

The magazine for members of the Dutch Chamber of Commerce in Hong Kong



DUTCHCHAM MAGAZINE

2021 – Issue 1

Volume 209
E-commerce

Interview with a Chief

Pioneers in the natural and built environment - Francis Au,
Head of Cost & Commercial Management GBA at Arcadis

4

Lead story

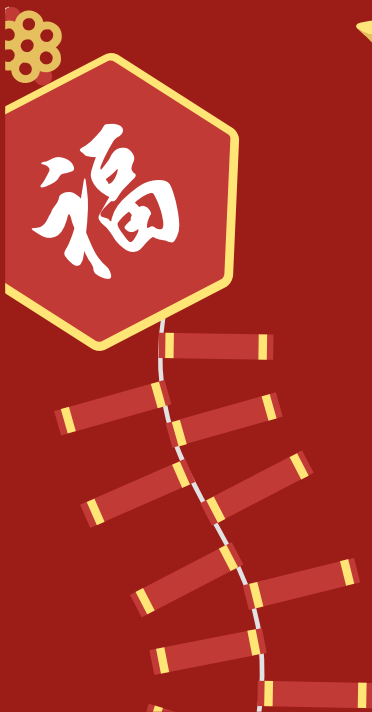
All eyes on China - A recap on our China Seminar

14



DutchChamHK wishes you

Kung Hei
Fat Choi!





PR & Pub Committee

Rinske Kuiper (Chair)
Emily Tunderman
Monique de Raaij
Annemarelle van Schayik
Nerice Gietel

Editor

Zuba Adham-Bos

Desktop Publisher

R&R Publishing Ltd.

General Manager

Muriel Moorrees

Cover Photo

Marcel Heijnen, www.marcelheijnen.com

Advertisers

ABM AMRO
Philips Electronics Hong Kong
Rabobank
Intertrust HK Limited
PwC
Consulate General of the Kingdom of the Netherlands

The magazine for members of the Dutch Chamber of Commerce in Hong Kong

Suite 3002, 30/F, Central Plaza
18 Harbour Road, Wan Chai, Hong Kong
info@dutchchamber.hk
www.dutchchamber.hk



Special thanks to APC for their generosity in kindly distributing the DutchCham Magazine in Hong Kong, China, Asia and the Netherlands



Contents

3	Chairman's Note
4	Interview with a Chief Leading the way in the natural and built environment
6	News & Views
14	Lead Story All eyes on China
17	A global new tax for digital economy
18	Technology gone mad
19	E-commerce in a green world
20	Passing the Pen
21	China's new e-commerce law: Highlights
22	House of spirits
25	Back in the ring
26	Events
27	New Members corner
28	DutchCham Information

Road to change

To foster a sustainable food value chain, Rabobank collaborates with clients and partners to look for innovative solutions to transform our global food system.

www.rabobank.com



Rabobank

*Growing
a better world
together.*

DutchCham Board of Directors



Mr. Jan Willem Möller
Chairman
Partner at Tanner De Witt



Mr. Michiel Mak
Vice-Chairman and Chair of the China Committee
CEO at EMCS Limited Hong Kong



Mr. Erik Bleekrode
Treasurer
Head of Insurance at KPMG China & Asia Pacific



Ms. Frery Winkel-Pieters
Chamber Ambassadors
Associate Director at Ernst & Young



Mr. Sander van den Berg
Chair of the Finance Committee
Head of Group Data Governance and
Data Platforms at AIA



Ms. Rinske Kuiper
Chair of the PR & Pub Committee
General Manager at Sofasale



Jeffrey Broer
Chair of the SME Committee
Venture Advisor at Kohpy Ventures

DutchCham Advisory Board

Mr. Arjen van den Berg
Chairman
Consul-General of the Kingdom of the Netherlands

Mr. Paul Zimmerman
Founding member of Designing Hong Kong &
Southern District Councillor

Mr. Daniël de Blocq van Scheltinga
Managing Partner of Polarwide Ltd.

Ms. Jennifer Chan
Director at DT Capital Ltd.

Mr. Aart Jan den Hartog
Country Manager Greater China and Chief Executive Hong Kong Branch at ING

DutchCham Office



Mrs. Muriel Moorrees
General Manager



Ms. Emily Tunderman
Marketing & Events Manager



Ms. Michelle Chan
Office & Administration Manager

Happy New Year



2020 has been an interesting year. Although 2020 wasn't exactly a "Rampjaar" and most of us have been able to stay clear of real hardship, it has nevertheless been a challenging year. Ask any school-going child, travel agent, expat, sports enthusiast, pilot, pro-democracy protester, restaurant owner, real estate agent, healthcare worker or car dealer in Hong Kong about 2020 and they will roll their eyes and wish for 2021 to be different.

So let's focus on 2021; the year of the Ox. With an inoculation programme expected to be rolled out in February and similar schemes underway in Hong Kong's most important trade partners, it is not unreasonable to assume that the COVID-19 situation will improve in the course of the year. The primary focus will undoubtedly be on the resumption of the school system and getting government departments such as the Immigration Department, the Stamp Office and the Judiciary up and running again at full capacity.

But the Government is also acutely aware of the need to soften travel restrictions and travel-related quarantine requirements to facilitate the international business community, tourism, conferences, exhibitions and other critical components of Hong Kong's economy that rely heavily on travel. Hopefully, sports, restaurants, nightlife and other social activities will follow swiftly.

Let's hope that things will improve sooner rather than later and that the coming year will be positive and successful. Whatever happens, it is clear that e-commerce is a winner. The COVID-19 crisis has only accelerated the inevitable rise of e-commerce over traditional retail. Who hasn't ordered something online this year which would previously be purchased in a normal shop, store or restaurant?

In this edition of DutchCham Magazine we held our Interview with a Chief with Francis Au, Head of Cost & Commercial Management GBA at Arcadis and have looked at the impact of e-commerce on the built environment. In our Lead Story we recap our China Seminar - which we were luckily able to host in-person - with the four speakers. Read on for interesting articles by our members who are active in e-commerce and get inspired by the potential of e-commerce in our infographic.

Finally, DutchCham celebrates its 30th anniversary this year! Whatever happens in 2021, we will not let this milestone pass silently so stay tuned for further announcements on the festivities.

Jan Willem Möller

Leading the way in the natural and built environment

Arcadis has a long and rich history, tracing its roots back to the Netherlands in 1888. Nowadays, it is a global Design & Consultancy firm for natural and built assets, with offices in Hong Kong since 1949. We spoke with **Francis Au, Head of Cost & Commercial Management, Greater Bay Area (GBA) at Arcadis** about e-commerce, their main Hong Kong projects and the GBA.

■ By Zuba Adham-Bos

Please tell us a bit about yourself and what you do at Arcadis

I have studied in the United Kingdom and joined Arcadis after I returned to Hong Kong. Over the past few years, my role has changed a few times. Two years ago I was leading the Hong Kong business of Arcadis, which covers quantity surveying, project management, business advisory and design engineering. We provide consultancy services to different types of clients; from banks like HSBC, Hang Seng Bank and UBS, to public sectors including the Development Bureau, Architectural Services Department, Highway Department, CEDD and MTR. We serve most commercial developers in Hong Kong as well, such as Sun Hung Kai, New World, CK Hutchison, Henderson Land Development and Wheelock. In 2020, my role changed to Head of Cost and Commercial Management of the Greater Bay Area. We look after construction costs and commercial advice to our clients.

What sets Arcadis apart from other companies in your industry?

I think there are several parts to this. One is the long history of Arcadis in the Netherlands and globally. The company has more than 130 years of history. Our Cost and Commercial Management business has more than 85 years of history in Asia. We started in Singapore and expanded into Hong Kong in 1949. We are the oldest Cost and Commercial Quantity Surveying company in the region.

The other advantage of Arcadis in Asia is the scale of the company. We are a pioneer Cost and Commercial Management business in Asia with more than 2000 people in Asia in this department. Lastly, our track record, large database of projects and quality of service have made us one of the top consultancies and leaders in the professional field. We have invested in digital and looking for innovative ways to deliver our services. Our business is BIM ready.



Francis Au

What is the impact of e-commerce on the natural and built environment?

Right now, there is not a large impact and we are not directly involved with e-commerce. However, we do work on projects related to e-commerce, for example, we are working on several projects for Alibaba. They are planning investments in digital infrastructure related to digital logistics, digital e-commerce, and cloud computing. Arcadis has partnered with Alibaba for over four years, delivering cost and commercial management services across their project sites.

Some of our clients use e-tender platforms and within our Cost and Commercial Management business, we are also developing our own e-tender platform, called L-10. That way, companies overseas can also respond to tenders.

