

2020 China Social Impact Initiative

Introducing AmCham China's Public Private Partnership to Help China Address Pressing Social Issues

Small-Medium Sized Enterprises (SME) And Public Health

April 23, 2020



Agenda

- 10:00 10:05 Opening Remarks
- 10:05 10:20 Overview to the 2020 Social Impact Initiative
- 10:20 10:30 Introduction to the Public Health Track
- 10:30 10:40 Introduction to the SME Track
- 10:40 11:20 Q&A
- 11:20 11:30 Member Call to Action

Objectives for today's meeting



Introduce what the China Social Impact Initiative is, and isn't



Explain **why** this Initiative is highly relevant to your company in 2020



Share **how** we will use the Initiative to help China's government



Answer your questions and receive your feedback and suggestions



Share our Member call to action and timing to launch the Initiative

AmCham China

Social impact is the significant and positive change that addresses a pressing social challenge

What does the Chinese government want during/after the pandemic?

- Ensure the health of its citizens
- Revitalize the economy, stabilize employment

What can private sector contribute?

- On-the-ground expertise
- Best practices in an industry
- Thought leadership on crucial issues

What is the primary objective of this Initiative?

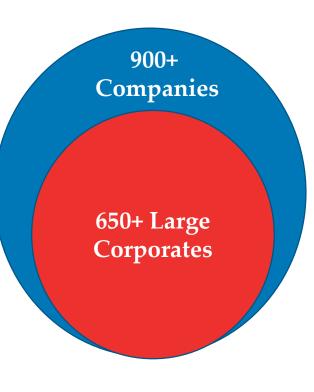
• Help China with positive, practical, and innovative recommendations for Chinese policy makers, businesses, and other stakeholders throughout the year

Why is AmCham China uniquely placed to do this?

- Unique platform to bridge the public and private sector
- Cost-effective solution by a non-profit organization
- Flexibility and innovation

4

Why is AmCham China uniquely positioned to provide this public private partnership platform?



AmCham China is an independent, not-for-profit focused on delivering excellent value to members:

- China and US government advocacy and access
- Valuable business networks and relationships
- Fresh insights to support decision-making
- Value-added services

Trusted bridge for constructive US-China economic and commercial relationship

- Widely recognized by the China and US governments as neutral, fact-based and balanced
- Experience designing and operating public private partnerships through our "Cooperative Programs" for aviation, healthcare, energy and agriculture

We have designed the Initiative to provide tangible benefits that support your 2020 business and advocacy goals

Government and Stakeholder Access

- Engage with government stakeholders, business executives, thought leaders, experts and other stakeholders through interactive and collaborative working sessions
- Unique opportunities to share your company's perspectives, global practices, thought leadership with government official and policy influencers

Branding and Visibility

- Feature your company profile, case studies, thought leadership and other insights through events, published materials and AmCham China digital channels
- Demonstrate your company's visible commitment to leading Initiative making positive contributions to China in this critical time.

Fresh and Deep Insights

- Receive working session highlights and real-time insights that can be shared freely across your organization to help shape your 2020-21 China and global strategies
- Gain actionable insights into the pressing issues China is facing in today's rapidlyevolving landscape resulting from COVID-19



AmCham China

These are unconventional times; thus, AmCham China is not adopting a "business as usual" approach for engagement



Public Private Partnership Model

Collaborative approach bringing together companies, research partners, experts, and government in a neutral setting focused on helping China to solve pressing social issues



Working Sessions

Highly facilitated, interactive, and informal roundtables focused on specific topics and outputs every 4-6 weeks over a 6-month period



Impact

Topics carefully selected to ensure high relevance to policy makers and influencers. Outputs every 1-2 months designed to be practical, relevant and helpful to policy makers and other stakeholders



Timeline

Topics and outputs designed to build on one another over the course of the Initiative, culminating in a Final Report launched at year end and promoted heavily across diverse channels

This platform is designed to bring together various stakeholders in a neutral and collaborative setting

