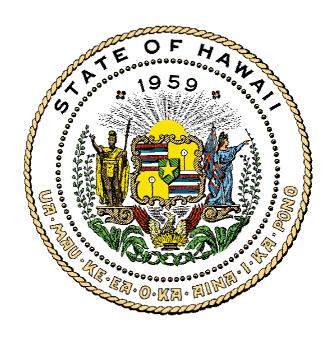
State of Hawaii's Sister States/Cities

A Report to the Hawaii State Legislature

January 1, 2005 - December 31, 2005



Strategic Marketing & Support Division

Department of Business, Economic Development

& Tourism

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1. Background

Hawaii is truly an international place. The State's location in the middle of the Pacific Ocean, the influx of immigrant workers during the latter half of the 19th century and the more recent immigration from East and Southeast Asia, coupled with the large number of annual visitors created a cosmopolitan community with a global outlook unparalleled in the United States. Hawaii residents have an appreciation of, and sensitivity to many different cultures. This international spirit led to a myriad of cultural and educational initiatives, and a rapidly growing awareness of global opportunities and the rapid growth of Asian economies. In short, Hawaii is ideally positioned to take advantage of its location, its assets and its reputation as an international center.

Among the international initiatives the State pursued in recent years is a Sister State/Province program. Affiliations between American cities, counties and states and cities, and their international counterparts began shortly after World War II and developed into a national initiative through President Dwight D. Eisenhower's "People-to-People" program in 1956. The Program brought individuals and organized groups at all levels of society together, with the hope that personal relationships, fostered through sister city, county and state affiliations, would contribute to world peace. In 1967, Sister Cities International (SCI), a non-profit corporation based in Washington, D.C., was established to "strengthen partnerships between U.S. and international communities." To gain the SCI's support, a community was required to follow their policies. One of these policies discouraged a community from having more than one sister in a given country.

The first "twinnings" were established to create friendship and cultural ties through exploring other cultures, and were characterized by exchanges of performers and other entertainers who were "ambassadors" of goodwill. The sister relationships were often initiated by legislators or civic organizations wishing to acknowledge immigrant origins and enhance awareness in their particular communities.

In 2001, Sister Cities International changed its policy to allow its members more than one sister in a country. Its membership grew to 700 United States communities and 1800 international communities totaling 2,500 partnerships. The goals expanded to embrace government, business, professional and technical exchanges and projects. Indeed, business creation and investment opportunities are major objectives of SCI programs.

SCI now offers "matchmaking" services linking its members for sustainable economic development, as well cultural purposes. Both Maui County and the City & County of Honolulu are SCI members, but the State is not.

The Office of International Relations

To organize and standardize the Sister-State process, in 1989, sister relationships were placed under the State Office of International Relations (OIR). In 1992, Act 101, 1992, Session Laws of Hawaii, mandated that the Office "shall develop criteria by which sister-state agreements shall be established, and shall be the lead agency to implement each sister-state agreement."

Policy

In 1993, OIR recognized that, in establishing sister relationships, economic benefit should be coequal to the "historic purposes of friendship, cultural ties, and goodwill. Consequently any Sister-State relationship must provide clear economic benefits." An OIR report stated that Hawaii's Sister-State Policy should be based on:

- Strong evidence of interest by the potential Sister-State;
- Clear prospects for mutual economic advantage;
- Substantial grassroots support for the relationship;
- A strong record of activities; and
- Expanded cultural, educational and government exchange potential.

Importantly, the report stated:

- Sister-State relationships are partnerships between governments, but require active and ongoing participation by the private sector; and
- Because the State's capacity to manage Sister-State relationships is finite, a means to terminate moribund or defunct relationships should be provided.

Process

The Office of International Relations outlined a process to establish Sister-State relationships.

This was:

- 1. A detailed, 5-page application form filled out after the relationship is proposed. The form included descriptions of geography, economic structure, cultural resources, primary industries, foreign trade and business, and sports.
- 2. OIR makes a preliminary review and forwards the application to the Hawaii Sister-State Committee, which develops a recommendation to the Governor.
- 3. The Governor reviews the recommendation and either holds the recommendation or forwards it to the Legislature.

- 4. The Legislature adopts a concurrent resolution authorizing the Governor to enter into an agreement with the prospective Sister-State.
- 5. OIR and the prospective sister develop the agreement mechanics and language and subsequent program of cooperation.

A key element in the approval process was the Hawaii Sister-State Committee which evaluated and developed recommendations on all Sister-State relationships.

Hawaii Sister State Summit

In 1992, the Office of International Relations convened the first *Hawaii Sister-State Summit* from June 30, 1992 to July 2, 1992. The lightly attended event drew a number of high-ranking officials: the President of the Azores; the Governor of Cheju Island, Korea; the Governor of Hainan Province, China; and the Vice Governor of Fukuoka Prefecture, Japan, in addition to representatives from Thailand, Guangdong Province, China, the Philippines, Malaysia, and Bali, Indonesia.

The Hawaii Sister-State Committee ceased operations with the abolishment of the OIR in 1994. The incoming administration eliminated OIR as part of a cost-cutting effort. Establishing and monitoring sister relationship responsibility shifted to the Department of Business, Economic Development & Tourism (DBEDT), where it presently rests.

Sister Summit 2002

Sister Summit 2002 took place at the Hawaii Convention Center in Honolulu from July 8 to 10, 2002. The Summit represented a major statewide initiative, spearheaded by DBEDT, and actively supported by the economic development departments of Honolulu, Kauai, Maui and Hawaii counties. These agencies utilized their sister relationships to create business opportunities between local firms and overseas companies.

Panel speakers included Hawaii and overseas guests. Importantly, the Governor and the Mayors of all four counties addressed the delegates and highlighted business opportunities in their particular communities. Another important feature was an exhibition area that included displays by both Hawaii and its overseas sister organizations.

After two days of presentations at the Convention Center, sister representatives were invited to visit their particular Hawaii sisters. Many participated in site visits on Oahu and the Neighbor Islands. Oahu site visits included the University of Hawaii and Hawaii Pacific University, Oceanic Institute—Hawaii's preeminent aquaculture research facility, a waste-to-energy plant, and a medical vitrification (medical waste handling) operation.