Will e-commerce change Arcadis' work?

Because of the scale of our projects, we are currently not using e-commerce that much. For example, for each project we may use between a few hundred to ten of thousands tonnes of reinforcement. This is not something you can source online

via e-commerce. But I think in the future, we will use more e-platforms for searches, communication and finalising deals.

Another hurdle in e-commerce for the construction industry is the concern of quality. I think people will tend to work with people and companies they are familiar with, to make sure they deliver the right quality they are looking for. So at the moment, e-commerce is not used much, but I believe in the future it will be something we can't avoid.

What are the main projects Arcadis is working on in Hong Kong at the moment?

Currently, we work a lot on Chek Lap Kok; we are working on the third runway concourse for the airport, SkyCity and a logistics centre.

For the third runway system, the reclamation has been completed, which is a major milestone of the project.

One of the major projects of our Design Engineering department is Trunk Road T2, connecting the Central Kowloon Route and Tseung Kwan O. Another project is an integrated waste management facility, involving incinerators and reclamations barges.

We have experienced some delays in early 2020, because of the lockdown in China. For almost six weeks, we didn't have sufficient materials and labourers. Some of the labourers went to China for Chinese New Year and were not able to come back due to the lockdown in China. But for the last nine months, our operations have gone back to close to normal. For the coming Chinese New Year, we expect another delay due to the quarantine measures. Usually, we count on a two-week stop around CNY, but this year we are counting on five weeks.



Skycity development, Chek Lap Kok, Hong Kong

What does the Greater Bay Area mean for your industry?

The Greater Bay Area (GBA) is familiar to us – we started working in China in 1985 and we have offices in Macao, Guangzhou, Shenzhen, Foshan and Zhuhai. We also have projects in Jiangmen, Huizhou and other cities in the GBA. We work closely with technology companies in the GBA, such as Tencent, ByteDance and Alibaba.

We think the GBA is a huge opportunity and although the initiative is moving forward, the development pace is not as fast as we expected. However, we're also seeing expansions into the west coast of the Pearl River Delta. Currently, the transportation to go there is not so convenient – it may take you almost two hours to go from Shenzhen to Zhuhai or Zhongshan. But when the bridge link between them is finished, which is expected in 2023/24, the whole area will rapidly change. I hope the COVID vaccine will be successful, so we can open up more to these areas.

Which trends do you expect to see in your industry in the next five years?

Besides the e-tender platforms and a move towards e-commerce, I think we will continue to see more acquisitions. There is a global trend for M&A in the consultancy business. There will be more GBA-related initiatives and more collaborations between the two SARs (Macao and Hong Kong) with their Chinese counterpart. We see that this is becoming a trend as developers from Hong Kong and Macao are going to invest in southern China, as well as the other way around. I expect there will be more joint venture developments in the future. Innovation is always on people's minds, both on the technology and digital side, but also in the way we deliver business. I think working from home will have a huge impact on future developments. E-commerce will impact how shopping arcades will be planned in the future. And we are looking into smart cities, smart buildings, how to protect our environment, how to be more agile, digitization and sustainability – which are all very exciting. Companies will invest on digitisation and sustainability. This is top of our agenda.

Is there anything else you would like to share with our readers?

I hope that everyone, no matter if they're in the GBA or in other parts of the world, will be more open-minded to accept changes we have seen recently around the world and to unexpected changes in the next few years. I think people are calling this the fourth industrial revolution, so that will change a lot in the whole ecosystem.

The boost of e-commerce

In the last couple of years, e-commerce has been growing steadily. But in 2020, buying and selling online was boosted immensely because of COVID-19 – what does this mean for 2021? We asked members their thoughts on the following questions:

- 1. We have seen a 40% increase in e-commerce due to COVID-19. Will this growth be sustained?**
- 2. What will be the top drivers of e-commerce in the coming year?**
- 3. What will be the top marketing channels?**

■ Selected by Nerice Gietel

Choy Yiu Chan
Director at Equasia Ltd.
www.equasia-group.com

Equasia is an expert corporate advisory and business services firm with offices in Hong Kong and Shanghai, helping clients to access, operate and grow in China and other Asian markets.

- 1.** When talking to both my clients and business relations, their opinion is that 2020 was indeed a game-changer for e-commerce. I believe the growth will stay, however maybe not by 40%, but I think it will be somewhere in the double digits.
- 2.** Offline retail will play another role in the coming year. The online-to-offline (O2O) experience will become more and more the norm. This also means that there will be more competition online, which is a benefit for the consumers.
- 3.** During the pandemic, all social channels have been booming but the big winner worldwide is probably TikTok. However, there is of course a big difference between the ecosystems of China and the rest of the world. In China, the top social channel is still WeChat.



Maarten van der Dussen
Managing Director at ProductIP
www.productip.com

We offer an online knowledge and collaboration SaaS solution to retail, trade, manufacturers and online sales channels. We support 20,000+ users with the regulatory knowledge they need about their products for worldwide markets, including the packaging, labelling and manuals.

- 1.** We see the growth in three areas: online retail stores, online platforms (Bol.com, Amazon, eBay) and direct sales from the (mostly Asian) manufacturer or platform to the European consumer (AliExpress, Wish). We see the convenience being fully accepted and expect this to even grow at the cost of brick & mortar growth unless these show 'different' concepts to attract customers (like Action).
- 2.** E-commerce will need to grow up, take responsibility and supply the market with safe and sustainable products from a responsible source. Customers will keep buying when online supply chains become more transparent about these issues that concern consumers.
- 3.** We expect top marketing channels to be trustworthy online platforms that are able to create trust and are openly working with authorities to create trust in their products. Amazon, Bol.com, Rakuten and others are deploying activities to achieve such a trusted position. This may therefore become the next marketing challenge, as the above may go at the cost of the 'unregulated channels' e.g. distance selling through social media. The above has also increased the awareness that products are not always what they seem: so there is a big opportunity for companies who deliver what they promise.

Pieter Paul Wittgen Co-Founder at FounderSix

www.foundersix.com

FounderSix partners with influencers and celebrities to launch their own beauty brand. FounderSix brings experience in areas such as production, e-commerce, retail and finance, offering them the safest route to become an entrepreneur.

1. COVID-19 has in particular accelerated e-commerce adoption from consumers who previously were still shopping offline. Due to the length of the lockdown, consumers that would normally shop in-store, have been incentivized to try online shopping. We believe some of this adoption is here to stay. This would result in an acceleration of e-commerce growth compared to pre-COVID, but we do expect to see some normalisation once the vaccine is widely available. There will always be a role for brick-and-mortar, especially in terms of building experiences and offering convenience.

2. Social commerce will be one of the biggest drivers for e-commerce in the next decade, driven by the convergence of content creation with transactional commerce. Examples are live streaming and e-commerce checkout on social platforms. As a result, brands and retailers will have to become more innovative in how they attract and convert consumers. The traditional online marketing strategies are becoming increasingly expensive and over-crowded; engaging storytelling that pulls consumers in therefore becomes key.

3. Each channel serves a different purpose ranging from conversational (Twitter), storytelling (YouTube) or more raw and authentic community building (TikTok). It is important to understand how each channel operates and how that relates to your objective. In general, with attention spans shortening and competition for eye-balls, engaging content, no matter the channel, is key.



Rogier van Bijnen Director at R&P China Lawyers

www.rplawyers.com

R&P is a Chinese law firm headquartered in Shanghai, specialised in assisting foreign companies that do business in or with China.

1. Yes! Many of our clients sell online and most of them saw tremendous growth during the crisis. However, once COVID-19 was under control in China, their e-commerce sales remained solidly above pre-COVID levels. It seems that consumers got used to ordering more online, while companies improved and increased their online offering.

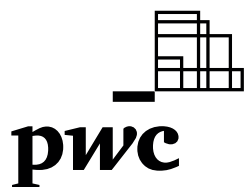
2. We expect this to be a combination of first-class user experience, fast delivery and continued customer engagement. For example, one of our clients is a well-known European supermarket chain that started selling online in China and did so very successfully. Consumers can easily order via WeChat, then the groceries are delivered within the hour(!), while customers are kept continuously engaged via online content. Another client is a large North American sportswear company that sees each customer as its brand ambassador, so they have created an online community that many Chinese consumers wish to be part of. Their online strategy during the pandemic was so successful, that it was rolled out as part of the general strategy.

3. In China, it is hard to ignore WeChat (Tencent) and Tmall/TaoBao (Alibaba). They are so big and here to stay. Other big players are Douyin (TikTok) and group buying platform Pinduoduo. What was new in 2020 and will continue for sure, is the huge success of live streaming where brands get influencers (who get a percentage!) to sell their products.

