager Economic Development & Urban Policy, Mr G Ratsch  
Personal Assistant to the General Manager Community Development,  
Ms B Hatswell

The meeting commenced at 5.09 pm

The Chairman welcomed the members, staff and the gallery to the meeting.

**APOLOGIES**

Apologies were received from Cr G Reynolds and Ms M McEvoy.

**LEAVE OF ABSENCE****PRESENTATION OF MINUTES**

Moved Mr B George  
Seconded Cr D Balaza

The Minutes of the Strategic and International Partnerships Sub Committee Meeting held on 12 May 2015, be taken and read as confirmed.

**CARRIED****REPORTS****SIPSC1 Traineeship Program - Fuji Works and Japan Display Inc**

*Mayor G Aldridge entered the meeting at 05:12 pm.*

Moved Cr D Balaza  
Seconded Mayor G Aldridge

1. The information be received.

**CARRIED****SIPSC2 Strategic International Business Partnership Opportunities**

*Cr J Woodman entered the meeting at 05:19 pm.*

Moved Mayor G Aldridge  
Seconded Cr D Balaza

1. That this report be received.
2. The focus of Council's international business partnerships be on developing partnerships with our local business community to build awareness of international opportunities, increase the capability of firms to access those opportunities and link businesses with other programs.
3. That \$25k be considered in the 2015/16 first quarter budget review to undertake a survey to identify firms aspiring to or actively engaged in international trade or investment, the findings of which would inform further consideration of specific international business relations and programs for Council.
4. That the business case for strategic projects requiring external funding include an evaluation of potential investment sources including international sources.

5. That the primary vehicles for developing business partnerships into China be through the Memorandum of Understanding signed on the Premier's delegation to Shandong Province in May 2015, and through the relationship agreement between the City Of Salisbury and Linyi City.

CARRIED

**SIPSC3 Education Exchange Program 2015**

Moved Cr J Woodman  
Seconded Cr D Balaza

1. Information be received and noted.
2. The City of Mobarra be advised that to enable future education exchanges the organization of the host families will need to be undertaken via the appointment of an Australian based home stay agent organised by the City of Mobarra.

CARRIED

**OTHER BUSINESS****SIPSCOB1 Strategic And International Partnerships Sub Committee Members Resignations**

Moved Mayor G Aldridge  
Seconded Cr J Woodman

1. That the following Member resignations from the Strategic and International Partnerships Sub Committee, effective immediately, be noted:
  - 1.1 Ms Sarah Bevan (Youth Council Representative);
  - 1.2 Mr Chris McDonald (Business Representative);
  - 1.3 Mr Alan Peuker (Education Representative); and
  - 1.4 Mr Dion Risborg (Sporting Club Representative).
2. That a Workshop take place on Thursday, 10 September 2015 at 5.30 pm to 7.30 pm to discuss the Strategic and International Partnerships Sub Committee Terms of Reference and Membership.

CARRIED

Minutes - Strategic and International Partnerships Sub Committee Meeting - 14 July 2015

Item SIPSC1 - Attachment 1 - Minutes of Strategic and International Partnerships Sub Committee Meeting held 14 July 2015

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**CLOSE**

The meeting closed at 6.00 pm.

CHAIRMAN.....

DATE.....

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<b>ITEM</b>	SIPSC2  <b>STRATEGIC AND INTERNATIONAL PARTNERSHIPS SUB COMMITTEE</b>
<b>DATE</b>	14 November 2016
<b>HEADING</b>	China Action Plan
<b>AUTHOR</b>	Greg Ratsch, Manager Economic Development & Urban Policy, City Development
<b>CITY PLAN LINKS</b>	1.3 Have a thriving business sector that supports community wellbeing, is globally oriented and creates job opportunities. 4.1 Strengthen partnerships that enable us to better address our community's priorities.
<b>SUMMARY</b>	This report provides an overview of activity undertaken over the past twelve months to support the implementation of the China Action Plan. It also outlines the main focus areas for the coming year.

