

LT. GOVERNOR MOLNAU TO LEAD DELEGATION TO CHINA -- March 30, 2006

Lt. Governor Carol Molnau will lead an official delegation to China's Shaanxi Province April 1-9, to explore new ways of building Minnesota's relationship with its "sister state."

"Our trip will pave the way for new business, academic, cultural, and humanitarian partnerships in Shaanxi," said Lt. Governor Molnau. "We will further our goal of fostering meaningful and lasting connections between Minnesota and China."

Last November, Governor Tim Pawlenty led a 200-member delegation to Beijing, Shanghai and Hong Kong. That mission and the Lt. Governor's trip are an outgrowth of the Minnesota-China Partnership, a statewide initiative to promote the state's relationship with China on many fronts.

A recent survey of participants in the November mission showed many successes. Among the preliminary findings:

- The World Biofuels Symposium co-hosted by the Minnesota Department of Agriculture was considered so successful that another symposium is being planned for November 2006 in Beijing. China is following up with plans to send two biofuels delegations to Minnesota this year to continue dialogue with members of the state's biofuels industry.
- A manufacturer of glove systems and material transfer systems for the pharmaceutical industry reports the company soon will be making its first sale in China. The sale is estimated at \$250,000.
- A manufacturer of exploration drills reported finding a distributor for its product in China.
- Another manufacturer credits the mission with enhancing his credibility with a potential Chinese partner and has now negotiated a memorandum of understanding that will help establish a factory in China.
- An environmental company used the mission as a catalyst for signing its first distributorship agreement with a partner in Hong Kong, which also may offer access to the market in Mainland China.

The survey also found that 97 percent of participants thought the mission was well worth their time and money, and 79 percent rated the mission as "Excellent" in overall quality.

Minnesota's manufactured exports to China have risen dramatically, exceeding \$1.15 billion in 2005 - an increase of 71.3 percent over the prior year. The state was the nation's 8th largest exporter to China (including Hong Kong) in 2005,

up from 18th largest in 2004.

Minnesota's annual total exports, which include manufactured goods, services, and agricultural commodities, are estimated at \$22.4 billion.

Lt. Governor Molnau will be the most senior Minnesota official to visit the Chinese province since shortly after Minnesota and Shaanxi formalized their relationship nearly a quarter century ago.

"We've had a long-distance relationship for too long," said Lt. Governor Molnau. "It's time for us to meet face-to-face again and reaffirm that our relationship is more than paper, it's people."

The Lt. Governor and Chinese officials will also discuss how best to celebrate the 25th anniversary of the signing of the Minnesota-Shaanxi Sister-State Agreement, which takes place next year.

The bond between the state and the Chinese province was cemented in October of 1982, when Governor Al Quie and Shaanxi Governor Yu Mingtao formalized the agreement in St. Paul. Governor Rudy Perpich visited the province in 1983.

The U.S.-China People's Friendship Association of Minnesota is the executive agent for maintaining the state's relationship with Shaanxi Province. Representatives of the association are on the official delegation.

The Lt. Governor's mission also includes a small contingent of government, business, academic and civic leaders. A delegation list and itinerary is attached.

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Official Delegation

Tony Lorusso Executive Director Minnesota Trade Office

Paul Swenson Director Council of Great Lakes Governors - Shared China Office

Mary Warpeha President U.S. - China Peoples Friendship Association of Minnesota

Dong Li Chair, Shaanxi Sister State Committee

U.S. - China Peoples Friendship Association of Minnesota

Caryn Lindsay Director of International Programs Minnesota State University - Mankato

Chuck Nuckles Associate Professor Concordia University

Tony Simmons Program Director High School for Recording Arts

Alice Lenzmeier Commercial Real Estate Appraiser Lenzmeier Real Estate Services

Wang Hao Chief Representative – Beijing Office Chinese American Business Association of Minnesota (CABAM)

Itinerary Cities: Shanghai and Xi'an

Dates: April 1-9, 2006

- . April 1 (Sat): Depart Minnesota
- 0. April 2 (Sun): Arrive Shanghai
- 0. April 3 (Mon): Activities in Shanghai
- 0. April 4 (Tue): Travel to Xi'an (capitol of Shaanxi Province)
- 0. April 5-7 (Wed - Fri): Activities in Xi'an and surrounding area
- 0. April 8 (Sat): Travel to Shanghai
- April 9 (Sun): Return to Minnesota