Beijing Second Airport Technical Assistance: The U.S. Trade and Development Agency and Civil Aviation Authority of China (CAAC) signed a grant agreement to develop a plan for the new Beijing Second Airport. USTDA will provide $700,652 to partially fund a technical assistance (TA) project to support the Civil Aviation Authority of China (CAAC) in planning the Beijing Second Airport. This TA, which will create a more complete project definition for the Beijing Second Airport and analyze proposed runway alignments, will be managed by the U.S.-China Aviation Cooperation Program (ACP) and serve as part of USTDA’s sixth phase of funding for ACP activities. The TA’s runway recommendations will help to minimize environmental impacts and maximize traffic flow to the new airport, thus maximizing China’s air traffic capacity.

U.S.-China Energy Cooperation Program (ECP): The U.S. Trade and Development Agency and China’s Ministry of Commerce signed a Memorandum of Understanding, witnessed by Department of Commerce Secretary Gary Locke and Chinese Vice Premier Wang Qishan, to promote the establishment of the U.S.-China Energy Cooperation Program (ECP). The ECP is a public-private partnership focused on the commercialization of clean energy solutions in China. The ECP aims to leverage private sector resources for project development work, while simultaneously advancing U.S. commercial interests in China. By increasing awareness of U.S. technology, product standards, acceptable regulatory processes, and services, the ECP aims to mutually assist China and the United States in the development of their energy sector goals.
**U.S. Environmental Working Group Work Plan:** The U.S. Department of Commerce, the Environmental Protection Agency, and China’s Ministry of Environmental Protection Agency signed the 2010 Work Plan of the JCCT Environment Working Group (EWG). The goal of the EWG is to promote bilateral trade in the environmental technologies sector while enhancing cooperation between the United States and China on environmental protection. China’s rapidly growing environmental market is currently estimated at over $25 billion. Under the 2010 Work Plan, the United States and China agreed to convene the second U.S.-China Environmental Industries Forum in 2010, which will facilitate trade in environmental technologies and address environmental concerns. The 2010 Work Plan also calls for a second U.S.-China Electronics Recycling Summit in 2010 that will encourage continuing the bilateral exchange of regulatory information and best practices in electronics scrap recycling and processing. U.S.-China collaboration in this area will facilitate trade in technologies critical to addressing a significant portion of the 20-50 million metric tons of electronic waste generated annually worldwide. Other 2010 Work Plan activities include cooperative programs in the areas of medical and hazardous waste disposal, radiation monitoring, cement plant emissions control, and environmental emergency response.

**Carbon Limiting Improvement Process Feasibility Study:** The U.S. Trade and Development Agency and the Shanghai Electric Power Company Ltd. of China signed a grant agreement for a feasibility study. This USTDA $453,390 grant partially funds a Feasibility Study (FS) to evaluate the technical, operational and business potential of installing Carbon Limiting Improvement Process (CLIP) technology in coal-fired power plants operated by Shanghai Electric Power Company Ltd. of China. The FS will provide the technical basis for a pilot project to demonstrate the effectiveness of CLIP technology and enable potential carbon emission reductions in China of up to 7.5 million tons a year.

**Action Plan of U.S.-China High Technology Trade in Key Sectors Cooperation:** To further implement the Guidelines for U.S.-China High Technology and Strategic Trade Development, China’s Ministry of Commerce (MOFCOM) and the U.S. Department of Commerce signed an Action Plan that will support expansion of bilateral high technology trade for civilian end-users. Initial work under the Action Plan will focus on the civil aviation-aerospace and information technology sectors, as well as dual-use export control enforcement and compliance, with the goal of facilitating high technology trade to civilian end-users and promoting the overall development of the U.S.-China economic and trade relationship. Although only 0.4% of the $71.5 billion in exports to China required a DOC license, the implementation of this Action Plan will further facilitate bilateral high technology trade in key sectors such as civil aviation-aerospace and information technology, while supporting a more efficient and effective dual-use export control system in both countries.