#### **RECOMMENDATION**

1. That this information be received.
2. That the following actions be endorsed as the focus for the China Action Plan over the next 12 months:
  - Moving the opportunities identified with the City of Linyi forward and reaching agreement on tangible outcomes;
  - Establishing commercial relationships between firms in Salisbury and buyers in China, building on the linkages developed in the past year;
  - Enhancing the ability of the Polaris Centre to support international trade, consistent with the intent of the critical action in the City Plan;
  - Continued participation in State Government-led initiatives;
  - Development of a more formal relationship with intermediaries and government agencies managing inward investment; and
  - Identifying specific educational and cultural opportunities.

#### **ATTACHMENTS**

This document should be read in conjunction with the following attachments:

1. Summary of Actions Undertaken to Support Implementation of China Action Plan

**1. BACKGROUND**

- 1.1 Council endorsed the China Action Plan at its meeting on 24 October 2015 (Resolution # 0001/2015). The Plan was structured around four main strategies namely building capability in small business; positioning Salisbury to attract investment; develop strategic partnerships and build Council's knowledge and professionalism. It notes the early focus should be on building capability and engagement, rather than on specific sectoral or commercial outcomes with longer lead times.
- 1.2 The action plan contains an obligation to report to Council on an annual basis outlining activity undertaken.
- 1.3 The Action Plan was noted by the Strategic and International Partnerships Sub-Committee at its meeting on 12 July 2016.

**2. CITY PLAN CRITICAL ACTION**

- 2.1 Enhance the Polaris Centre's ability to support industry development (including food processing and green industries), international trade, entrepreneurship and engage meaningfully with business.

**3. CONSULTATION / COMMUNICATION**

- 3.1 Internal
  - 3.1.1 Nil
- 3.2 External
  - 3.2.1 Nil

**4. REPORT**

- 4.1 As noted in the China Action Plan, the early focus of implementation has been on building capability and engagement, rather than the achievement of specific sectoral or commercial outcomes (which by their nature have longer lead times). A summary of progress against strategies is provided as Attachment 1 to this report.
- 4.2 The main foci have been on increasing engagement with local businesses and building their capability and strengthening Council's relationship with the City of Linyi.
- 4.3 An international trade survey was undertaken to improve Council's understanding of current export activity by firms within Salisbury and their future aspirations. The main findings were:
  - The majority of firms surveyed have never exported and have no intention of exporting;
  - The most popular markets for existing exporters are South East Asia, North America, New Zealand & Europe followed by China;
  - No businesses who are not already exporting are actively considering China;
  - There was moderate interest from local businesses in participating in an international trade program;

- The most popular forms of support, identified by business, that Council could provide are access to grants, market information, links with in-bound delegations, buyer/distributor identification & group workshops; and
  - Seventeen businesses expressed interest in learning more about opportunities in Linyi.
- 4.4 The main barriers to participating in international trade (more broadly than China) were considered to be:
- Lack of information and understanding of what export entails;
  - Limited resources and at full capacity looking after domestic markets;
  - Perceived and actual complexity;
  - Lack of confidence;
  - Exporting considered resource intensive and whether the return on investment warrants the commitment and risk; and
  - Perceived to be easier to increase sales locally.
- 4.5 During the past twelve months there has been a significant deepening of Council's relationship with Linyi. The Friendship Agreement between Salisbury and Linyi was formalised in November 2015. Following this, the Mayor, Chief Executive and Manager Economic Development and Urban Policy visited Linyi in April 2016. Subsequently a government delegation from Linyi visited Salisbury on 25 July 2016 with a small business delegation scheduled to visit Salisbury on 15 November 2016. A full report of the visit to Shandong was presented to Council at its meeting held on 23 May 2016, and provided for information as an attachment to Item SIPSC2 of the July 2016 of the sub-committee.
- 4.6 These visits have enabled Salisbury to increase awareness of the opportunities that exist in Linyi and have exposed officials from Linyi to commercial opportunities in Salisbury and South Australia more broadly. Various opportunities discussed, and that are being progressed, have included:
- Establishing a Salisbury/South Australian presence within the Linyi e-commerce business centre;
  - Establishing a point of contact in Linyi for Salisbury firms seeking to export to China to receive preliminary advice about market opportunities and potential buyers;
  - Establishing a MOU between the Linyi Business Alliance and Salisbury's Northern Economic Leaders to develop a structured approach to business to business activity; and
  - Staff exchange between Salisbury and Linyi Governments.
- Other opportunities identified that have not yet been progressed include:
- Technology transfer in relation to water; and
  - Cultural exchange activities relating to Adelaide's festivals program.
- 4.7 Across South Australia there has been an increased interest among Councils in actively engaging with China. The Local Government Association has formed a Shandong Working Group that meets regularly; the SA-Shandong Connect web platform has been developed; and various discussions have occurred between South Australian Councils with civic relationships in China to develop a collaborative model.