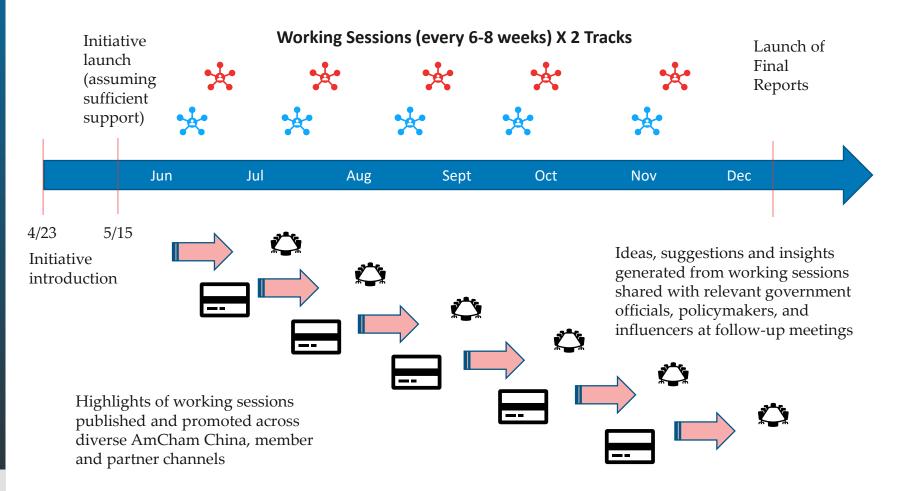
Potential Research Partners	Government Ministries and Associations	
Public Health:	Public Health:	
EIU Healthcare, Gates Foundation, Ford Foundation, others	CFDA, NHSA, and others	
<u>SME</u> :	<u>SME</u> :	
Tsinghua University, Peking University, Others	MOFCOM, MIIT, PBOC, CAEFI, CASME, and others	
<u>Both</u> :	<u>Both</u> :	
DRC, CSIS, Others	NDRC, CPAFFC, CCIEE, and others	
中国美 2020 Social In	npact Initiative	
	China and Global Experts	
Member Focused on Public Health	Public Health:	
Members Focused on SMEs WHO, Tsinghua University, Others		
	<u>SMEs</u> :	
Members Focused on Both	Conference Board, SBA, German experts, Others	
	<u>Both</u> :	
	Marid Daris INE Others	

World Bank, IMF, Others

Your support is appreciated to build relationships in China, US and other countries

8

We will use a collaborative, action-oriented approach to offer ideas and suggestions to policymakers throughout the year



AmCham China

The Initiative builds on AmCham's efforts to highlight the many contributions our members are making to China's relief efforts



