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**Object : 6<sup>th</sup> Suzhou Appreciation Meeting**

**At:** Suzhou Marriott  
**Date:** 24<sup>th</sup> May 2013, 09:30am

**CCIC Staff attending the meeting -** Franco Cutrupia, Renato Soggia, Angelo Morano, Antonella Sciarra, Angelica Tagliaferri, Leming Zhong

**Participants: Suzhou Municipal:**

Mr. Lu Weiyue, Deputy Secretary-General of Government  
Mr. Xu Huadong, Director of Foreign Affairs Office  
Mr. Chen Gao, Vice Director of Foreign Affairs Office  
Mr. Pan Yue, Vice President of the Chinese People's Association for Friendship with Foreign Countries  
Mr. Wang Zhiming, Vice Director of the Suzhou Bureau of Commerce  
Mr. Ge Wei, Vice Director of Safety Bureau  
Mr. Hong Weifang, Director of Employment Administration Service Center of Social Security Bureau  
Mr. Zhu Jianming, Vice Director of CPF Administration Center  
Ms. Chen Lei, Vice Director of Merchants' Bureau of SIP  
Mr. Sun Xianrui, Vice Director of Merchants' Bureau of New Zone  
Mr. Zhang Jianlian, Director of Suzhou Municipal Education Bureau  
Mr. Ren Xiedong, Director of the Municipal Development and Reform Commission  
Mr. Cao Nianzhong, Director of Economy and Information Commission  
Mr. Lu Zhuan, Director of Industrial and Commercial Bureau  
Mr. Bao Yiqin, Deputy Director of Suzhou Municipal Office, State Administration of Taxation  
Mr. Chen Xueming, Vice Director of Public Security  
Mr. Tan Jian, Vice General Manager of Jiangsu Suzhou Power Supply Company (State Grid)  
Director of Local Tax Bureau

**Consulate General**

Mr. Vincenzo De Luca (Consul General of Italy in Shanghai)

**ICE**

Mr. Claudio Pasqualucci (ICE Director)

**CICC**

Mr. Franco Cutrupia (CICC Chairman)  
Ms. Antonella Sciarra (CICC Manager Shanghai)  
Mr. Renato Soggia (CICC Board Member)  
Mr. Angelo Morano (CICC Board Member)



## EUCCC

Mr. Carlo D'Andrea (EUCCC Chairman, Nanjing Chapter)

## Suzhou companies:

1. AUTOMHA Shanghai Commerce and Trading Co. Ltd  
Mr. Alberto Rudatis (General Manager)
2. Carel Electronic (Suzhou) Co., Ltd.  
Ms. Cecile Bonzagni (CEO Assistant)
3. CMS Precision Mechanical Manufacturing (Wujiang) Co., Ltd.  
Mr. Emilio Cassanelli (General Manager)
1. Coesia Group  
Mr. Antonio Calco' Labruzzo (HR Manager)
2. Faci Chemicals (Zhang Jia Gang) Co., Ltd  
Mr. Alberto Bellondi (Operation Manager)
3. FAIST Emission Controls (Suzhou) Co., Ltd.  
Mr. Federico Bonotto (General Manager)
4. Filpucci (Zhangjiagang) Special Textiles Products Co. Ltd.  
Mr. Piero Fiorito (General Manager)
5. FMMG Technical Textiles (Suzhou) Co., Ltd.  
Mr. Mauro Cristofaletti (General Manager)
6. Giuliano Automotive Equipment (Suzhou) CO.,Ltd.  
Mr. Marco Busoli (General Manager)
7. Gnutti Carlo Wuxi Engine Components Co. Ltd  
Mr. Fabio Ferraresi (General Manager)
8. GWA - Legal & Tax Services  
Mr. Lorenzo Riccardi (Partner)
9. GWA - Legal & Tax Services  
Mr. Giorgio Riccardi (CPA)
10. Mammamia pizzeria  
Mrs. Daniela Coppola (Partner/co founder)
11. Marchesi Metal Tech (Suzhou) Ltd. Co.,Ltd  
Mrs. Veronica Campidelli (General Manager)
12. Marchesi Metal Tech (Suzhou) Ltd. Co.,Ltd  
Mr. Vittorio Chen (Deputy General Manager)
13. mG miniGears (Suzhou) Co., Ltd  
Mr. Pierluca Sartorello (General Manager)
14. Ognibene Hydraulic Components (Suzhou) Co., Ltd.  
Mr. Andrea Barchi (General Manager)
15. Ognibene Hydraulic Components (Suzhou) Co., Ltd.  
Mr. Salvatore Carbone (Operation Manager)
16. Onolife Spa  
Ms. Marisa Liviero (General Manager)
17. Ponzini Health and Beauty High-Tech(Suzhou)Co.,Ltd.  
Ms. Lucy Zhang (Financial Manager)
18. SDA Bocconi School of Management  
Mr. Roberto Dona'