Although the meeting did not attract a majority of Hawaii's sisters (roughly 20 out of 70 attended) their presence helped identify the most active and committed sisters. Those sisters that did participate represented the state's largest trading partners (China, Taiwan, Japan, Korea, and the Philippines), and both China and Taiwan sent large delegations. More than 200 persons

participated in the *Summit*. The meeting's success may be judged by the representatives' enthusiastic response bring significantly larger delegations to our next *Summit*.

Department of Business Economic, Development & Tourism (DBEDT) new virtual Office of International Affairs

In November 2005, DBEDT launched a revived on-line Office of International Affairs, which included information relating to State and County sisters. The Office provides easier access to sister information; outlines the process to become a sister; lists the latest sister news and events; assists with conference and meeting planning, etc. Access the site by visiting DBEDT's web site (www3.hawaii.gov/DBEDT) and clicking on "Participate in International Markets" and then go to "DBEDT's Office of International Affairs."

2. State of Hawaii's Sisters

Hawaii's experience with sister-state relationships follows the national course. The impetus for initiating a sister tie is often the result of a State or County legislator's resolution with the strong encouragement of particular ethnic organizations. Thus, Hawaii's 72 State and county sisters reflect the various sources of immigration into the Islands.

As of December 2005, the State had 14 sisters. Broken down by country, they include: Japan (4); the Philippines (4); China (3); Korea (1); Taiwan (1) and Portugal (1) listed below, with their establishment date.

| Country | Province/Prefecture | Year established |
|----------------------|---------------------|------------------|
| Japan | Fukuoka | 1981 |
| | Okinawa | 1985 |
| | Hiroshima | 1997 |
| | Ehime | 2003 |
| Greater China | Guangdong | 1985 |
| | Hainan | 1992 |
| | Tianjin | 2002 |
| | Taiwan | 1993 |
| Philippines | Ilocos Sur | 1985 |
| | Cebu | 1996 |
| | Pangasinan | 2002 |
| | Ilocos Norte | 2005 |
| Korea | Cheju Island | 1986 |
| Portugal | Azores Islands | 1982 |

3. Legislative Activity 2005

The House and Senate of the 2003 Legislature approved resolutions calling for sister ties with Ilocos Norte Province in the Philippines. In January 2005, Governor Ferdinand Marcos, Jr. signed the agreement in Loag, the capital city. The 2005 Hawaii State Legislature approved the sister relationship. On February 1, 2005, Governor Linda Lingle signed the agreement and Ilocos Norte became Hawaii's 14th sister.

The House approved resolutions that called for sisterhood for Thua Thien-Hue Province, Vietnam in 2000, 2001, 2002, 2003 and 2004, but the Senate did not grant its approval. In 2005, the House Committee on International Affairs once again proposed the sister relationship by introducing HCR 065, but this was held in committee.

To better focus and strengthen the future sister relationships, the House Committee on International Affairs introduced HB 793 ("Relating to sister-state agreements") which stipulated that sister-state agreements should "consider and consist of strategic and mutually beneficial trade ties or cultural, artistic, or educational exchanges in the form of points of agreement and the activity of sister state agreements must be monitored to reinforce and invigorate them when needed." The bill passed first reading of the House to become HB793, HD 1, but was held in committee. According to Committee Chair Helene Hale, there were concerns over cost.

4. New Sister Initiatives

Three Taiwan Counties

I-Lan, Hualien and Taitung Counties located on the east side of Taiwan indicated a desire to develop their tourism industries and establish deep-ocean water facilities modeled after the Natural Energy Laboratory of Hawaii Authority's (NELHA) at Keahole Point on the Big Island.

In 2004 and again in 2005, increased economic activities between the State of Hawaii and the three counties could possibly lead to sister relationships or Memoranda of Understanding (MOU) relating specifically to economic and business activities. These relationships could result in closer ties, and increased investment opportunities. On April 20, DBEDT's Office in Taipei organized a seminar promoting Hawaii's deep-ocean water technology.

Taitung County, with a population of 253,000, is, perhaps, the most multi-ethnic region in Taiwan. The administrative areas are divided into one city, 2 villages and 13 townships. The wide variety of distinct ethnicities enabled this extraordinary area to nurture an even more unique culture. Their principal economic activities include: agriculture (40.85%); services (23.52%); manufacturing (11.39%); business (9.56%); and tourism (2.06%).

Two projects of particular interest to Taitung are: 1) a NELHA-type facility incorporating aquaculture farms, and 2) a themed visitor attraction: the Austronesian Cultural Park of Taitung County. A six-person delegation from Taitung, headed by Professor Earl-Juei Wang, visited Hawaii from January 11, 2004 to February 6, 2004, to discuss planning and construction of the

deep-ocean pipeline and development of tourism projects with local companies. Taitung is also looking to Hawaii for expertise in developing the Cultural Park and related facilities and received a pledge of up to US \$900 million in funding from the Government of Taiwan. The Polynesian Cultural Center in Laie is consulting on this and other projects.

In 2005, a Hualien County initiative was spearheaded by Taiwan Fertilizer Company, one of the province's largest and most important businesses. The company invited Hawaii firm—Makai Ocean Engineering—to submit a design and construction proposal for a deep-ocean pipeline, a contract valued at \$8 million. During the year, Makai visited both Hualien and I-Lan Counties to inspect possible sites.

I-Lan County Officials toured NELHA on March 20, and also visited Makai at its Makapuu Point office.

Thua Thien-Hue Province, Vietnam

As noted earlier, the House International Affairs Committee repeatedly and unsuccessfully sought to establish a sister relationship with Thua Thien-Hue Province. On February 18, 2005, Chairperson Helene Hale again introduced legislation to achieve the sister relationship with Thua Thien-hue through HCR 065, and once again gained strong support from the Vietnamese business community, DBEDT and others. The resolution failed due to strong opposition from U.S. Vietnam veterans, led by U.S. Memorial Cemetery of the Pacific Administrator and Vietnam veteran Gene Castagnetti. The veterans were concerned about Vietnam's human rights record, the trafficking in women and children and other issues.

Chairperson Hale plans to reintroduce legislation in the 2006 legislative session. She met with current U.S. ambassador to Vietnam, Michael W. Marine, who notes that the opponents' concerns to the sister relationship are being addressed.