Digital Products

Embrace the New Normal

Your chance to
transform and
succeed



Mainland China
Digital Store

digitalstore.pwccn.com.cn



Hong Kong
Digital Store

digitalstore.pwchk.com



The tap that does it all

It all started with instant soup. Now, Quooker-taps are changing the way people use their kitchen around the world. Here is the story of Quooker, a true family company that started in the basement.

Quooker's story started in 1970. Rotterdam-born Henri Peteri worked for Unilever and was visiting the head office in London when he had an idea that would change his life forever. It was during a presentation about instant soup, where they showed how you could dissolve soup in boiling water in just five seconds. 'And to do that, you have to heat water for five minutes?' Peteri thought. 'That's stupid! Why can't we get boiling water from the mixer tap in our homes?!' When he got home, Peteri went down into his basement to develop a prototype of the first boiling-water tap in the world. He left Unilever to further develop this boiling-water tap.

After a few years, he hadn't managed to get further than the prototype stage – despite his immense drive. Peteri sold this first model to friends and acquaintances, but the appliance broke down regularly. Nevertheless, people were enthusiastic and once they had used a Quooker, they couldn't live without it. Not too long after, the financial resources he needed to work on his invention had been depleted. Peteri was forced to discontinue his project and go back to earning a living for his family.

In the mid-80s, his son Niels finished his studies and together with his father, they picked up the project once again. The idea was turned into a product. In 1992, the first Quooker ('quick cooker') was introduced, the Quooker Basic. This was the first in a series of taps designed by Niels – all designed at a workbench rather than a drawing board, with a strong form-follows-function look.

In 1993, the company needed someone to focus on the commercial side. Over a glass of beer in the pub, Niels talked this over with his brother Walter and in no time it was settled that he would join the family business as well. With Walter steering the commercial side, that year Quooker sales doubled and gradually it gained ground on the market. Even though the business was still making a loss in 1995, they moved to company to a building in Ridderkerk. The adjacent

buildings were purchased in following years as Quooker continued to grow.

From 2000, things really started to take off and the first profits were made. The boiling-water tap became a success in the Netherlands. In 2004, the first batch of Quookers was exported abroad; first to Scandinavia and a year later to the UK.

Today, Quooker has sold over a million Quookers with more than 3000 dealers worldwide. The turnover has been rapidly growing every year and becoming the essentials for everyone's kitchen. They have expanded offices in the Netherlands, Belgium, Denmark, Germany, Norway, United Kingdom, United Arab Emirates, Sweden, Switzerland and Hong Kong.

If we look to the future, climate change is upon us and is showing no immediate signs of slowing down. We must make conscious choices on an individual level in order to collectively expedite its prevention. We should consume less and make eco-friendly choices. Although it might feel like luxury to have filtered boiling, chilled and sparkling water on tap, a Quooker is a sustainable purchase, saving you

water and energy as well as reducing the use of disposable plastic bottles.

The Peteri brothers always aimed to produce the most sustainable, energy-efficient and high-quality product. Now they head an internationally successful company. But, continuing in the spirit of their late father, they are still innovating.



■ By Travis Lee,
Country Manager at Quooker Hong Kong Ltd.
www.quooker.hk

Moving B2B into the digital world

Do you recall your first purchases through e-commerce platforms such as Amazon, eBay or Alibaba? Since my first purchase on Amazon in 2011, the world has shifted exponentially towards digital channels.

In 2018 alone, just seven years later, the number of online buyers had already increased to 1.8 billion worldwide according to McKinsey & Company, with an average spending of \$1,900 yearly per person in the US and a total market value of \$2.8 trillion. In addition, Statista expects to see significant growth for 2021, bringing the market value to a stunning \$4.8 trillion.

You might think, these are all favourable figures for someone who is established in e-commerce. But isn't it too risky for a start-up to jump on the e-commerce bandwagon now? In reality, there are a few things to consider; despite an increase in demand, the attractiveness of the e-commerce industry has not been that great for small start-ups due to a low market entry barrier. You will also have to compete with the "big-tech giants" and your product or service is looking at many substitutes in a winner takes it all industry.

But still, why take a leap of faith? I became enthusiastic about marketing and business strategies at a relatively young age. It was truly fascinating to experience first-hand how companies keep changing, coming up with new strategies and consistently implementing new technologies to stay ahead of the competition.

At that moment, I realized that change was coming for everyone and especially for "traditional B2B companies".

After studying for a few years, Hugo Boss in New York asked me to draw up a new digital B2B strategy for their wholesale division in America - a great challenge and experience. Shortly after, I worked as a consultant for Robert Walters in Hong Kong to set up Tech & Transformation teams for MNCs.

As time progressed, a pivotal moment occurred on Thursday, March 12, 2020 – Black Thursday. That day, the American stock market vanished into thin air. At that moment, I realized that change was coming for everyone and especially for "traditional B2B companies".

B2B companies are often highly specialized and knowledge-intensive. They operate in niche markets and sell complex



products, which also means there are long sales processes. So, with the entire world in lockdown, you can imagine many of these businesses saw their business development capabilities collapse in an instant - there was a need for innovation.

Therefore, I decided a transformative and result-driven measurable approach needed to be developed to further support the growth of current companies into the rapidly changing digital world. With a huge amount of support from some amazing people around me, I was able to start my business transformation agency, Alpha Digital. I began to approach companies and helped them to survive and grow digitally.

In partnership with HubSpot, a marketing automation platform, we enable companies to seamlessly transition into digital growth. We believe that developing digital perspective, resources and knowledge is essential for B2B companies in this type of market to keep moving forward. We exist to transform established B2B companies and grow them better into the digital age.

We foresee an exciting future for digital B2B customers. After all, they are really in control online and have access to limitless information and choices.

See you online!



■ By Iwan Lubberts
Business Director at Alpha Digital
www.myalphagrowth.com

A new year for the financial market

Despite the pandemic, our city welcomed 140 Initial Public Offerings (IPO) in 2020, a 24% increase compared to 2019. If the mega ANT IPO was not called off in November 2020, this number would have been way larger.

Like major stock exchanges in the world, the Hong Kong Stock Exchange (HKEx) has a main board and a Growth Enterprise Market (GEM) board listing. Together, we have currently over 2,400 listed companies in Hong Kong.

HKEx has divided the listed companies in 24 various chapters. For example, chapter 18 is for the mining sector and DT Capital belongs to chapter 21; these companies are best described as close-end investment fund and make up less than 1% of the total listed companies at HKEx. We can invest in listed and unlisted securities, including warrants, money market instruments, commodities, options and future contracts and also in private companies, like a private equity fund. In fact, we are the only type of listed companies that is allowed to have a 100% cash position.



Before you start to think that we enjoy more freedom than our fellow listed companies, let's look at the restrictions: we are only allowed to invest in a single project for no more than 30% and at the same time, this 30% may not exceed our company's total Net Assets Value (NAV) of 20%. The rationale behind this is to ensure the company is not going to be too reliant on one single investment.

Despite the tremendous growth in IPOs, the latest IPO of chapter 21 companies dates back nearly a decade ago. Some market participants whisper that the HKEx doesn't like this type of companies. I would rather say that the initial reason of creating such an investment vehicle is diminishing.

Let's go back in time. When the first chapter 21 company was listed, the fund management regulations in Hong Kong were still in an infant stage. Some corporate finance experts proposed the listing of an investment to fill the gap. Decades later, the gap was pretty much filled, different types of funds were introduced and the regulations were in place to monitor them. Over time, this type of companies have become a new species, see it as an evolution.

I noticed I might have dug too much in details about chapter 21 companies. Let's go back to a bigger picture. With the new year just started, what will the financial market in Hong Kong look like in the near future? Personally, I am very optimistic. The IPO market will continue to grow, the mainland companies that are listed in the US will come back to this region for listing. China will be the first country to recover from the pandemic, thus economic activities will increase. With a closer integration of the GBA with Hong Kong and Macau, financial integration seems no more than logical and this will offer opportunities for companies engaged in this sector, particularly asset management-related companies.

What could this potentially mean for Europe? Last week, I had an inspiring discussion about what Hong Kong can do for the EU financial world. Brexit has become a reality but the EU seems not be able to have "the City" replaced in EU. Would there be room for cooperation with Hong Kong to set up an EU financial centre like London? Hong Kong's financial expertise and talents are well-known. Should it be top-down or bottom-up? Why not both? Last week I read a Dutch newspaper which said that Dutch people don't know how to invest their money, most of them just put it on their bank accounts in deposits. How about we introduce some Hong Kong investment spirit to the Netherlands?