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19. SDT - Smart Diecasting Technology (Suzhou) co., Ltd  
Mr. Giacomo Zammattio (General Manager)
20. SIT Manufacturing (Suzhou) Co.Ltd.  
Mr. Fabio Antonello (General Manager)
21. Soilmec (Wujiang) Machinery Co., Ltd.  
Mr. Michele Poletti (Admin & Financial Manager)
22. Suzhou G&V Co., Ltd.  
Ms. Doris Zhang (HR Supervisor)
27. System (China) Technology Co., Ltd.  
Mr. Orfeo Finocchi (General Manager)
23. Zenit Pumps (Suzhou) Co., Ltd  
Mr. John Qi (General Manager)

Copy readers: O.C., CICC SHA Board, F.C., E.T.

#### Agenda : main topics

1. Opening of the meeting
2. PPT presentation of Italian companies invested in Suzhou
3. Q&A
4. Meeting Conclusion

#### 1) Opening of the meeting

The Vice President of CPAFFC, Mr. Pan Yue opens the meeting, gives a brief welcome speech, reaffirming how meaningful this meeting has been since 2008, when the Suzhou government opened up to the Italian companies hearkening to their requests. Mr. Pan Yue underlines the fact that this edition is particularly significant for him since it is his last edition as Vice President of CPAFFC, before retiring. Mr. Pan warmly thanks all the Chinese and Italian Institutions for being part of this important event.

Mr. Lu Weiyue, Deputy Secretary General of Government, and Mr. Xu Huadong, Director of Foreign Affairs Office, give their brief welcome speeches and thank the Italian Institutions and attendees, wishing a fruitful cooperation for the future.

Mr. Vincenzo De Luca, Consul General of Italy in Shanghai, Mr. Claudio Pasqualucci, ICE Director and the Chairman of CICC Mr. Franco Cutrupia give their welcome speeches to the Suzhou Municipality and all attendees, wishing the meeting success.

#### 2) PPT presentation of Italian companies invested in Suzhou

Mr. Renato Soggia, Board Member of CICC, introduces a few updated facts and figures about Italian invested companies in Suzhou (see attached PPT).

Before opening the Q&A session, Mr. Carlo D'Andrea, EUCCC Chairman (Nanjing Chapter) gives a brief speech about the relationship between SWG/CICC and EUCCC and he underlines the willingness of the EUCCC, Nanjing Chapter, to cooperate closer with the SWG and CICC.

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### 3) Q&A

#### 1. Q: Ms. Veronica Campidelli (General Manager)

Nowadays, the SWG members encounter difficulties in employing workers in Shengpu. While in SND there is no such problem, in SIP there is lack of housing rented at affordable prices. For this reason, many workers are coming from Luzhi and using company buses. However, since March 2013, due to construction on the roads, there is no access to the bridge on Wusong River. Therefore buses have to divert on a 20 km route and workers are not willing to come any more. Regarding the transportation in Shengpu there are other issues, as the roads are not up to SIP standards. They would kindly like to know when the road that enters Shengpu from SIP (Jinji Hu Dadao) will be repaired.

#### A: Mr. Hong Weifang (Director of Employment Administration Service Centre of Social Security Bureau)

Mr. Hong thanks for the question. He replies that they are continuously working on this issue to offer more and more channels to satisfy companies' requests. Moreover, their offices are always at their disposal to help companies recruit workers.