**Memorandum of Intent (MOI) Concerning Promotion of Investment in the United States and China:** The United States and China agreed in the MOI to undertake relevant activities through their respective inward foreign direct investment promotion programs, Invest in America in the U.S. Department of Commerce U.S. and Foreign Commercial Service and MOFCOM’s China Investment Promotion Agency, to pursue the common objectives of strengthened bilateral investment ties, expanded business cooperation between U.S. and Chinese enterprises, and enhanced economic growth opportunities. The objectives of the MOI are consistent with U.S.
laws and regulations. U.S. subsidiaries of foreign firms employ over five million workers in the United States, pay on average 25 percent higher wages and salaries than U.S. establishments (totaling over $350 billion in wages in 2006), and generate nearly 20 percent of all U.S. exports, another jobs multiplier

**Report on the Statistical Discrepancy of Merchandise Trade between the United States and China:** The U.S. Department of Commerce, the Office of the U.S. Trade Representative (USTR) and the Ministry of Commerce (MOFCOM) agreed to conduct a reconciliation study, using recent data, to explain and quantify the statistical discrepancies in the bilateral merchandise trade data. This study addressed the large and growing statistical discrepancies in the bilateral trade data officially published by these two countries. The goal of the study was to identify the causes of the discrepancies and to reach a common understanding of the United States-China bilateral trade data. The report reflects the results of the study.

**Statement of Intent Concerning Cooperation in Travel and Tourism:** The International Trade Administration of the U.S. Department of Commerce and the China National Tourism Administration (CNTA) signed a Statement of Intent, which recognized that cooperation on travel and tourism has economic and social benefits for both countries and articulated the agreement to permit packaged group leisure travel from an additional 12 jurisdictions in China by November 9, 2009. This Statement of Intent follows the Memorandum of Understanding Between the Government of the United States of America and the Government of the People’s Republic of China to Facilitate Outbound Travel from China to the United States (MOU) signed at the 2007 JCCT meeting. The Statement of Intent also confirmed that the two sides will hold a meeting of the JCCT Tourism Working Group in January 2010 to further extend cooperation in travel and tourism between the two countries. With this understanding, the U.S. Government anticipates that inbound travel from China will increase by 15 percent in 2010 and by 2013, total arrivals will reach over 800,000 travelers, an increase of 64 percent over 2008.

**Memorandum of Agreement between U.S. & Foreign Commercial Service and the China Council for the Promotion of International Trade:** In 2005, the Department of Commerce’s U.S. & Foreign Commercial Service (US&FCS) and the China Council for the Promotion of International Trade (CCPIT) entered into an agreement to have the CCPIT provide support to U.S. SME exporters at 14 fast-growing second-tier cities (Chongqing, Dalian, Hangzhou, Harbin, Kunming, Nanjing, Ningbo, Qingdao, Shenzhen, Tianjin, Wuhan, Xiamen, Xian, Zhuhai) where the CCPIT has offices. US&FCS China has hired American Commercial Representatives who coordinate this program with the CCPIT and have access to the CCPIT offices for combined assistance to U.S. SME clients. The agreement, which was renewed in 2007 and will now be renewed for the second time, allows the commercial section's staff to collaborate directly with the CCPIT in providing US&FCS services to U.S. SME exporters in 14 cities that are not well known in the United States but whose growth rate exceeds that of China's major industrial centers.
**Biofuels Technology Memorandum of Understanding:** UOP LLC, a Honeywell company, and PetroChina signed a Memorandum of Understanding to collaborate to demonstrate existing biofuels technology to produce green transportation fuels using feedstocks available within China. The agreement is geared towards the development of viable and sustainable alternate renewable fuels for the transport sector, one of the leading contributors towards greenhouse gas emissions in China. In addition, these initiatives will enable PetroChina to meet the renewable energy targets set by the National Development and Reform Commission and be aligned with the strategic understanding reached by NDRC and the U.S. Departments of Agriculture and Energy pursuant to their December 2007 MOU concerning cooperation on Biofuels.

**Agreement to Develop Luojiazhai Field, Chuandongbei Block, Sichuan Basin:** Unocal East China Sea, Ltd., a ChevronTexaco China Energy Company, and China National Petroleum Corporation signed an agreement to develop the Luojiazhai Field Feixianguan Gas Reservoirs. The current agreement builds upon a 2008 program, the Natural Gas Development and Production, located in Chuandongbei Block, Sichuan Basin.