Thua Thien-Hue, with the imperial capital city of Hue, is one of Vietnam's most historically important provinces. Hue was the nation's capital, from 1744 until 1945, when the last of the Nguyen emperors abdicated. The city was severely damaged in the 1968 Tet offensive during the Vietnam War, but many architectural gems remain, including parts of the old imperial complex, the Citadel and the Forbidden City, the pagodas and the tombs of many emperors. The area was declared a United Nations World Heritage site.

The province is also one of the most beautiful in Vietnam, home to the Huong (Perfume) River and a panoramic coastline between Hue and Nha Trang. Because of the province's unique cultural and historical significance and natural beauty, tourism is an important industry, and there are numerous opportunities for Hawaii firms to assist in training, hotel/resort development, environmental services, fisheries and agriculture.

For the above reasons, and the close ties that Hawaii's Vietnamese community feel towards the ancient capital, a sister relationship with Hue and the City & County of Honolulu was established on November 3, 1995. Mindful of the trade opportunities that could be created by the sister tie, the Vietnamese-American Chamber of Commerce of Hawaii spearheaded the enabling

resolution. Importantly, Hue City sent a delegation to the July 2002 *Sister Summit* in Honolulu that included Mr. Nguyen Viet Tien, the Chairman (a position equivalent to Mayor) of the Hue City People's Committee.

The 2003 Hawaii Legislature, wishing to bring Thua Thien-Hue Province into sisterhood with the State, introduced S.R. No. 85, S.C.R. No. 126, H.R. No. 77 and H.C.R. No. 79 to promote international friendship and understanding and encourage exchanges and cooperation in business, agriculture, tourism, sports, public health and education. S.C.R. No. 126 emphasized that "Hawaii's long experience and expertise in tourism, agriculture, and aquaculture could be shared." The resolutions passed the House, but were not heard by the Senate.

On March 23, 2004, the House International Affairs Committee, chaired by Representative Helene Hale, once again approved a Concurrent Resolution (HCR 23) establishing a sister relationship between the State of Hawaii and Thua Thien-Hue Province in Vietnam. The resolution received strong support from the Governor, Hawaii's business community, and Vietnamese officials, including the Honorable Nguyen Tam Chien, Vietnam's Ambassador to the United States.

However, once again, the approval of the Senate Committee on Transportation, Military Affairs and Government Operations, which was needed to establish the sister ties, was not achieved. Senator Cal Kawamoto, a strong opponent of the sister relationship, and chair of that committee, chose not to hear the resolution, effectively killing it.

Over the past five years, ties between Hawaii and Vietnam continued to grow. On January 17, 2001, the UH College of Business Administration signed an agreement with the Hanoi School of Business to launch an Executive MBA program directed by UH in Vietnam. UH is also working on building a business digital library allowing UH students in Vietnam to have access to wider literature source. In addition, UH has two programs at the University of Hue: a nursing program through its School of Nursing and a policy and planning program through its School of Travel Industry Management, paid for by a Ford Foundation grant. The Vietnamese-American Chamber of Commerce Hawaii also has two on-going projects in the city: restoring the gate of the Citadel and supporting an orphanage.

Rabat-Sale-Zemmour-Zaer, Morocco

In 2004, the Legislature approved establishing sister relations between Hawaii and the region of Rabat-Sale-Zemmour-Zaer, Kingdom of Morocco, but an agreement has not been presented to the Governor for signing.

Morocco is a kingdom in the northwest region of the African continent. The population of approximately 32,725,847 speaks Arabic and is 99% Muslim. King Mohamed VI appoints a Prime Minister following legislative elections. There are numerous political parties. Other important facts:

- Land area: slightly larger than California.
- Major industries: mining, food processing, leather goods, textiles and construction

- Life expectancy: 70.66 years
- Ethnic groups: 99.1% Arab-Berber; .2% Jewish
- Religions: 98.7% Muslim; 1.1% Christian; .2% Jewish.
- Literacy (over age 15 who can read and write): 51.7%

Rabat-Sale-Zemmour-Zaer is one of Morocco's 14 regions, and includes the capital of Rabat, with 1.2 million residents. The city of Sale, north of Rabat, has a population of roughly 400,000 and functions as a suburb. Rabat's industries include textile manufacturing, processed food and building materials. Tourism is also a significant source of income, with many historical monuments and the nation's most important museums and the main Royal Palace.

Of note for Hawaii, the country has a moderate Mediterranean climate, numerous attractive beeches and plans for a major tourism industry expansion, with numerous resorts proposed for its long 1,140-mile Atlantic coastline.

Hawaii's connection to Morocco was initiated when the state hosted the Millennium Young People's Congress in 1999 which attracted 612 youngsters from 188 nations. At that event, Moroccan officials announced a follow-up conference—the World Congress of Youth—that was held in Casablanca from August 16 to 28, 2003. Representative Hale, Chair of the House Committee on International Affairs, and Senator Suzanne Chun Oakland, Chair of the Senate Committee on Human Services, strongly supported sending a Hawaii delegation to the conference. Further, Representative Dennis Arakaki, Chair of the House Health Committee, anticipated that Hawaii would host the 2009 World Congress of Youth. Representative Hale subsequently led a delegation of 21 youths to Morocco and presented a congratulatory message from Governor Linda Lingle to King Mohammed VI.

During the 2004 Legislative Session, Representative Helene Hale and Representative Michael Magaoay, Chair of the House Committee on Legislative Management, introduced H.C.R. No. 36, requesting the initiation of sister relations with the Moroccan region of Rabat-Sale-Zemmour-Zaer.

On October 14, 2004, a business delegation from Morocco arrived in Honolulu and met with Lieutenant Governor James (Duke) Aiona Jr., DBEDT and members of the Integrated Development Group (IDG). The group was headed by Mr. Driss Guerraoui, Consular to the Prime Minister, and included two members of the Moroccan National Tourism Office. In their presentation, the Moroccans emphasized the nation's ambitious plans to develop its coastal areas, and told IDG that they were seeking expertise, especially in the area of resort development planning. Following the meeting, the delegation signed an MOU with IDG in which both sides pledged to use "their best efforts" to organize a trade mission to Morocco in 2005 to "enhance the opportunity to create development, tourism, and investment opportunities of mutual benefit" to Hawaii and Morocco.