#### A: Ms. Chen Lei, Vice Director of Merchants' Bureau of SIP

As for this topic, Ms. Chen firstly underlines the fact that since they extremely care about workers' living conditions and well-being, they have already built dorms to host workers at affordable prices. Secondly, with reference to the bridge on Wusong River, she kindly suggests to use small buses to cross the river and alternative roads. Moreover, she informs companies that they will be probably able to reopen the access to the bridge on Wusong River within this year. They also intend to build a new bridge to develop the transportation to Shengpu district.

#### 2. Q: Mr. Pietro Fiorito (General Manager)

Italian companies are increasing their presence in Suzhou year by year. This requires proper training of local personnel often made by highly specialized and skilled foreign technicians. The only way to have proper training is to require foreign personnel to stay for long periods (such as three or five years) and over a few years of company operation to make them residents. Some Italian SMEs have proprietary technology and often the training is done in house, not outsourced as in China, therefore there is no formal certification other than the parent company declaration. This is causing trouble with issuing the Visa. Because the personnel have no formal certification, the employment procedures drag on and despite the fact that the technology and the skilled personnel are not available in China, the personnel cannot be formally employed by the company. Mr. Fiorito is kindly asking their suggestions to solve the problem.

#### A: Mr. Chen Xueming, Vice Director of Public Security

Mr. Chen reassures Mr. Fiorito about this issue by informing Italian companies that procedures to obtain visas are fast and simple. With reference to visas for highly specialized and skilled foreign technicians coming to China to train local personnel, Mr. Chen says that they can issue 3 months and 6 months visas. For longer periods (more than one year), Mr. Chen suggests applying for a working visa and residence permit.

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3. Q: Mr. Federico Bonotto (General Manager)

After the great success of 2 editions, in 2011 and 2012, also this year the SWG will organize the "Festival Italiano". As it happened in last two years, Italian Companies hope to receive good support from Suzhou Municipality and, in order to simplify all the communications and be more effective, they would like to inquire about this year's representative of this particular activity.

A: Mr. Chen Gao, Vice Director of Foreign Affairs Office

Mr. Chen thanks for the question. He replies by stating that the Italian Festival is a successful and important event that has enriched Suzhou and its community thanks to its two previous editions. For this reasons, the Foreign Affairs Office will be glad to cooperate with the SWG and suggest a main interface inside the Bureau to organize this upcoming edition of the "Festival Italiano". Mr. Chen wishes that the Festival is a success, looking forward to attending the new edition.

4. Q: Mr. Fabio Antonello (General Manager)

Last year, mainly thanks to the building of new electrical power lines and power plant and also due to the recession in the economy, Italian companies in Suzhou did not suffer any problem of power shortage or power cuts as previous years. Mr. Antonello would really appreciate to know what the current plans of electrical power upgrading from the Suzhou Government are.

A: Mr. Cao Nianzhong, Director of Economy and Information Commission

Mr. Cao, Director of Economy and Information Commission, replies that the situation is improving year after year. In 2013, the capacity of electric stations will increase. Within June 2013, electric stations will reach 1800 kW of capacity and within the end of the year, the electrical capacity will raise up to 1900 kW. Power cuts during the past years were due to the rapid development of the Suzhou area. The problem now has been mostly solved. However, Mr. Cao underlines the fact that, they will need to develop a power distribution plan also for this year to avoid sudden power cuts during the peak season, as well as to protect Suzhou companies and their interests. He is aware of the fact that every single company has its own needs and for this reason they are open to have a discussion with Suzhou companies and meet their specific demands.

A: Mr. Tan Jian, Vice General Manager of Jiangsu Suzhou Power Supply Company (State Grid)

Mr. Tan thanks for the question. He informs Italian Companies that they are doing their best to guarantee continuous power supply during the whole year, including the summer season. They would be delighted to establish a direct connection by sending their representatives to Italian Companies based in Suzhou to better meet their needs.