Wish you all a healthy, fruitful and prosperous 2021!



■ By Jennifer Chan
Chairman and Non-Executive Director at DT Capital
www.dt-capitalhk.com

Card by card to a better world

Starting a creative company was never something I wanted to do. I defined myself as an educator, not an artist nor entrepreneur.

I was a Social Studies teacher at an international school trying to fundraise for my student-run club. I had run several extracurricular service-learning programs connecting students to the local community in Hong Kong through volunteering and fundraising. While I had no finance background, I did have a hobby: doodling. I decided to sell custom calligraphy postcards to support the student club's work. Each custom card featured inspiring quotes written in my personal calligraphy style.

Soon, the club's fundraising target was met, but demand for more cards continued. I also realised that while people are aware of social injustices, they are cautious to give freely of their time and finances because they feel the issues are too big for any individual to make a difference. As a result, smaller frontline charities do not have much-needed community engagement and financial support. To fill in this gap – and with the encouragement of my students – I founded Barefoot Love Collective.

Barefoot Love Collective is a social enterprise that creates custom designs, education programs and activity boxes. All of the profits, 100% goes to support those in need through collaborations and partnerships. We started with creating custom card collections. Each card tells a story of the marginalised with beautiful quotes and unique limited designs. The proceeds from the collections' sales are gifted directly to the charity highlighted in that specific collection. Over the years, we expanded our products to include custom cards featuring illustrations created by kids from trafficked backgrounds in Cambodia and Thailand, Nepalese youth, kids with special education needs, refugee artists and ethnic minority women in Hong Kong.

We created "Spread the Love" expressive art workshops to share the power of the creative arts in bringing healing and team unity to clients from corporates to small non-profits and individuals from vulnerable backgrounds. Since 2015, we have

supported fifteen local grass-roots charities in six different countries, held countless Spread the Love workshops, as well as donated over 110,000 HKD of our profits.

Earlier in 2020, I had a plan of what this year could be for Barefoot Love Collective. We did an art workshop for Adoptive Families in Hong Kong to help foster parents process their emotions through art. We had finalised a series of art and social

justice workshops for a secondary school that we were very excited about. However, all these plans were completely halted because of COVID-19. It's been disappointing but also an unexpected opportunity for joy. We decided to pivot and create a way to bring the learning experience home, as a creative engagement tool to learn together.

The launch of our new product – "Changemakers Box for kids" aims to take advantage of the extra quality time we all have had at home. Our first box focuses on addressing human trafficking in Hong Kong, giving a platform for

local charities to shine a light on the work that they do in the city, teaching parents how to talk about these difficult social issues and integrating creativity and games into the mix. This way not only were we able to support local charities, but I could also tie in my education background along with spreading love with our beautifully curated arts activity box.

It's only through this pandemic that has brought everything full-circle and caused me to reflect that no matter what changes if you stay true to your purpose and mission, you will always find a new way to persevere and carry on.



■ By Gloria So
Founder & Educator
www.barefootloveco.com

A glimpse into the Hong Kong e-commerce market

Top reasons why Hong Kong consumers decide *not* to buy online



37%

Don't trust product quality



36%

Product available at nearby physical store



36%

Shipping costs

source: go-globe.hk

Top factors that attract Hong Kong consumers to do online shopping



54%

Free delivery



40%

Convenience to shop anytime and anywhere

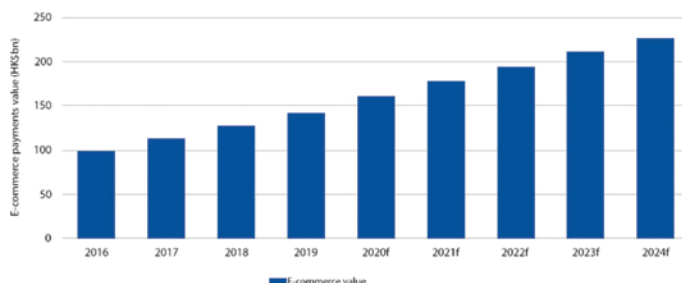


38%

Special discounts

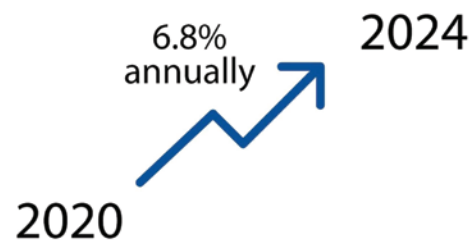
source: go-globe.hk

E-commerce Payments Value in Hong Kong (HK\$bn) 2016-2024f



An average Hong Kong consumer spends more than 24 hours per week on internet

source: go-globe.hk



The city's e-commerce revenue is tipped to grow at an annual rate of 6.8% from 2020 to 2024

source: hongkongbusiness.hk

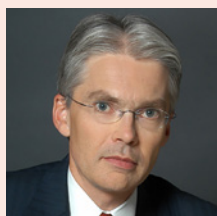


46% of consumers in the city are looking to eat at home more often

source: hongkongbusiness.hk

All eyes on China

In Mid-November the DutchCham was able to organise their annual China Seminar as a face-to-face event. Four interesting speakers were invited to give their views on the latest developments in mainland China. In this Lead Story we recap their insights on a couple of the panel questions.



Gordon Orr is a Non-Executive Board Member at Swire Pacific, Lenovo and Meituan Dianping. He is also a Non-Executive Director of several privately held China and UK based tech companies. Beyond these formal roles, he provides counsel to a small number of China-focused entrepreneurs. Gordon writes regularly on China topics, mainly on LinkedIn where he has more than 1.7 million followers.



Iris Pang is Chief Economist Greater China at ING bank N.V. Hong Kong Branch. She is responsible for research on the macro-economic and industry trends in mainland China, Hong Kong and Taiwan. Research reports from Iris are shared with ING clients on a regular basis. Before joining ING in June 2017, Iris held similar positions at Natixis for over a year and OCBC Wing Hang Bank for almost a decade.



Frederik Gollob is Deputy GM at Zhongsheng Group Holdings LTD and Chairman of the European Chamber. Since Oct 2020 Frederik joined one of the world's biggest car dealer groups being responsible to build up the entire business model around selling and servicing electric vehicles in China. Before that, he was with Daimler AG/Mercedes-Benz AG for 19 years. He has lived in Beijing for over seven years.



Natellie Sun is the Managing Director of Search and Selection across Greater China in Randstad. Having lived in Greater China for 15 years, she spearheads professional recruitment across eight offices in the Greater China region, including Hong Kong. She leads a multi-disciplinary team of highly-specialised and experienced recruitment consultants and leverages innovative HR technologies to match talented professionals with some of the world's leading companies.

In what ways are your Chinese competitors changing? If any, are they becoming more serious challengers outside China?

Gordon: As a board member of two Hong Kong-listed Chinese companies, one a global market leader, one focused exclusively on mainland China, I see directly their rising capabilities and those of their competitors. From PCs and smartphones to emerging giants in electric vehicles and innovative biotech drugs, Chinese companies are not only winning in China; they are doing so in markets across the world.

These companies are genuinely developing their own intellectual property with teams of homegrown and

internationally educated researchers. They have agile entrepreneurial leaders with a commitment to operational excellence – able for example to support a workforce of over 3 million during COVID, to source more PPE than a small country, or to seamlessly shift production of US-bound products impacted by tariffs from a plant in China to Mexico.

Natellie: According to data from the World Bank and IMF, Asian countries are expected to make up most of the top five countries in the world by size of GDP in 2024. Data also showed that China could overtake the US as the world's largest economy by 2024.

The burgeoning middle class are becoming much more educated and are hence more likely to take on higher-value jobs. In response, Chinese recruitment firms are increasingly offering specialised services that are targeted at certain hyper-growth industries, such as technology, communications and smart manufacturing. The influx of investments from western countries to China has also grown by multiple folds in the past decade to support business growth in Asia.

With the approval and deployment of COVID-19 vaccines, businesses have more confidence to move ahead with their expansion plans and investments to capture a larger market share in Asia Pacific. Even when large Chinese companies expand overseas, many western recruitment firms are also setting up Asian headquarters in China to take advantage of the growing business opportunities.

Frederik: In the automotive industry, the focus has shifted to battery technology, vehicle connectivity as well as autonomous driving features in recent years. These are all areas where Chinese players are increasingly competitive. Besides the state-owned car manufacturers, there are a few auto start-ups which deserve special attention. All of them have been founded around 2014-2015. NIO, Xpeng (Xiaopeng), Li Auto (Lixiang) & Weltmeister (WM Motors) are four successful examples of new EV players competing successfully with Tesla and established players in China today, although most of these companies have only started delivering vehicles in 2019-2020.