Mr. M. Jan Rumi, Honorary Consul for Morocco in Hawaii, participated in a trade mission to the Morocco in January. The group discussed hotel resort development opportunities with the same Moroccan officials who visited Hawaii in October 2004.

There were two additional trade missions to Morocco in February and March of 2005. The Hawaii delegates met with Moroccan officials to discuss "Morocco in Hawaii" week to take place in Hawaii in early 2006.

In addition, in early 2005, Mr. Rumi launched a website, Morocco-in-Hawaii.com. The website contains information on events of importance to Hawaii and Morocco, a Governor's Proclamation, a list of the Friends of Morocco, business opportunities in Morocco, links, resources and contacts.

Of particular importance, a high-level Moroccan official delegation, headed by Mr. Abdelkebir Berkia, the President of the Rabat-Sale-Zemmour-Zaer region, arrived Hawaii in November 2005 to further Hawaii-Morocco relations and discuss the 2006 promotional event. The group met with Lieutenant Governor Aiona, DBEDT Deputy Director Mark Anderson, and Honolulu Mayor Mufi Hanneman and his staff. The visit ended with a delegation and the Friends of Morocco dinner.

5. Activities - 1981 to 2005

1. Fukuoka Prefecture, Japan (1981)

Fukuoka, with a population of 1,237,062, is the 8th largest city in Japan. It is the largest city on the southern Island of Kyushu.

Fukuoka is a sister success story.

The resolution establishing the Sister State-Prefecture relationship with the State of Hawaii noted the great number of people from Fukuoka who visited Hawaii and the possible approval of an international air route linking the prefecture with the Islands. Another factor in the twinning was most certainly the number of Hawaii residents who trace their ancestry to Kyushu Island.

Since 1981, the year the air route was initiated, numerous cultural, educational and economic exchanges took place. In 1996, on the Fifteenth Anniversary of the relationship, Governor Ben Cayetano issued a proclamation commending the prefecture for a Tourism and Products Fair at Ala Moana Shopping Center. In the same year, the State and the prefecture signed an Exchange Agreement, which assigned a Fukuoka official to the Office of the Governor with the title of "International Relations Specialist in Residence, Fukuoka Prefectural Government." Among the Specialist's duties were studying Hawaii's governmental structure; Japanese-English translation; assisting the Legislature on protocol matters; and promoting the sister relationship. In return, Fukuoka agreed to host a Hawaii official.

In 2000, DBEDT sent an educational mission to Fukuoka to spread the word on Hawaii school excursion programs. Although Fukuoka did not send a delegation to the *Sister Summit*, Mr. Koichi Sueyoshi, Mayor of nearby Kitakyushu City, attended and participated in a panel presentation on Energy, Environment and Infrastructure.

2005 Activities

Members of the Fukuoka Prefectural Assembly, supported by the Hawaii Fukuoka Kenjinkai, traditionally participate in the Opening Day session of the Hawaii State Legislature, and 2005 was no exception. A delegation of eleven members was present. DBEDT met with the members to discuss next year's celebration of the 25th anniversary of Hawaii's sister relationship with Fukuoka. Plans include a Hawaii business/trade expansion mission to Fukuoka in May 2006 highlighted by a trade show at Hakata Station.

2. Azores Islands, Portugal (1982)

The Azores Islands, a part of Portugal, are situated in the Atlantic Ocean, approximately 1,200 miles, or two hours' flying time from Lisbon, the capital city.

The impetus behind establishing a sister relationship was the approximately 60,000 Hawaii residents of Portuguese ancestry, many tracing their ancestry to the Azores. In addition, Hawaii and the Azores share many physical features. They are both ocean islands of volcanic origin, with temperate climates, outstanding beaches and strong visitor industries.

In 1992, Mr. Mota Amaral, the President of the Azores Islands, visited Hawaii for the *Hawaii Sister State Summit* to explore expanding the relationship into economic and scientific exchange programs, primarily focusing on tourism development and energy self-sufficiency. During the conference, the President discussed possible collaboration with Hawaii on resort development and tourism industry training. Of interest: geographically and geologically, Hawaii and the Azores face similar energy challenges, and the Azores, like Hawaii, has attempted to harness geo-thermal power. However, since 1992, the sister relationship has been largely dormant. Representatives from the Azores were invited to the *Sister Summit*, but declined.

3. Okinawa Prefecture, Japan (1985)

Okinawa is Japan's southernmost and only prefecture with a subtropical climate. The prefecture, consisting of 50 inhabited and 110 uninhabited islands, has a unique culture and language, and a prosperous, growing tourist industry. Okinawa's economy has lagged behind the rest of the nation, with per capita income below, and unemployment above, the national averages. Also of importance: Okinawa has Japan's only Special Free Trade Zone, and offers an array of tax and other financial incentives to promote business. The prefecture also boasts the world's highest longevity rate, with women living an average of 86 years, and men, 78 years.

The House resolution initiating the Sister State-Prefecture relationship in 1984 noted that 16,536 persons (13% of the 1924 residents of Japanese ancestry) came from Okinawa.

Over the years, Okinawa enjoyed one of Hawaii's strongest sister relationships, with numerous cultural exchanges. This is due to extremely active Okinawan cultural associations. In recent years, DBEDT worked closely with Okinawan officials to assess the province's energy needs and initiate mutually advantageous programs.

Hawaii's Okinawan community is one of the State's most active. In years past, they sponsored numerous cultural and trade events, evolving into a more business development focus.

A seminal event in the history of Hawaii/Okinawan relations was the signing of the "Okinawa-Hawaii Partnership," officially inaugurated in November 1997 in Yomitan-son, Okinawa, by representatives from Hawaii, Okinawa and Japan's Ministry of Foreign Affairs. An Aloha Committee was formed to oversee partnership activities, chaired by the Director of DBEDT; the Consul-General of Japan in Hawaii; and the Director General, Department of Planning & Development, Okinawa Prefecture Government. There were seven specific project development areas:

- Monitoring and Preservation of Okinawa's Coral Reefs
- Sustainable Tourism
- Deep Sea Water Technology applications
- Integrated Agricultural Pest Management
- Computer Data Processing Technologies for Ecosystem and Natural Resources Management
- Telemedicine Technology Cooperation; and
- Educational Exchange

Due to political prefectural shifts, both locally and nationally, there were funding restrictions for these initiatives, and they have been on hold since 2000. There are indications, however, that some were reactivated in 2005.