5. Q: Mr. Emilio Cassanelli (General Manager)

Two years ago the new labour safety law was implemented. However Italian Companies in Suzhou feel that the most important thing is to implement a safety culture within the companies. Last year they had the safety labour law booklet from Suzhou Safety Bureau translated into English, enabling the foreign personnel to familiarize with Chinese safety law. This year they would like to ask what the rules to implement safety controls issued by the Safety Bureau are and how strict these rules will be. If the implementation of the rules is not homogeneous within

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Suzhou area, instead of having a total increase of the safety level in production process there will be competitive disadvantage, especially for the companies that follow the rules. Some of our members want to know how the Safety Bureau is going to examine if their competitors follow the new regulations to make sure that everybody is having same level of costs.

A: Mr. Ge Wei, vice director of Safety Bureau

Mr. Ge is glad to answer the question since the topic is extremely significant. As Mr. Cassanelli said, two years ago the implementation of the new labour safety law started and nowadays the most important thing in the production process has to be workers' safety. In compliance with labour safety laws, all the companies have to follow new regulations and to meet safety standards. From their side, the Safety Bureau will check carefully and make sure that every single company in the Suzhou area is in compliance with the rules issued by the Safety Bureau. Since the topic is so important, Me Ge kindly asks Italian Companies to share with them some of the "Social Safety Culture" coming from Italy, to improve the situation in the Suzhou area and China.

6. Q: Mr. Mauro Cristofaletti (General Manager)

At the moment, there is no bilateral agreement and when Italian workers repatriate the welfare fund it is most likely to be taxed as income. Therefore Mr. Cristofaletti would kindly ask:

- How to repatriate the CPF and cumulate it with Italian pension funds?
- Could it be structured as for Koreans and Germans with a bilateral agreement between Italy and China?
- Why foreigners are not allowed housing fund part of CPF? It is a convenient allowance that foreigners cannot benefit from (foreigner cannot choose anymore between A and B CPF treatment and are automatically inserted in B category with no housing fund).

A: Mr. Zhu Jianming, vice director of CPF administration centre

Mr. Zhu clarifies the situation by informing that there are two different systems of CPF for people residents within the SIP and SND district and for residents outside these areas. All the foreigners working in Suzhou can pay their CPF in Suzhou, can benefit from housing fund as part of CPF and at the time they repatriate, they can easily transfer it in their country of origin. He underlines the fact that there are already a few examples of foreigners who has done it. With reference to a bilateral agreement between Italy and China, as Koreans and Germans did, Mr. Zhu replies by telling that it would be beneficial to sign a bilateral agreement to regulate this issue.

7. Q: Ms. Cecile Bonzagni (CEO Assistant)

Some of the companies attending the meeting tried in the past to establish relationship with Suzhou Universities and Vocational School. For some reason it worked better with schools outside the Suzhou area, because of the attractiveness of the company, company structure or maybe attractiveness of SIP. It could help to establish one or more channels to contact Suzhou Vocational Schools to propose internship programs in our companies and therefore retain and increase local skilled personnel employment percentage. Ms. Bonzagni would kindly ask if the

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Government can support the process with the establishment of a structure for internship from schools from Suzhou.

A: Mr. Zhang Jianlian, director of Suzhou Municipal Education Bureau

Mr. Zhang thanks for the question. He replies by informing that Suzhou Municipal Education Bureau has already established long term cooperations with companies and groups based in Suzhou. As an instance, the Marriott hotel hosts some interns from their bureau. They will be pleased to help also Italian Companies based in Suzhou to get in contact with Vocational Schools and create internship programs. Moreover, he concludes his speech by underlining the fact that their office is always open to receive requests from Italian and foreign companies and to support them.

#### **4) Meeting Conclusion**

Ms. Sciarra closes the 6<sup>th</sup> Suzhou Appreciation Meeting, by thanking the Municipality to continue supporting the Italian companies in Suzhou and all attendees for their contribution and participation. A meeting with the Vice Mayor of Suzhou Municipality, Ms. Sheng Lei, follows and gift exchange ceremony is held. The meeting is concluded by a luncheon.