The logical step for these Chinese auto start-ups is to seek expansion overseas. As Europe's EV market already surpassed the

China market in 2020, it is no surprise that most of those companies are preparing or are already testing the waters in Europe.

How will your business be affected by the Cold War 2.0 (technology war)?

Gordon: Uncertainty is a critical challenge. Where should investment in capacity be made if we don't know what the tariff levels will be? Who should we source from if we don't know if they will continue to supply to us? Who should we seek to sell to if we don't know if they will be able to continue to buy from us? As a consequence of COVID, almost all governments are initiating more activist Industrial Policies creating a myriad of new complexities to navigate. Local content requirements are rising and more companies are being blacklisted. There is absolutely a business impact; to date, all challenges have had workable solutions involving new suppliers and moving production around our global footprint.

Iris: As a macroeconomist, I would like to focus on a macro perspective. China will continue to face the technology war challenge in 2021. The most difficult part will be the export of technology, which we believe the government has tried to address by persuading its Belt and Road partners to use Chinese tech products. But those partners are also under pressure to adopt technology from other big players in this market, so their support cannot be taken for granted.

Given this background, China is investing and creating its own advanced technologies. This means technology war is only a short term challenge for China, and it is possible that China can gain an advanced standard in the future.

Natellie: As a recruitment firm, our assets are our people and talent network. To deliver quality and exclusive talent recruitment services to our clients, it is critical for our people to be innovative and creative to navigate uncharted territories as well as be equipped with in-depth industry knowledge and an expansive network of in-demand skilled talent.

Many recruitment firms have adopted the use of artificial intelligence in virtual assistants to help improve customer experience. It was explored as an alternative to face-to-face meetings, but



China Seminar Dutch Chamber of Commerce in HK, November 19, 2020

artificial intelligence can be applied throughout the business model, such as human resources operations, candidate screening and selection, and even job interviews.

Frederik: The automotive industry in general, does not seem to be as much in the focus of the ongoing dispute on technology. Having said that, it is important to mention that the future of the car industry partly also depends on the development of highly connected and autonomous vehicles.

Increasingly, there are highly innovative and competitive component suppliers coming also out of China pushing for exporting their components overseas. This also underlines China's ambition to be leading within the electric vehicle supply chain. Sustainable success as an automotive manufacturer depends heavily on the ability to export and to compete on the global stage. Therefore, it seems not in the interest of the involved parties to further restrict trade and access to relevant technology in the automotive sector besides existing tariffs.

Will the 14th Five Year Plan (FYP) materially benefit your business in China? Is China opening up further in any meaningful ways?

Gordon: A successful 14th FYP will result in fast growth in consumer consumption, an even more digital society and massive government-enabled investment into priority sectors. China will be the world's single largest consumer market. Products and services, such as smartphones and health insurance, bought by almost every member of the middle class will see addressable markets scale to 700 million people. The 14th FYP will also bring more regulation, possibly much more, that will apply to all players regardless of ownership – personal data protection, anti-monopoly behaviours and capital requirements for digital lending business are just three current examples.

Iris: The 14th Five Year Plan should benefit the green economy; businesses that are more ESG-governed will enjoy better growth. The plan's objective is to speed up low carbon economic development and increase efficiency in the use of resources. The plan not only aims at protecting the



From left to right: Iris Pang, Natellie Sun, Gordon Orr, Frederik Gollob.

environment but also restoring it, which is a new concept in Chinese policy.

Natellie: A strategic plan that is aimed at growing the economy will benefit our business to supply talent to organisations that are expanding. Once border closures due to COVID-19 are lifted, we expect companies to resume their plans, which would also include global talent mobility. Even as employers in Greater China look to hire experienced employees with international experience to support their growth aspirations, more work still needs to be done to attract these desired talents. For example, offering benefits such as spousal insurance, lease-breaking penalty assistance and full-time expatriation assistance.

Frederik: The Chinese government focuses on domestic demand, restructuring and a more balanced approach to growth expectations. However, they also emphasised the importance of being an exporting nation. Regarding the automotive sector, I believe that it is the government's strategy to support exporting locally produced vehicles to other markets. Europe plays a particularly crucial role in the EV sector, as well as all the Asian-Pacific markets under the new RCEP free trade agreement.

Domestically, the Chinese government sees electric mobility as the prevailing form of transportation, encouraging customers with guidelines and incentives, and further enabling the local automotive industry to supply suitable products.

A global new tax for digital economy

In the previous issue, we discussed Pillar Two of the Base Erosion and Profits Shifting (“BEPS”), commonly known as BEPS 2.0. This time, we discuss Pillar One, which mainly impacts Automated Digital Services (“ADS”) and Consumer-Facing Businesses (“CFB”).

The Organisation of Economic Cooperation and Development (“OECD”) is currently working on a new proposal to further address the Base Erosion and Profits Shifting project (known as “BEPS 2.0”). BEPS 2.0 has two components, namely Pillar One and Pillar Two. As discussed in Issue 208, Pillar Two looks at the imposition of a global minimum tax rate. Pillar One mainly impacts Automated Digital Services (“ADS”) and Consumer-Facing Businesses (“CFB”).

These two groups of businesses are considered by the OECD as having the ability to participate actively and in a sustained manner within the economic life of a market country, with or without local physical presence. ADS refer to services that are both automated (i.e. the provision of the services to a particular user requires minimal human involvement) and digital (i.e. services to be provided over the Internet or an electronic network). CFB is defined as those businesses that generate revenue from the sale of goods and services of a type commonly sold to consumers, including those selling indirectly through intermediaries and by way of franchising or licensing.

Broadly speaking, Pillar One’s objective is to develop a unified approach on updating the traditional allocation of taxing rights, thereby expanding the taxing rights to market jurisdictions where the services or goods are being consumed. There are three basic elements of Pillar One, namely (i) a new taxing right on a portion of a multinational group’s residual profits allocated to market jurisdictions (“Amount A”); (ii) a fixed return for certain baseline marketing and distribution activities performed physically in a market jurisdiction (“Amount B”); and (iii) a dispute prevention and resolution process to improve tax certainty (“Amount C”).

Amount A

Amount A will apply if a multinational group’s business falls into the defined scope and meet the specified size thresholds (i.e. the annual consolidated group revenue threshold and a de minimis threshold for foreign in-scope revenue). Different nexus rules will then be applied for ADS and CFB to determine the entitlement of a market jurisdiction to an allocation of Amount A. The calculation of Amount A will be based on profits before tax in the consolidated group financial accounts prepared under the generally accepted accounting principles. Amount A will be determined based on the following three-step approach.

Step 1: A profitability threshold to determine the amount of profits of the group in excess of an agreed profitability threshold which would be considered to be the so-called residual profits;

Step 2: A reallocation percentage that defines an agreed fixed percentage of residual profits or allocable tax base, that is allocated to market jurisdictions; and

Step 3: An allocation key to portion the residual profits to market countries based on locally sourced in-scope revenues. Amount A will be determined based on the above approach, which diverges from the determination of the allocation of profits within a multinational group under the arm’s length principle. As such, there would be a mechanism to reconcile the new taxing right with the existing profit allocation rules under which double taxation arising from Amount A should be relieved.

Amount B

Amount B seeks to standardise the remuneration of related party distributors that perform baseline marketing and distribution activities with the objectives of simplifying the administration of transfer pricing rules and increasing tax certainties. Amount B will apply to entities or permanent establishments with existing nexus and not be related to the new nexus rules of Amount A.

Amount C

The OECD seeks to establish two sets of rules to enhance tax certainties, namely (i) dispute and resolution rules for Amount A and (ii) another set of rules for amounts beyond the application of Amount A rules.

The OECD’s proposal has not been finalised and will likely be subject to political discussions and thus changes. The OECD aims to bring the process to a conclusion by mid-2021 and works to address the political and remaining technical issues will continue.



■ By Willem Jan Hoogland
Samuel Fung ■
HKWJ Tax Law & Partners Limited
www.hkwj-taxlaw.hk



Technology gone mad

“All companies like Google, Facebook, Twitter and Instagram compete for, is our time.”
– The Social Dilemma, a Netflix documentary

In December, with reminders of Scrooge and “bah humbug” looming large, the last thing one needs is the random ramblings of a grumpy old man. And whereas I tend to feel only as old as my most recent rugby match, nothing gets the grumpy factor going like innovators abusing the benefits of technology by turning them into the exact opposite: the miscreants of science.