4. Guangdong Province, China (1985)

Guangdong Province, located in southern China, is China's fourth largest province, with a total population exceeding 110 million, of which 90 million are residents.

Guangdong emerged as the nation's economic powerhouse and enjoys the highest per capita income and a standard of living in China. In 2004, Guangdong led the nation in Gross Domestic Product, industrial output, imports and exports (32% of the national total) and boasted the largest consumer market, with two of its cities—Guangzhou and Shenzhen ranked among the top three cities in per capita income in the nation. This is because the province was one of the first to introduce economic reform and has the largest industrial base in China. Importantly, the Central Government has allowed Guangdong a high degree of autonomy in handling its economic affairs. The capital, Guangzhou, formerly Canton, is a lively, bustling city of approximately seven million people.

The sister relationship with Guangdong in 1985 had much to do with establishing a bridge to China by setting up formal ties to the province. The House resolution noted that "developments in the People's Republic of China make this a particularly propitious time in which to establish firm relations of goodwill and friendship." Guangdong was a logical choice as Hawaii's first Chinese sister, as many early immigrants from China came to the Islands from Guangdong, and much of the Hawaii Chinese community has ancestral and cultural ties to the province.

Moreover, Dr. Sun Yat-sen, the first president of China (the "Father of Modern China"), who studied at Iolani and Punahou Schools, was born in Zhongshan City in Guangdong.

Since 1985, Guangdong developed into one of Hawaii's closest sisters and is one of the most eager to expand the relationship beyond traditional cultural exchanges. Legislators, Chinese Chamber of Commerce leaders, university officials and participants in trade missions visited Guangdong. The province, in turn, sent many delegates to Hawaii for business and training. Among the many activities carried out by DBEDT: hundreds of business publications were collected and sent to Zhongshan Library in Guangzhou. In July 2002, Guangdong sent a large delegation to *Sister Summit* 2002, accompanied by a giant display on the life of Sun Yat-sen.

The most notable result of the sister relationship was the Guangdong Province Senior Executive LeadershipTraining Program which DBEDT and the College of Business Administration (CBA) established at the University of Hawaii in 1999. Each year, a group of ten senior civil service administrators and State-owned private enterprise executives, lived in Hawaii, attended classes at CBA related to their professional interest; visited Hawaii businesses and governmental institutions, performed internships and learned American customs and culture. The 50 alumni of this program are today among the upper echelon of Guangdong's provincial government leadership, and are actively involved in China's international relations and trade with other nations. Their fields include medicine, law, forestry, textiles, electric power, agriculture, aquaculture, engineering, economic development and environmental preservation. One graduate was promoted to the rank equivalent to a Vice Governor.

Expenditures by each group, during the course of their year-long training in Hawaii were estimated to be close to \$500,000 per year, with total revenues estimated to be \$2.5 million. Additionally, significant spin-off opportunities and partnerships arose through this program. Three groups of 20 teachers spent four months training at Honolulu Community College, learning new teaching methodologies and utilizing state of the art technology. Revenues were estimated to be \$480,000.

2005 Activities: Governor Linda Lingle's first visit to Guangdong

In 2005, there were two notable events involving Guangdong: Governor Lingle's first visit to the province in June celebrating the 20th anniversary of the Hawaii/Guangdong sister relationship; and Guangdong Governor Huang Huahua's reciprocal visit to Hawaii in October.

In addition to observing the anniversary, the goal of the mission was to broaden and deepen Hawaii's China relations in business, education, tourism, architectural development, technology and culture and the arts. Participants included representatives from six focus areas and consisted of 224 people, representing private business, the State Legislature, University of Hawaii and Brigham Young University-Hawaii officials.

Governor Lingle became Hawaii's first sitting governor to visit Guangdong when she arrived in Guangzhou on June 14. By the time she departed on June 16, the Hawaii delegation had participated in a wide range of activities. These included:

- A welcoming reception hosted by Governor Huang.
- A briefing by the U.S. Commercial Service on opportunities for Hawaii businesses in Guangdong.
- Signing of an agreement between the UH System and Sun Yat-sen University to expand exchange programs between Hawaii and China.
- The development of an executive MBA program in conjunction with UH-Manoa's College of Business Administration, which will be inaugurated in the Fall of 2007.
- A tourism workshop, entitled "Developing and Managing Sustainable Destinations," co-sponsored by the Guangdong Provincial Tourism Administration and presented by Hawaii's Integrated Development Group and the University of Hawaii.
- A UH alumni and friends reunion and networking opportunity.
- Visits with Sun Yat-sen University students and an additional visit to Zhongshan, the birthplace of Sun Yat-sen and the ancestral home of many of Hawaii's residents of Chinese descent.
- A roundtable discussion among Governor Lingle and 20 Guangdong women leaders, which focused on issues of mutual importance.
- A concert at Sun Yat-sen Memorial Hall in Guangzhou, entitled "Dynamic Guangdong, Romantic Hawaii," featuring Cantonese and Hawaiian entertainers performing Southern Chinese and Hawaiian music and dances. This concert was broadcast to over 60 million households.

2005 Activities: Guangdong Governor Huang Huahua visits Hawaii

Guangdong Governor Huang Huahua responded to an invitation by Governor Lingle to continue celebrating the 20th anniversary of the Hawaii-Guangdong sister State-Province relationship in Hawaii. Activities included:

- A Governor's welcoming reception for Guangdong guests, members of Hawaii's Chinese community, and others.
- A tourism seminar on October 12 at the Hawaii Convention Center for travel companies interested in doing business with Hong Kong and Guangdong.
 Forty individuals representing Guangdong travel and tourism destinations and businesses met with Hawaii firms and institutions interested in partnership opportunities.
- The signing of a tourism development cooperation agreement between DBEDT and the Guangdong Provincial Tourism Administration under which the two sides agreed to a) facilitate expanded travel between Guangdong and Hawaii; b) assist Guangdong with tourism master planning and related expertise, and c) training.
- An exhibition of Guangdong Province photos entitled: "Dynamic Guangdong: Yesterday, Today and Tomorrow," part of the "Splendor of China" event at the Blaisdell Center on October 8 and 9, and at Kahala Mall from October 10 to 16, 2005.