		Issue 1, 2020
0114.000	\sim	0.01
QUARTE	RLY	ontents
Editorial	5 C	011101113
Director of		
Marketing		P.40 S&P Clobal's changes
Communications Mark Dreyer		S&P Clobal's China CEO & President Hongshan Chen details how the company has used technology to adapt seamiessly to the challenging endowing
	and the second s	to the challenging environment
Magazine Editor		 Technology
Jordan Papolos	Helping Hands:	P.24
Designers	The US Burlingers of	Bing Zhou discusses how Dell has adapted to digital transformations of an unexpanding to the second s
Jin Peng Zhang Lint	in China's Time of Need	
Zhang Hul	of Need	
Cover Image	Business	Hubei Province with some negative pressure ambulances
fotolia.com	PA	Piese Chinese and
Contributors	Executives from United Family Healthcare discuss the group's response to COURD and	China's nationwide remote working is changing communication habits, with a host of new platforms coming to the face
Jonathan Cheng		platforms coming to the fore
David Jacobs		Policy
Alexander Chipman Koty		
Kathy Li	How We Helped: AmCham China's efforts to Gassist members in the Fight against Column 1	one suidance from KPMG on how to manage hina VAT issues effectively in humanage
Kate Magnil		
Ouyang Hut	WO CKGCB	
Pterre Wong	economy took a hit during SARS, COVID-19 could with	
Ye Dongyan Zhong Ling	R22	anizations
Among Ling	China Business City from the 22nd security Act	ax season roles around once again, gra's Pierre Wong looks as
	R25 The Charles of the port law	
	The Chamber's latest Flash Survey results on the business impact of COVID-19 on members P48	yra's Pierre Wong looks at what resident ayers in China – including most foreign ents – will need to do
Sponsorship	R30 R48 Alon	about our second s
p suboranip	The NBA sprang into action when the epidemic first hit China – just the latest in a long line of humanitarian programs it has initiated.	k at why China's expected economic lus package could look very different hyears pagt
Please contact	pan programs it has initiated have	Tyears past
Connie Zhao at	Bain manual	overnment Affairs
12 (86 10) 8519-0861 or		
czhao@amchamchina.org	Ambase	Vice Premier Hu Chunhua and US idor Terry Branstad Inselling of State
The AmCham China Quarterly magazine is		
hand by the American	Manda Charlow	and Appreciation Dinner & 100th ary Celebration
chamber of Commerce in the People's Republic of hima (AmCham Cham)	Merck: China President Allan Gabor discusses the group's global information exchange	
china).	R16	
he AmCham China sarleny magazine content	WinCham China Board member Min Qin details fars' role in helping China return to normal	
es not necessarily reflect	34 Standard	
Cham China or its of	aver's Yong Gao describes how the pharmaceutical ant has been working to help tackle the crisis- th in China and around the working	
00	th in China and around the world	
	10.0	

10

Sponsorship Options

We are providing three distinct sponsorship options to suit the various needs and budgets of member companies

	Tier 1	Tier 2	Tier 3
Fee Per Track	RMB150k	RMB100k	RMB50k
	Limited to no more	Limited to 10	Limited to 20
Participants	than 5 sponsors	sponsors	sponsors
	*30% discount with other track	*20% discount with other tracl	*10% discount with other track
Government and	Stakeholder Access		
Participation in working sessions	Х	Х	Х
Participation in follow-up meetings	Х	Х	-
Speaking opportunity at the launch event	Х	-	-
VIP seating at launch event	Х	Х	-
Free tickets to the launch event	3	2	1
Branding	and Visibility		
Logo on Working Session deliverables and Final Reports	Platinum	Gold	Silver
	Sponsor	Sponsor	Sponsor
Thought leadership and case studies in Final Reports	Up to 2	1	-
Visibility and promotion across AmCham China and	XXX	XX	Х
partner print and digital channels			
	Deep Insights		
Propose and shape working session topics	XXX	XX	Х
Frequent working session outputs and materials	Х	Х	Х

Meeting Agenda

- 10:00 10:05 Opening Remarks
- 10:05 10:20 Overview to the 2020 Social Impact Initiative
- 10:20 10:30 Introduction to the Public Health Track
- 10:30 10:40 Introduction to the SME Track
- 10:40 11:20 Q&A
- 11:20 11:30 Member Call to Action

Public Health Track

Overall objectives and focus areas for the Public Health Track will be focused on China's needs and finalized with sponsors

What do we mean by "public health"?

•Public health is generally concerned with protecting **the health of entire populations**, from preventing the spread of diseases to improving long-term health outcomes.

What are objectives of the Public Health Track?

- Provide innovative, positive recommendations to support China's announced reforms
- •Share global solutions, practices and lessons learned to improve public health

Sample topics

- How can commercial insurance complement the current social **insurance** system?
- How to improve collaboration, trust, and data sharing between parties?
- How can public health practices be improved by current **technologies**?
- How can high-quality **healthcare** be delivered more affordably?
- How can government more efficiently allocate funding to areas with greatest need?