A recent poll of millennials listing the top three greatest inventions of the last decade yielded “online dating” as a result. That is, instead of going to the pub, two people now making contact from the comfort of their homes, to meet for a joint session of staring at their mobile phones - no doubt looking for the next online date. A more perfect waste of time, anyone?

Now if people wanted to waste their own time, who am I to stop them? My reaction would range somewhere between mild compassion and complete indifference. Where I draw the line though, is technology that is used to waste my time, and I reserve my deepest levels of contempt for the proponents of technical solutions that simply make their lives easier, at the expense of mine.

Take my bank for example. Nothing that comes out of it today is actually produced by humans. Standard computerised letters, yes those with the blissfully inane “doesn’t require a signature” are the norm. To advise that a monthly “account maintenance charge” debited automatically caused a \$3 overdraft, which triggered a \$200 “finance charge”. Past tense, of course, heaven forbid the bank would warn the client before a penalty is imposed. It’s as if they want to rub it in.

So now you have to call. And even if the bank actually does bother to call itself, an endless series of security questions. Even though they call me, even if it is the third time they call that day on the same number. All this under the pretence of protecting MY security, protection I never asked for and don’t want. You call, you find a way to verify that is not on my clock, thank you.

On to my telecoms provider. If I get through to a live person at all in under, say, twenty minutes, the typical conversation involves a citation of company policy in response to my request for X. And not that X asks for the world, mind. Please ensure my phone does not switch to China Mobile when I stay in Hong Kong. And please ensure that if your local signal gets



outmuscled because you can’t be bothered to build a strong enough network, I do not get billed for unwanted roaming.

Point is this: technology undoubtedly has benefits. If not, I would have handwritten this article for editors to mark up by hand, printers to type-set and perhaps carrier pigeons for delivery of the magazine. However, the current focus of technology investment seems to be threefold: first, to divest responsibility for mishaps that occur in the ordinary course of business; second, to ensure that the client bears the onus of reporting and fixing such mishaps; and finally, to remove any discretion by lower-level client-facing human actors in favour of anonymous “corporate policies”.

The Netflix documentary “The Social Dilemma” is about service providers like Google, Twitter, Facebook and Instagram who have no customer-facing human interaction whatsoever. The difference is they are free and one can choose whether to use them or not (my children may disagree). It is debatable (very soon in court) whether that justifies the more egregious of behaviour patterns. My argument though is that sadly, the principal purpose of the vast majority of (if not all) technology investments seems to be “cover your backside”, not an improvement of customer satisfaction.

And no, you in big business don’t need to agree with me. You may be protected by a cushy bank or telecoms licence and have agreed with your fellow cartel members that you will all do exactly the same, so your customer service is equally poor. But I am a paying client, and I deserve better.



■ By Ralph Ybema, Managing Director at China Law & Tax
www.chinaltd.nl

E-commerce in a green world

In today's world, with COVID-19 raging through the world, it is no surprise that the digital demand for goods and services has exploded. E-commerce was already growing strong, with digital ordering and delivery at home; easy as ABC!

However, at the beginning of 2018, the Government in China already foresaw a couple of issues here: what to do with the packaging waste? How to produce more sustainable packaging products to reduce waste? And how to prevent using natural resources like trees, as you need them for producing paper to turn into carbon board?

The problem is huge. In 2018 over 130 million packages were distributed on a daily basis in China, of which roughly 50% is carbon board. It has risen significantly since, and numbers in Hong Kong have grown as well.

are interested to find ways to reduce their cost. Package manufacturers are keen to understand to stay in business as the number of packages to be used will be reduced, but the price of a package will go up. Transport companies will be tasked to return the package, how will that be done?

The role of governments requires a level playing field that only a government can provide, by law, regulations, enforcement and to impose this to all players in this branch. It will prevent that companies will only be interested in their own role, with a risk that several different systems will be established, creating an indispensable industry. At the same time, they can be provided with data to monitor the process.

E-commerce companies want a competitive advantage if they can use a cheaper way of packaging, of course. Just a theoretical example: Suppose a standard carbon board package will cost 10 HKD. A more sustainable package may cost 100 HKD. But if it can be used 20 times, the package would cost only 5 HKD. These efforts need a closer look to build a sustainable business case with all costs involved. But early signs tell us it is worth the effort and can be done.



See: design by Dröge & Van Drimmelen/Dr2, Netherlands/Shanghai, 2018

Initiatives to tackle this issue have been undertaken. Companies signed up for an effort to do something, and the Government at State and Provincial level were involved. Simultaneously, using 'circular economy ready' packaging was woven into the effort, although there is not much available yet to implement.

The slide above demonstrates the items involved to organise a process to the benefit of all players: governments, e-commerce companies, package-manufacturers, transport companies, to name a few. It shows that things can be done.

Each of the parties has their own interest. The government wants to have an overview of how this will result in less waste and less or no use of natural resources. E-commerce companies

The transport companies need a solution where to return the package. Once the owner of the package can be identified (data management), the package can be returned and re-used by those who invested in the package.

It may sound simple, but if there is the will to solve this, it's time, now more than ever, to explore this and create solutions. For the benefit of a Greener World.



■ By Bernard Scheffens, CEO at WSS Asia Ltd
www.wss-asia.com

Passing the Pen

Name: Arjen Vogel

Organisation: Security Research Labs Limited

Email: arjen@srlabs.hk



Arjen Vogel

Who am I?

Born back in 1991 in Almere, one of the youngest cities in the Netherlands, I have been living in Hong Kong with my girlfriend Annemarijn for over two years now. We feel lucky to be part of this amazing city and enjoy the combination of the metropolis and nature. During the weekends, I like to hang out with friends, explore new parts of Hong Kong or just read a book on the beach.

My professional background is:

To complete my Master Degree's International Relations and Military Strategic Studies, I interned at the Security Cluster of the Dutch Embassy in Jakarta (Indonesia) at the beginning of 2017. After a great six months at the Embassy, I was offered the opportunity to join a start-up that produced and sold multi-vitamin gummies across Indonesia. In my role, I was responsible for Business Development and Analytics and I travelled frequently to Shenzhen to build a gummy dispenser we placed at offices as part of our Corporate Health Programme.

I moved to Hong Kong because:

During my time in Shenzhen, I would spend the weekdays in multiple factories to oversee the production and visit Hong Kong during the weekends. Hong Kong's countless outdoor activities, its extensive and punctual public transportation, as well as the low levels of pollution, stood out in stark contrast to Jakarta. Simultaneously, I realized that I wanted to work in the information security field and left my job. After convincing Annemarijn to travel to Hong Kong for two weeks at the end of 2018, she also instantly fell in love with the city and we started to apply for roles here. After many coffees and introductions, we both got offered great positions.

I work for:

While applying for roles, I mostly targeted information security companies and eventually got in touch with Security Research Labs, a hacking research collective and consulting think tank.

We strive for impact through cutting-edge research, high-impact consulting projects, and innovative SaaS products.

As a Security Consultant, I work with Fortune Global 500 clients in the APAC region, driving implementation and execution of security strategy projects. Besides this, I support the Product and Technical Sales team of our vulnerability management platform Autobahn. With Autobahn, we help companies detect and remediate vulnerabilities by giving them the hacker's view of their network. We do this externally by discovering and scanning all internet-facing assets (e.g. websites, servers, S3 buckets, etc.), as well as internally by deploying probes into the network and scanning from there.

My most remarkable work story is:

The development of the multi-vitamin gummy dispenser started in a local Indonesian workshop: the first prototype was built from cardboard, tape, and a motor from an electronic toy train. This evolved into a twenty-kilogram machine that we brought by plane to Hong Kong. With the prototype on a trolley, I jumped into a fast taxi to the border with Shenzhen, hauling it through customs while being questioned what I was bringing in. Luckily, it got through and during the following week, I visited ten different factories together with a translator as I did not speak Mandarin. I negotiated quantities, production times and prices while the prototype did not leave my sight and even came to the hotel rooms with me. An extraordinary experience that taught me to persevere even when the odds are against you.

I find most of my business contacts through:

Meetups and conferences (pre-COVID19, but hopefully soon again), as well as online platforms like LinkedIn.

One day I will be:

Fit, happy, healthy and ready to compete in my first triathlon!



China's new e-commerce law: Highlights

China has one of the largest, most developed and active e-commerce markets in the world. Since its birth, this market has not been systematically nor properly regulated by legislation.

Issues such as fraud and IP infringements occur in this market from time to time due to the lack of transparency and regulation. To protect the rights of the parties within the e-commerce market and to maintain its healthy development, China passed a new e-commerce law which came into force on 1 January 2019 ("e-commerce law").