- A performance by the 110-person Guangzhou Symphony Orchestra at the Blaisdell Concert Hall on October 11, featuring both Chinese and Western orchestral arrangements.
- A Chinese community reception honoring Governor Huang.

5. Ilocos Sur Province, Philippines (1985)

Ilocos Sur is a province of roughly 500,000 located along the northwest coast of Luzon. The dominant language is Ilocano. Ilocos Sur, with adjoining province, Ilocos Norte, was the home of large numbers of Hawaii's sugar and pineapple plantations workers who immigrated to the Islands in the late 19th century.

The 1985 Hawaii House resolution, which established the sister relationship, noted that Filipino immigrants and their descendants "have contributed greatly to the economy, cultural diversity, and strength of Hawaii's society."

Hawaii's strong, active Filipino community, the Filipino Chamber of Commerce of Hawaii, and the thousands of Filipino residents who visit their ancestral home annually, strengthen ties with Ilocos Sur, and the province was represented at the *Sister Summit*.

2006 Activities

• Planning began for Governor Lingle's "Centennial Province Tour to the Philippines" to honor the 100th anniversary of Filipino immigration to Hawaii.

The trip is scheduled for January 3 - 12, 2006.

- The tour will advance initiatives set forth in the sister agreements with Ilocos Norte, Ilocos Sur, Pangasinan and Cebu Provinces. The delegation will consist of State government officials and private businesses. Activities will include business meetings, forums and seminars; official receptions and dinners; and cultural performances.
- Governor Lingle will visit Ilocos Sur on January 8 where she will meet Governor Luis Singson and Cabugao Mayor Suero. She will also participate in a signing ceremony on agriculture and nursing initiatives at the University of the Northern Philippines.

6. Cheju Province, Korea (1986)

Cheju, with a population of approximately 500,000 persons, is located off the southwest coast of Korea. Cheju established a reputation as an international tourist resort and is sometimes called "Korea's Hawaii." The island has a mild climate, and rich and abundant plant and marine resources. Halla Mountain, a dormant volcano, dominates the island.

Like the Azores, Okinawa, Guangdong and Ilocos Sur, the sister relationship with Cheju represented an acknowledgement of the population of persons of Korean ancestry, estimated at approximately 30,000 persons. In addition, Cheju and Hawaii share a dependence on the visitor industry. But this relationship has not been particularly active. Cheju was unable to send a representative to the 2002 Summit.

2005 Activities

• In June, Governor Linda Lingle became the first sitting Hawaii governor to visit Cheju Island. She met with Cheju Governor Tae-Hwan Kim and Deputy Governor Kye-Sik Lee and attended a "recommitment" ceremony as a symbol of commitment to the 19-year sister relationship between Hawaii and Cheju. Governor Lingle also spoke to a group of Cheju government officials encouraging each side to continue seeking opportunities to partner in business and education and training.

7. Hainan Province, China (1992)

Hainan is China's southernmost province. The island is sizeable, with a population of over 6 million and rich solar resources alternative energy, ocean resources, and a warm, tropical climate. Like Cheju and Hawaii, there is a large and expanding visitor industry. Because of the numerous similarities with Hawaii, Hainan is often referred to as "China's Hawaii."

In 1988, Hainan split off from Guangdong and formed a separate province. Importantly, in the same year, the Hainan Special Economic Zone was created to accelerate economic development. This gave the Province special dispensations in customs, duties and taxes, lowering these rates significantly below the rest of China.

Since Guangdong was under a sister relationship with Hawaii (1986) and Hainan was separated from Guangdong (1988), the Sixteenth Legislature decided to establish a separate sister ties with Hainan. Other reasons included the rapidly-growing importance of Hainan's Economic Zone, with its strong business incentives, and similarities between Hainan and Hawaii's tourism-focused economies.

In 2003 and 2004, the Hainan government took important steps to develop the island into a first-class tourism destination. By hosting the internationally-televised Miss World Pageant for two years, the island gained worldwide fame. The event was accompanied by the funding of new convention center, highways, hotels and other facilities.

On December 7, 2003, DBEDT led a delegation of Integrated Development Group (IDG) members to Sanya in southern Hainan. IDG is a consortium of Hawaii firms with tourism development experience (organized by DBEDT and funded by a grant from the U.S. Department of Commerce), who pooled their skills and experience to pursue opportunities in China. The group met with provincial and city development officials to discuss cooperative resort planning opportunities.

In anticipation of the visitor influx to the island, Hainan needs improvements to its international airports. In May 2004, DBEDT teamed up with the Department of Transportation to organize a seminar for the Haikou Meilan International Airport and the Sanya Phoenix International Airport officials. The seminar provided the Chinese briefings in such areas as airport promotion, route development, international transit services and airport facilities. In addition, Hainan officials were introduced to Duty Free Shoppers (DFS) Hawaii representatives to discuss DFS retail operations at the two airports. Since then, DFS announced a contract to run the duty free operations at the two airports.

The importance of the Hawaii-Hainan cooperation was underscored by the July 2004 signing of a Memorandum of Understanding (MOU) between the Geely Holding Company, one of the ten largest private firms in China, and IDG members.

DBEDT was invited to the Fragrant Bay Master Planning Workshop in Ling Shui County, Hainan from October 25 to 27, 2004. DBEDT staff and IDG participated in the first stakeholders meeting to begin master planning Hainan's tourism destination resort (Fragrant Water Bay, Ling Shui County, Hainan). The team initially met with senior officials from Hainan's tourism, investment promotion, environmental, and planning departments on behalf of IDG's client, Geely. During the workshop, the officials asked that Hawaii and IDG be involved in more significant master planning initiatives for Hainan Province, including the possible revision of the Provincial Tourism Master Plan. A letter from Governor Wei Liucheng of Hainan to Governor Lingle was presented to staff, reiterating Hainan's desire to work with Hawaii's tourism development team.