- 4.8 Over the coming year the main focus will be on:
- Moving the opportunities identified with the City of Linyi forward and reaching agreement on tangible outcomes;
  - Establishing commercial relationships between firms in Salisbury and buyers in China, building on the linkages developed in the past year;
  - Enhancing the ability of the Polaris Centre to support international trade, consistent with the intent of the critical action in the City Plan;
  - Continued participation in State Government-led initiatives;
  - Development of a more formal relationship with intermediaries and government agencies managing inward investment; and
  - Identifying specific educational and cultural opportunities.

## **5. CONCLUSION / PROPOSAL**

- 5.1 This report provided an overview of the activity undertaken over the past twelve months to support the implementation of the China Action Plan. It also outlines the main focus areas for the coming year.
- 5.2 The Sub-committee is requested to consider the actions listed under paragraph 4.8 of this report as the recommended focus for Council over the next 12 months.

## **CO-ORDINATION**

Officer: EXECUTIVE GROUP  
Date: 08/11/2016



## Progress Report on Implementation of China Action Plan

<b>STRATEGY 1: Business Growth</b>	
<b>Assist Salisbury organisations to secure business opportunities arising from China's growth</b>	
<b>Actions</b>	<b>Progress</b>
Complete a comprehensive survey of international trade activity and intentions of businesses within Salisbury	International trade survey completed.
Deliver a program of activity through the Polaris Centre to assist businesses across northern Adelaide to export to China.	New initiative bid developed and approved as part of 2016-17 budget process for international business development program. The program is made up of the following actions below relating to Strategy 1 of the Action Plan.
Identify and engage mentors to provide practical and focussed support to businesses seeking to engage internationally.	To be pursued in the coming twelve months as part of the international business development program
Establish, utilising the corporate expertise in NEL, a business to business strategy to support SMEs considering Chinese investment and trade opportunities.	Not progressed at this stage given the focus of NEL has been on regionalisation. However nine firms were identified in the international trade survey who are willing to provide information and advice to new and intending exporters (several of whom are actively involved in international trade with China). Initial discussions have been held with some of these firms.
Develop an ongoing program of events to raise aspirations of small businesses to consider opportunities internationally, including China.	Various events held, with around 120 registrations, including: 1 December 2015: China and South Australian Manufacturing 19 April 2016: Exporting On-Line into China 23 September 2016: China Business Training  In addition, an exporter showcase to be held at Osmoflo is scheduled for 15 November 2016)
In conjunction with the private sector and/or government, establish an in-market presence in Shandong.	Discussions have been held with senior staff of the National Linyi Economic and Technological Development Area to provide market information regarding commercial opportunities in Shandong to City of Salisbury businesses. An informal arrangement has recently been put in place with information about potential buyers so far provided to one Salisbury firm. Potential exists for an MOU to be developed between City of Salisbury (Polaris Centre) and the IMC Bonded Warehouse (The IMC Bonded Warehouse which is situated inside the Linyi Free Trade Zone has aspirations to become the largest import commodity gathering centre in China).
Link firms with specialist organisations to identify and assist with appropriate market entry strategies.	Firms have been linked with organisations such as TradeStart, the Australia China Business Council and Austrade as appropriate.