The e-commerce law applies to all sales of goods or provision of services via the internet other than financial products & services, content and publication services. It imposes various obligations on persons operating the e-commerce platform (i.e. Alibaba group and JD group) as well as vendors on such platforms and vendors operating their own websites ("e-commerce operators").

Under the e-commerce law, e-commerce operators are now required to register themselves as market entities and publicise their business licence prominently on their webpages. Platform operators further have a duty to verify the information and the licence provided by vendors on the platform and to remind vendors to complete the registration. This measure will assist IP owners in identifying infringers without needing to apply for discovery orders from the courts.

Further, if a platform operator knows or should know that the goods or services provided violate the rights and interests of consumers or IP rights of others, it is required to take rectification measures which include delisting the products, blocking the vendors and/or terminating the transactions. Failure in doing so may cause the platform operator to be jointly and severally liable together with the vendors and subject to a further fine of up to RMB2,000,000. The absence of actual knowledge is not a defence.

An IP owner is now also entitled to file a complaint with the platform operator against any infringement by vendors on its platform, with preliminary evidence of the infringement in support. The platform operator should then promptly implement the rectification measures mentioned above and forward the

notice to the relevant vendor. A notice containing wrong or malicious accusations will render the complainant liable.

A vendor subject to rectification measures can also issue a counter-notice to the platform operator with preliminary evidence of non-infringement. The platform operator shall forward the counter-notice to the IP owner and should withdraw rectification measures if the IP owner fails to file an administrative complaint or legal proceedings within 15 days.

The e-commerce law represents China's latest effort to tackle IP infringement and enhance consumer protection on e-commerce platforms. Of course, this piece of legislation is not perfect and various issues require further consideration and clarification. For instance, it is unclear if transactions on social media will be covered, smaller platform operators and vendors may not have the resources to comply with the stringent requirements, the 15-day time limit for IP owners to start a claim is insufficient and the counter-notice mechanism may be maliciously used by infringers to undermine the efforts made by the IP owners.

The actual impact of this law is yet to be seen and the industry is looking forward to further implementing rules and regulations and court decisions for interpretation. Meanwhile, all stakeholders are recommended to seek proper advice and adopt necessary measures for prompt compliance.

Disclaimer: This publication is general in nature and for your information only. It is not intended to constitute legal advice. You should seek professional advice from PRC lawyers before taking any action in relation to the matters dealt with in this publication.



■ By River Stone
Partners at Tanner De Witt
www.tannerdewitt.com

House of spirits

Hong Kong is full of interesting buildings with a colourful history and interesting reputations. The travel restrictions present an opportunity to explore more of these historical buildings. Sadly, a number of these buildings were the scenes of horrors committed during the Second World War.

Built in 1844, Murray House was designed to be the officers' quarters next to Murray Barracks, the British Army barracks for all troops stationed in Central and Admiralty. The complex was named after Sir George Murray, a Scottish aristocrat and military officer with a distinguished track record. He fought in many battles during the Peninsular War (1807-1814, in which Spain and Portugal, assisted by the United Kingdom, fought against the invading and occupying forces of France under Napoleon for control of the Iberian Peninsula), and his task as Quartermaster General (responsible for logistics ensuring that all troops had all the needed supplies) was crucial in the victories. He later became Master General of the Ordinance, one of the most senior positions in the British Military, responsible for all of the British artillery, engineers, fortifications, military supplies, transport, and field hospitals worldwide.

During the "Three Years and Eight Months" Japanese occupation of Hong Kong in the Second World War, Murray House was used as the command centre by the Japanese military police, the notorious Kenpeitai. This unit was a combination of military police and a secret police corps, amongst other things responsible for arresting, torturing, and killing suspected of anti-Japanese elements. It is rumoured that over 4000 Hong Kong citizens were tortured and murdered in Murray House during this period. After the war, several government departments used the building as offices, but soon the stories of the building being haunted spread and persisted. The building was therefore exorcised twice: in 1963 and once again in 1974. Such was the strong belief that the building was haunted, that the government even arranged for the 1974 exorcism to be televised to comfort the Hong Kong population.



Murray House, Stanley



Nam Koo Terrace, Wan Chai

In 1982 the building was carefully dismantled stone by stone, each piece was numbered and registered like a giant jigsaw puzzle to make way for the new Bank of China. It was not until 2001 that the reconstruction of the building started in Stanley, with the re-opening in 2002. Many of the visitors and diners now will not be aware of the history and exorcisms needed to enable them to enjoy this building.

Another building with a Japanese occupation dimension is in Wan Chai, on Ship Street. Number 55 Ship Street is a rather large villa called Nam Koo Terrace, built around 1915 for a wealthy Shanghai merchant family called To.

In 1982 the building was carefully dismantled stone by stone, each piece was numbered and registered like a giant jigsaw puzzle to make way for the new Bank of China.

To Chun-man first leased the land and started construction of the villa in 1915. He was at that time a senior salesman for Wing On Company Limited: his official title was Chief Chinese Silks Salesman. His status in society was further underlined by his activities as a member of The Chinese General Chamber of Commerce and Secretary for the Commercial Chamber of The Heung Shan District. The villa when completed was locally known as the "Red Villa" due to the red brick stones used in construction.

The Japanese military also took over Nam Koo Terrace during the occupation and it was transformed into a military brothel, or "comfort house" for the Japanese Army. Many young women

During the period of neglect and vacancy, many curious visitors entered the land and the abandoned villa

were beaten, raped, and murdered during this period. After the war, the To family regained possession and they finally sold it to a property developer in 1988. It ultimately became property of Hopewell Group in 1993, who in typical Hong Kong fashion wanted to demolish it and build a tower to house a new luxury hotel. A very lengthy discussion ensued between the property developer, the local community and the relevant government authorities.

Finally, in 1996, Nam Koo Terrace received the status of a Grade I Historic Building from the Antiquities Advisory Board due to its historical and architectural importance in Hong Kong. As no evident alterations had ever taken place within the structure, the building retained its authenticity, it was therefore considered a building of notable cultural value. However, the historical significance of the site has not always been acknowledged by the local community, causing it to fall into disrepair over the years. Serious neglect has ultimately left the building in sufficient need of renovation which is finally underway.

During the period of neglect and vacancy, many curious visitors entered the land and the abandoned villa, including at some point homeless squatters. It was during this period that stories in the local press were published about people having seen ghosts and hearing screams of women at night.

The most famous incident occurred in November 2003, when a group of eight middle school students attempted to stay overnight on the Nam Koo Terrace property. They wanted to see if they could spot any ghosts. Clearly, something did happen, as three of the female students believed they had been attacked by a ghost, and become so emotionally unstable that the police had to send the three girls to hospital to receive psychiatric treatment.

Hopefully, the renovation will do the trick and all will return to calm in Nam Koo Terrace, just like the case has been with Murray House. At least that is what we are told!



■ By Daniël de Blocq van Scheltinga,
Managing Director at Polarwide Ltd
www.polarwide.com

More Power to You

World-leading, specialised administration services in over 30 jurisdictions, delivering the power you need to succeed.

**Navigate the complexity.
Accelerate the possible.
Unleash the potential.**

Fund Services
Corporate Services
Capital Markets Services
Private Wealth Services

INTERTRUSTGROUP.COM

Regulatory information is detailed on intertrustgroup.com/legalnotice

The Consulate General of the Netherlands promotes Dutch business interests in Hong Kong

The Consulate General (CG) of the Kingdom of the Netherlands is the diplomatic representation of the Netherlands in Hong Kong and Macao. The CG is part of the Dutch diplomatic network in China, also consisting of the Embassy in Beijing and Consulates-General in Shanghai, Guangzhou and Chongqing. Finally we have Netherlands Business Support Offices (NBSOs) in Chengdu, Dalian, Jinan, Qingdao, Nanjing and Wuhan. We invite all Dutch businesses to reach out to us and make use of this extensive network.

Our objectives

- Serve the interests of the Netherlands in Hong Kong and Macau.
- Strengthening bilateral cooperation between the Netherlands and Hong Kong and Macao, including on trade and economics.
- Assisting Dutch companies, especially SME's, in accessing local markets.
- Anticipate and act upon business opportunities in Hong Kong and Macao for Dutch companies.
- Attract investments to the Netherlands.

How we can help

- Providing information on business and living environment in Hong Kong and Macao.
- Providing sector specific business and market information.
- Connecting Dutch Business people to our extensive network of government authorities, companies and organisations, both locally, in mainland China as well as in the Netherlands.