In addition to tourism-related projects, Hainan is interested in exploring cooperative "ocean festival", extreme sports, and cultural activities. Other opportunities include aquaculture R&D (especially joint development and operation of a shrimp hatchery) and tourism training.

8. Taiwan Province, Taiwan (1993)

Taiwan is an island off the coast of China, with a population of approximately 23 million and a population density of 616 persons per square kilometer, making it the second highest in the world, after Bangladesh. The capital, Taipei, has 3.5 million people. Taiwan ranks as the world's 17th largest economy and the third largest exporter of information technology. The economy, while not as robust as China's, experienced solid growth over the past decade. Taiwan's economy grew by 3.7% in 2004, its fastest pace in four years. This was due to increased foreign trade and manufacturing output, in response to a recovered global economy. Taiwan's economic growth in 2005 is forecast to be 4.21%.

In contrast to other Hawaii sisters where a strong cultural history led to the sister relationship, in Taiwan, an economic relationship was already established before the sister twinning in 1993. Over the years, there have been few overseas locations with more cultural and economic activity. These activities include business missions, educational and special promotional fairs, cultural exchanges, investor seminars, media productions and gubernatorial visits.

DBEDT opened the State of Hawaii Office in Taipei in 1994 taking advantage of the rapidly increasing investor interest in Hawaii, symbolized by the purchase of several well-known resort hotels.

DBEDT's activities in Taiwan are performed by Mr. Alex Lei, the Executive Director of the State of Hawaii Office in Taipei (SHOT). In December, 2004, Mr. Lei was elected President of the American State Office Association, an organization of 18 U.S. States in Taiwan.

Deep-ocean pipeline project

Mr. Lei played a key role in drafting a Memorandum of Agreement between the State of Hawaii and Taitung County, in southern Taiwan whose long coastline and tropical climate resembles Hawaii. Also, like Hawaii, the county possesses an offshore, deep-ocean resource, and county officials asked Hawaii engineering companies for their assistance in constructing an onshore aquaculture facility, similar to the Natural Energy Laboratory of Hawaii Authority (NELHA) facility at Kailua, Kona on the Big Island.

The Agreement, which "builds on the goodwill and friendship of the (Taiwan Province) Sister State-Province relationship," includes Hawaii and Taitung's cooperation in such areas as business, science, aquaculture, deep-ocean industry and biotechnology.

In March 2005, staff surveyed Taiwan firms and government officials to determine the market for deep-ocean water projects in Taiwan. The survey assessed the feasibility of importing Hawaii's expertise in this area.

Investing in the University of Hawaii at Hilo

The rapidly-expanding UH at Hilo (UHH) needs additional dormitories, classrooms, meeting rooms, faculty offices and an exhibition and conference center—in short, a mini-campus that links residential and academic life. In addition, a retail presence, including coffee shops, book stores, restaurants and a movie complex, will be welcomed additions for students, faculty and administrators.

The idea of "The China-U.S. Center" was first proposed in 2001 by Geo International Explorer, Inc., a Taiwan company, pending the company's ability to receive financial backing. The funding included utilizing the EB-5 Regional Center Program.

The first phase involves construction of apartment style residences for 600 students with classrooms and meeting rooms. The second phase includes developing a conference and exhibition hall to be used as a venue for meetings and training seminars, primarily on China-U.S. topics. The final phase involves a pagoda-like structure to house a 100-unit University Inn. This inn could also be used as a commercial venture marketed in Taiwan as a visitor destination.

2005 Activities

- Assisted Mr. Reb Bellinger of Makai Ocean Engineering in his two Taiwan visits. On April 17, staff introduced Mr. Bellinger to Groundmat officials, and arranged visits to TFC and Groundmat's offices, where he presented information on Makai and expressed an interest in being their lead project consultant. He also visited the potential sites in Hualien and I-Lan Counties.
- Staff worked with Groundmat, the Taiwan Industrial Technology Research Institute and Makai to organize an April 20 Taipei seminar promoting Hawaii's ocean technology capabilities and Makai. The Taipei Office Executive Director delivered the opening address introducing Hawaii's ocean resource technology industry. He also discussed IDG's capacity to develop Taiwan's visitor industry. Approximately 75 persons attended.
- Staff planned an April, 2006 trade mission to Taipei, entitled "Hawaii Experience in Taipei," including participation at a major culinary event: "Gourmet Taipei International Food & Lifestyle Show" at the Taipei 101—the world's tallest building. The 2005 festival attracted more than 36,000 visitors. The 2006 show will feature a Hawaii pavilion with chef cooking demonstrations, food and beverage products, educational opportunities and seminars on Hawaii regional cuisine. In addition, Jason's Market Place, a popular, upscale supermarket at Taipei 101, will be promoting and selling Hawaii products, and additional chef cooking demonstrations will take place at the Grand Hyatt Taipei Hotel. DBEDT hopes to attract approximately 20 Hawaii companies for the mission.

9. Cebu Province, Philippines (1996)

Cebu Province in the Philippines is a long, narrow island, 365 miles south of Manila, with a population of 550,000. Major industries include copper mining, fishing and aquaculture, agriculture, shipping, steel and cement. The capital, Cebu City, has an important international harbor, and several universities, including San Carlos University, the oldest in the Philippines.

The sister agreement with Cebu was initiated because of the traditionally strong ties Hawaii enjoys with the Philippines and because a number of Hawaii firms were already engaged in business in the province. These included some of Hawaii's largest companies, including Hawaiian Dredging and Belt Collins. Another contributing factor was the friendship with Cebu Governor Pablo Garcia.

The sister relationship resulted in several DBEDT initiatives: the organization of two international conferences on energy efficiency and renewable energy; the organization of three resort development workshops; a USAID-funded Coastal Zone development study; and a tourism development plan. One meeting attracted 175 delegates. For the 2002 *Sister Summit*, Cebu sent a large delegation, headed by Provincial Vice Governor John Henry Osmena.

2005 Activities

• Planning began for Governor Lingle's visit on January 11, 2006, where she will meet with Cebu Mayor Thomas Osmena and Cebu Governor Gwen Garcia.