Companies in healthcare, technology, financial services, services , and other areas are all welcome participants

Potential Participants in Public Sector Track			
Pharmaceutical	Hardware	Hospitals	Insurance
Medical Equipment	Software	Hospital Equipment	Commercial Banking
Healthcare Services	IT and Digital Services	Hospital Services	Investors
Information Service Providers			
Professional Services Firms			

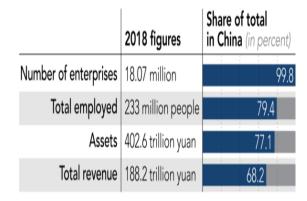
Meeting Agenda

- 10:00 10:05 Opening Remarks
- 10:05 10:20 Overview to the China Social Impact Initiative
- 10:20 10:30 Introduction to the Public Health Track
- 10:30 10:40 Introduction to the SME Track
- 10:40 11:20 Q&A
- 11:20 11:30 Member Call to Action

SME Track

SMEs contribute significantly to China's economy, but are facing massive revenue and cash flow challenges due to COVID-19

Snapshot of China's micro, small, and medium-sized enterprises (SMEs)



Source: National Bureau of Statistics of China

How long can China's SMEs survive with current levels of cash on hand? (in percent)



Impact of the epidemic on companies' 2020 revenue (potential loss, in percent) Can't tell University University on 1,506 small and medium-sized enterprises in early February

18 million SMEs employing 233 million people In Feb, Nearly 40% of SMEs with one month or less cash on hand In Feb, nearly 1/3 of SMEs experienced <50% drop in revenues

SME Track

China's government has launched supportive monetary and fiscal policies for SMEs, but their effectiveness is unclear

Example Monetary Policies

- Re-lending and re-discounting quotas for commercial banks: State Council announced RMB500bn new re-lending and re-discounting quotas for banks to support SMEs (Feb 25)
- Credit for SMEs: RMB350bn quota in credit channeled through banking sector

Example Fiscal Policies

- VAT and rent relief
- SS, medical and housing payment relief

	Social Security Payments (pension, unemployment, injury)	Medical Insurance Premiums	Housing Provision Fund
Companies in Wuhan and SMEs outside Wuhan	Exemption until end of June.	50% reduction	Postpone payments until end of June
Amount	Estimated reduction over RMB500bn	Estimated reduction of RMB150bn	Estimated delay of <mark>RMB550bn</mark>

Problems/Challenges

- Assistance likely favors larger companies
- Banks reluctant to support enterprises without existing banking relationships
- Banks may not be sufficiently incentivized to prioritize SMEs over others
- Some banks already burdened with non-performing loans

SME Track

Many of our member companies from across industries rely on SMEs as suppliers and customers

- Over 80% of respondents to our March COVID-19 survey indicated SMEs contribute up to half of their annual revenues
- Over 11% of respondents to our March COVID-19 survey indicated SMEs account for 75% or more of their base of suppliers
- Opening of the financial services sector, combined with COVID-19 impacts, provide new opportunities for foreign financial services companies

AmCham China large corporate members are uniquely positioned to support the government in stabilizing the SME sector through – for example – "back-stop" arrangements that may encourage banks to accelerate support for SMEs

Call to Action

Confirmation of interest and your prompt response is greatly appreciated so we can prepare for a timely launch in mid-May

Date	Action
April 23	Introduction of AmCham's China Social Impact Initiative
May 7	Written confirmation of interest from companies
May 15	AmCham makes Go-No Go decision for each track
May 22	Finalize agreements with sponsoring companies
May 29	Finalize topic and target participants for Tracks
June 1	Conduct first working session for SME Track
June 15	Conduct first working session for PH Track

AmCham China



Thank you for your participation and support

For questions about the Initiative please contact Katie Beck or Sijie Wang

For sponsorship please contact David Jacobs





Katie Beck Government Affairs and Policy (8610) 8519-0855

cbeck@amchamchina.org

Sijie Wang Government Affairs and Policy (8610) 8519-0857

Sijie.wang@amchamchina.org



David Jacobs Membership Service (8610) 8519-0832

djacobs@amchamchina.org