CONTACT US

Website: www.nederlandwereldwijd.nl ; www.netherlandsandyou.nl
E-mail: hon-ea@minbuza.nl
Facebook: Netherlands Consulate General in Hong Kong and Macao SAR



Back in the ring

“So how were the holidays?” I asked David when I saw him on Zoom for his first coaching session of this year. “I’m not sure, I had many doubts over Christmas: Am I doing the right thing to manage this project?”

David was assigned a major engineering project last November. The previous manager had left a mess, the team seemed disengaged from yet another manager on the project and David was struggling to get things under control. In addition, COVID had not particularly helped to get to know the people in his project team better, as most of them worked from home.

“There’s a senior management meeting coming up next month where we have to present our progress so far,” continued David, “I don’t have all the numbers yet, there is still so much prep work and some of the people on the team just don’t seem to care.”

“Sounds like there’s a lot on your plate right now, how can I help?” I said.

“I always overprepare, as I don’t like not having an answer, but I have to find a better way because it takes too much time, I have to become more flexible.”

This often happens when our circumstances seem complex, there’s no sign of ‘real’ progress and we feel we’re not even close to achieving our goals (Hey, isn’t this where most of us were at some point during the pandemic?). Then, when people aren’t really sure of themselves, they start blaming themselves or other people. It’s like being in a boxing ring where we are constantly trying to defend ourselves so as not to get punched in the face. We only focus on our defence.

But how can there be any energy left to work on a winning strategy while all we do is trying not to lose? No wonder people get caught up in the feeling that they are ‘not good enough’ and constantly compare their selves to others or where they think they ‘should’ be. They create their own world in which they justify why things are as they are and start believing that this world is actually real.

Human beings are so incredibly creative when it comes to inventing their own realities. When stress, emotions, external pressures and overthinking are about to take over our lives, the first thing that helps us is to slow down, breathe and look at



the facts: What is true and what is made up by ourselves (our assumptions, limiting beliefs, judgements)? Let’s also eliminate any rejection stories (“I’m not good enough”). Rejection does not exist in the real world, it’s a story we built ourselves.

So David and I got into a conversation about what was fact and what was his story. How he could get out of his head, stop taking everything personally and add a little lightness and fun. How could he still be sincere and committed and not take life so seriously? We also took a closer look at David’s team. How could he find ways to manage people, who also all live in their own reality? How clear was he about the direction he wanted to take, how clear was his team and were people bought-in and engaged into actually going there as well? How could he find out what was ‘fact’ and what were ‘stories’ when it came to his people?

If you have an engaged team who has their thinking mostly out of the way and their mind focussed at the direction you want to go, you can do as well as can possibly be done. I’m sure David will get the project back on track.



■ By Liesbeth van der Linden
Leadership Coach at GLTD Ltd.
www.gltd.co

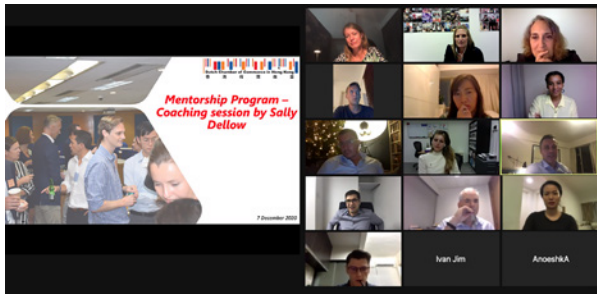
Dag van de Ondernemer 2020

20 November 2020



Mentorship program coaching session by Sally Dellow

7 December 2020



DANIEL VAN DALEN WINS THE SHOOTING STAR AWARD 2020!

WE ARE EXTREMELY PROUD TO ANNOUNCE THAT DALENDESIGN - MEMBER OF DUTCHCHAMHK - HAS WON THIS YEAR'S HONG KONG SHOOTING STAR AWARD 2020. DANIËL VAN DALEN - CEO OF DALENDESIGN - RECEIVED THIS RECOGNITION ON TUESDAY 15 DECEMBER.

DALENDESIGN - AS A FRESH YOUNG ORGANISATION - IS AN EXAMPLE HOW A START-UP CAN BE INNOVATIVE, CREATIVE AND CORPORATE SUSTAINABLE TO RUN THEIR DAY TO DAY BUSINESS.



Nina Spoelstra

Freelance photographer

My name is Nina Spoelstra and I am a freelance photographer specialising in portraits. Love is a beautiful thing, it has brought me to Hong Kong and therefore gave me the opportunity to capture more of the world and the people in it.

The photographs I create are about you, for you. We are all unique and my strength lies in capturing that authenticity we all have within us. Want to find out more about me and my work? Check out my website or Instagram

Website: www.ninaspoelstra.com, **Instagram:** @nina_spoelstra



Pieter Hoppenbrouwers

Manager, Eggerding Asia Limited

Eggerding Asia Ltd. was founded in 2006 as the Asian gateway for the Eggerding Group's operations. Headquartered in the Amsterdam, the Netherlands, for more than sixty years we have been supplying and supporting our clients and networks in the procurement, processing and logistics of industrial minerals. With global presence and offices in Europe, Africa, Asia and South America, we provide raw materials for glass, ceramics, steel, welding and foundry. By maintaining a short supply chain we are able to offer quality; swiftly and economically.

As a consumer you'll find our products all around you: the window you look through, the structure of the building you live in and the plate you eat off of!

Are you interested in what we can do for you and how we can grow together, or you want to catch up? Feel free to get in touch – I look forward to meeting you.

Mobile: +852 9858 8639, **Website:** www.eggerding.com



Noah Chong

Lawyer / Legal Consultant, Lawyers on Demand Hong Kong Ltd.

Quooker Hong Kong Limited

Travis Lee – Country Manager

We are an independent, member-driven, non-governmental, non-profit business association which serves to facilitate business in Hong Kong and Greater China for its members by providing networking, knowledge sharing and company profiling opportunities.

As the representative body of Dutch business in Hong Kong, we maintain close relationships with both the Dutch and the Hong Kong SAR governments.

DUTCHCHAM GOLD MEMBERS



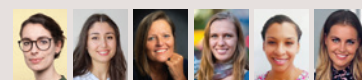
MEMBERSHIP & ANNUAL FEES

• Gold Member	HK\$ 20,000
• Corporate Member	HK\$ 8,500
• SME Member	HK\$ 3,500
• Associate Member	HK\$ 3,500
• Young Professional	HK\$ 750
• Start-up Member	HK\$ 1,750
• Overseas Member	HK\$ 2,500

JOINING FEE WAIVED FOR 2020

DUTCHCHAM COMMITTEES

PR & Pub Committee



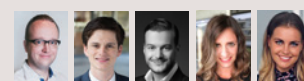
Rinske Kuiper (Chair) • Zuba Adham-Bos (editor) • Monique de Raaij
• Annemarelle van Schayik • Nerice Gietel • Emily Tunderman

China Committee



Michiel Mak (Chair) • Rogier van Bijnen • Ewout Stumphius • River Stone
• Annemarelle van Schayik • Quinten Kah • Wouter Baan • Muriel Moorrees

SME Committee



Jeffrey Broer (Chair) • Paul Du Long • Iwan Lubberts • Madelon van de Ven
• Emily Tunderman

Tax Committee



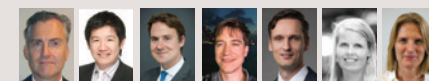
Willem Jan Hoogland (Chair) • Eric Kampman • Miranda Baas • Jerry Lin
• Emily Tunderman

Women in Business Committee



Maaïke van Meer • Claire Worp • Emily de Bruijn • Sandra Wu
• Nerice Gietel • Kashmira Daryanani • Muriel Moorrees

Finance Committee



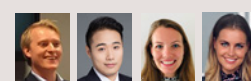
Sander van den Berg (Chair) • Lapman Lee • Bram van den Bergh
• Rogier Hekking • Hugo Sterkenburgh • Esther Verhoek • Muriel Moorrees

Creative Committee



Marcel Heijnen (Chair) • Anoeshka Krijnen • Annemarijn de Boer
• Emily Tunderman

Young Professional Committee



Thom Schuite • Jerry Lin • Julietta van der Ploeg • Emily Tunderman

GAINS ON ALL FRONTS

#FINANCETHEFUTURE

In business, 'gaining' is more than just making money.

It also means contributing to a better environment and society.

As an international bank serious about sustainability, we want to help you win with financing and making your company more sustainable.

abnamro.com



ABN•AMRO

PHILIPS

Hair Dryer Prestige

Unique hair. Unique care.

The new Philips personalized hairdryer with **SenseIQ** and digital infrared sensor for beautiful, shiny hair. There's always a way to make life better.



innovation  you

BHD827/03

Enquiries: 2619 9663
www.philips.com.hk