

AmCham China – Best Practice Sharing Webinar

From China to the US: Best Business Practice Sharing amid the COVID-19 Pandemic

March 27th, 2020

Useful Links:

- Link to replay the whole recorded event from the beginning: <https://bit.ly/2WBBIH6>
- Full presentation deck on top recommendations from foreign companies in China for US-based companies during the COVID-19 pandemic: <https://www.amchamchina.org/news/free-20-recs-for-us-business-during-covid-19>
- AmCham China's two pulse checks / survey reports on how their members are doing in China in light of the outbreak: <https://www.amchamchina.org/about/press-center/amcham-statement/firms-detail-covid-19-impact-as-recovery-continues>

Take-aways from opening remarks / panel:

- Main challenges reported by AmCham China:
 - Safety of employees
 - Restoring operations back to normal
 - Supply chain related issues
- Panelists acknowledged the challenge as balancing between health support and business continuity plans.
- The importance of HQs was recognized in providing consistency to local / regional operations (*e.g. bringing resources not available at the local level – buying masks*) – “companies do not have to reinvent the wheel but rather engage with existing practices”
- A U.S. company shared best practice as breaking mitigation to-do's into smaller task forces (*e.g. internal communications, external communications, people tracking, expats and families, medical supplies*)
- A U.S. company shared best practice as having multiple communication channels – both top-down (*from the CEO to country heads*) as well as bottom-up (*employees to country heads*).

Take-aways from the Q&A Session:

- In terms of the effects on the global supply chain, a U.S. Company shared that such effect depends on what the supply chain concerns / how complex it is. Companies need to look at their suppliers' operations and challenges as well as at parallel supply chains that feed into their final product. AmCham China underlined the method they used in their final Covid-19 survey.
- In terms of how China can collaborate with the U.S. with regards to Covid-19, a U.S. Company emphasized that communication between the scientists, clinicians and Ministries of Health of the two countries would prove beneficial.
- New revenue opportunities possible by technology amid Covid-19 have been delineated as: additional capability enhancing tools in remote working, e-learning, digital health, AI, 5G connectivity, autonomous delivery vehicles.

ACE Call hosted by AmCham Netherlands featuring AmCham China

COVID-19 | Business Insights from China

April 3rd, 2020

Useful Links:

The presentations and reports discussed during the webinar, can be downloaded on AmCham China's website:

- [Top recommendations for American businesses sourced from China-based executives on the front-lines of the COVID-19 outbreak](#)
- [The results of a Survey that evaluates the impact of the COVID-19 outbreak on AmCham China's member companies](#)
- [Insights on how China remains a top long-term priority for most US companies, despite slowing growth, wider US-China tensions, longstanding business challenges in the country, and the COVID-19 outbreak](#)

Alan Beebe, President of AmCham China:

China has adopted harsh measures to minimize cases and second wave:

- Lockdown
 - Public transportation is suspended
 - Closure of schools, public places and offices
 - People are prohibited to go out without masks
 - Temperature checks
 - Central government delegated policies to local level
- *In China, schools are still closed. Offices are open again; mask is a must and a maximum number of employees should be 20.*

Major COVID 19 Challenges Foreign Companies Facing in China:

- Ensuring safety of employees
- Procuring enough protective gear
- Staff WFH with low internet connection
- Domestic travel restrictions
- Manufacturing with strict regulations
- Sharp drop in demand and revenues
- SME suppliers are hard hit by collapse in economy

Recommendations for Businesses in America / Other countries:

- Protect your workforce
- Identify and mitigate risks
- Adapt to a 'new normal'
- Engage your community

Andrew Scott, Policy Analyst of AmCham China:

Impact of COVID-19 in Business in China (including survey results):

- Early 2020 was already a challenge in terms of revenues and profitability. At the same time, there were improvements on regulatory environment. US-China relationship is a top concern.
- Companies are pessimistic and regulatory challenges remain.
- In Feb-March, disruption is caused by COVID-19. Half of the members reporting in the survey are experiencing revenue decrease. (150 companies out of 1000)
- 57% of respondents said they expected 2020 China revenues to decrease if business cannot return to normal before April 30.
- 60% say 2020 revenues will decline between 10-50% or more if business cannot return to normal before August 30.
- 68% of member companies are facing domestic travel restrictions.
- 50% are experiencing significant revenue declines.
- 39% reported that demand for their products is down.

WFH Policies:

- Most of the respondents say 100% of staff continue to work from home.
- 30% report over half of employees have returned to the office.

Resuming Operations:

- 22% already resumed normal operations.

SMEs and Supply Chain:

- SMEs are being affected by Covid more than big companies.

Impact on Investments:

- 40% will maintain planned investments in 2020.

Government Policy Responses:

- Respondents continue to seek actions from the Chinese government regarding tax alleviation and clear, consistent policies.

Business Assistance to Fight COVID-19:

- 87% have provided some form of assistance - donations, technical expertise.

Key Take-aways from the Q&A:

- **Measures** vary by region. It is localized. Most factories are back to work but not working full capacity. Most offices are open but with a very few staff. Measures are still quite severe.
- **Most effected sectors:** 4 main sectors; technology, resources in industrial, consumer goods and retail
- **Chinese Economy:** Economy's hit hard by Q1. Economic growth decreased but it may decrease more.