<b>STRATEGY 2: Attracting investment</b>	
<b>Position Salisbury for Chinese Investment</b>	
<b>Actions</b>	<b>Progress</b>
Maintain and further develop the Makes Good Business Sense website, prospectus and supporting material to target Chinese investment.	Makes Good Business Sense prospectus updated and translated into Mandarin. Chinese language documents uploaded onto Makes Good Business Sense website. Various opportunities discussed with potential investors.
Develop comprehensive investment cases for Council priority projects where appropriate.	Not progressed at this stage. Scheduled for development in 2017-18.
Liaise regularly with Invest SA, Austrade, DSD and PIRSA to develop and promote potential investment opportunities, including those within the Salisbury City Centre.	At this stage these relationships have been developed on a relatively informal basis with liaison being shaped around specific opportunities. It is expected that a more formal approach will be developed in 2017-18.
Work with migration agencies and the South Australian Government to identify opportunities to increase the rate of business migration into Salisbury.	Participating in Australia China Business Council and Immigration SA <i>Trade and Investment Fair</i> at the Adelaide Town Hall on 8 November 2016.
<b>Increase the number of Chinese students living in Salisbury</b>	
<b>Action</b>	<b>Progress</b>
Work with the University of South Australia to investigate the development of high quality student accommodation at Mawson Lakes.	The University of South Australia is not progressing the development of student accommodation this at this stage. However the private sector is active in providing student accommodation with planning consent given for 80 student dwellings in Capital Street, Mawson Lakes.

<b>STRATEGY 3: Partnerships</b>	
<b>Develop partnerships that have the potential to increase engagement with China</b>	
<b>Actions</b>	<b>Progress</b>
Further develop linkages with Linyi City.	Friendship City agreement signed on 9 November 2015. Mayor, Chief Executive and Manager Economic Development & Urban Policy visited Linyi from 7-10 April 2017. Various discussions held with senior government officials and business leaders. Delegations from Linyi hosted on 9 November 2015 and 25 July 2016. Site visits were made by Chinese delegates to Adelaide Produce Markets, Flight Training Adelaide, Codan, University of SA, Bickfords and Purus Group. Buyers visit from Linyi scheduled to visit Salisbury on 15 November 2016.
Investigate the opportunity for Northern Economic Leaders to enter into an MOU with the Linyi Municipal Bureau of Commerce.	Not progressed at this stage given the focus of NEL has been on regionalisation. Firmer opportunity exists to formalise relationship between Australia China Business Council and the Linyi branch of the China Council for the Promotion of International Trade.
<b>Participate in broader initiatives to increase engagement with China</b>	
<b>Actions</b>	<b>Progress</b>
Actively contribute to the development and implementation of the MOU administered by the LGA to increase trade and investment between South Australia and Shandong prefectures.	Participation in Local Government Association Shandong Working Group including input into development of SA-SD Connect (a web-based platform to link buyers and sellers in South Australia and Shandong). At this stage four businesses from Salisbury have registered on this platform.
Link with other Councils that are developing relationships with Chinese Cities, including investigating a regional approach with the City of Playford and the City of Port Adelaide Enfield.	Cross-local government approach to leveraging benefits of civic relationships developed with Adelaide (Qingdao), Onkaparinga (Jinan), Playford (Zibo) and Charles Sturt (Yantai) progressed.
Match local firms with inbound and outbound trade delegations organised by industry associations.	Matching of businesses to delegations has largely focussed on state government organised delegations rather than those organised by industry associations. These have included in-bound and out-bound visits to Shandong. Approximately five delegation opportunities were promoted to firms.
Partner with the South Australian Government as it implements the South Australia-China Engagement Strategy.	Mayor, Chief Executive and Manager Economic Development & Urban Policy participated in State Government-led visit to Shandong in April 2016. City of Salisbury hosted one day of the Shandong Mayors' Training Program on 1 July 2016 with briefings provided on water management, urban design (focussed on Mawson Lakes) and site visits to SA Water Wastewater Treatment Plant and Dry Creek Saltfields.
Work with local education institutions that have a relationship with counterparts in China to explore commercial and cultural development opportunities.	Not progressed at this stage. Scheduled for development in 2017-18.



<b>Capitalise on the presence of an international student community</b>	
<b>Action</b>	<b>Progress</b>
Actively support internships of Chinese students to help local SMEs engage with China by assisting with language, cultural understanding and in-market knowledge.	Not progressed at this stage. Scheduled for development in 2017-18.

<b>STRATEGY 4: Knowledge and professionalism</b>	
<b>Develop Council's internal processes and approach to support deeper engagement with China</b>	
<b>Actions</b>	<b>Progress</b>
Further refine the membership of the Strategic and International Relations Sub-Committee to provide a high-level of strategic advice and input to Council.	Membership altered.
Identify and appoint, on a contract basis, an adviser to help shape Council's China programs, raise cultural awareness within the organisation, support investment opportunities and participate in targeted business meetings/events.	Norman Waterhouse engaged.