10. Hiroshima Prefecture, Japan (1997)

Hiroshima is a mountainous prefecture of 2.8 million people in the southern Japan Chugoku Region. The capital, Hiroshima City, was the target of the first atomic bomb on August 6, 1946. The city has since reconstructed and has a population of about one million. The prefecture is heavily industrialized, with automobile and shipbuilding predominating. A large number of Hawaii residents of Japanese ancestry trace their roots to the prefecture. Since becoming a sister of the State in 1997, there were numerous educational, cultural and commercial exchanges. Both Governors Ariyoshi and Cayetano visited Hiroshima, assisted by DBEDT and the Japanese Chamber of Commerce. In 2000, DBEDT sent an educational trade mission to Hiroshima and Hiroshima Prefecture and Hawaii teamed up to present a business seminar at the Japanese Cultural Plaza on November 5, 2003. Titled *Hawaii Partnership in the 21st Century—an International Business and Economic Development Symposium*, the workshop featured business opportunities in Hiroshima and Hawaii. Governor Lingle provided opening remarks for the event, which was attended by 130 Hiroshima business leaders and 50 from Hawaii.

Hiroshima contributed a replica of the Torii Gate to the community of Moiliili on Oahu.

11. Pangasinan Province, Philippines (2002)

Like Ilocos Norte Province, Pangasinan is the ancestral home of numerous Hawaii residents of Filipino extraction. The Province, with a population of 3.8 million people, occupies the northern portion of the central plains of Luzon, with east-west configuration extending into a peninsula jutting into the China Sea. The capital is Lingayen, but the transportation hub is Dagupan City. Pangasinan is a major agriculture and aquaculture center in the Philippines. The principal industries are farming and fishing.

The province accounted for more than half the Ilocos region's rice output in 1991. Other products are corn, tobacco, garlic, sugarcane, salt, and cassaca. Pangasinan also has substantial fish production. In 1991, it turned out three times as much as the next leading fish-producing province in the region, Ilocos Norte. Extensive fish ponds where bangus are raised are found near the coasts. Prawn and oyster farms also bound.

The province is also known for its bagoong, the popular fish or shrimp paste. Cottage industries include blanket-weaving, basketry, bamboo craft, furniture-making and shell craft. The ox-drawn

wagons bearing handicrafts of all sizes and shapes are from Pangasinan.

The 2002 Legislature passed HCR 28, SD 1 which called for the establishment of sister ties with Pangasinan. Governor Agbayani and Governor Cayetano signed a sister state-province agreement in Honolulu on July 11, 2002.

In 2003, Hawaii legislators (Representatives Arakaki, Abinsay, Finnegan, Magaoay, Mindo and Tamayo) followed up on the establishment of sister relations with an official visit to the province on November 17. The delegates discussed business, health and education programs with their

counterparts, and later attended a cultural exposition and met Governor Victor E. Agbayani and five provincial mayors at a special evening reception. The Governor presented the Hawaii group with a framed resolution which "expressed a strong sense of gratitude and appreciation to the delegates of the Aloha Team for visiting the Province of Pangasinan to strengthen the State tie of good relations between the two governments and their people." Representatives Arakaki, Abinsay and Mayaoay plan a courtesy call on Governor Agbayani in Pangasinan in January, 2005.

2005 Activities

• Planning continued for Governor Lingle's visit Dagupan City and Lingayan, Pangasinan on January 9. She will participate in a dinner hosted by Governor Victor Agbayani, and witness the signing of a Memorandum of Understanding with Virgen Milagrosa University.

12. Tianjin, China (2002)

Tianjin is one of four municipalities of China and a major industrial center. As a municipality, Tianjin has provincial-level status and comes directly under the central government. The urban area of Tianjin, with a population of 12 million, is China's third largest city.

The Tianjin Economic and Technological Development Area is regarded as one of the most competitive and best run in China. The city has evolved into a major foreign investment center. Production includes electronics, petrochemicals, metallurgy and automobiles. More than 13,000 foreign-funded enterprises have been established in the city, involving foreign capital input totaling \$30 billion.

DBEDT feels a close relationship with Tianjin could lead to partnerships and joint venture opportunities in business, tourism development, and education and training.

A DBEDT trade mission visited Tianjin City in November 2002, to sign a Friendship and Cooperative Relationship Agreement, a *de facto* sister state/city agreement, approved and authorized by the 2002 Hawaii State Legislature. During their visit, Tianjin officials agreed to send senior administrators, tourist officials and technology sector personnel for short-term custom designed training in Hawaii.

From September 25 to 27, 2003, DBEDT hosted Tianjin Mayor Dai Xianglong. The visit was notable because Mayor Dai's stature (mayor of one of China's largest and most industrialized cities and former Governor of the People's Bank of China) and an MOU between Tianjin and Hawaii on September 26, 2003, signed by Mr. He Ronglin, the Secretary General of the Tianjin Municipal Governor and DBEDT Director Theodore Liu. The MOU was significant because:

• It represented the first, high-level affirmation of the 2002 agreement and is expected to lead to closer ties between Tianjin City and the state; and

• The MOU called for increased cooperation in economics and trade, tourism, high technology; agriculture and aquaculture; energy; biotechnology; education and culture and the arts; and called for assisting Tianjin tourism officials in their Hawaii visits.

On July 27, 2004, DBEDT followed up Mayor Dai's Hawaii visit with a visit to Tianjin. The delegation, headed by Lieutenant Governor James (Duke) Aiona and Director Liu, met with government ministries responsible for tourism development, environmental protection and education and training.

2005 Activities

• As part of Governor Lingle's June China mission, a delegation of Hawaii businesses visited the Tianjin High-tech Park on June 14. The members were offered a presentation by park officials, and later joined these tech businesses officials and representatives for a welcoming luncheon. In the afternoon, there were presentations by Hawaii's High-tech Development Corporation and the DragonBridge Capital. DragonBridge, a financial advisory, serves Chinese technology companies helping raise capital, locate technology partners and expand their markets in the U.S.

13. Ehime Prefecture, Japan (2003)

On February 9, 2001, a U.S. submarine, the U.S.S. Greenville, collided with a training vessel from Ehime Prefecture, Japan off the coast of Oahu. Tragically, nine people aboard the ship lost their lives, including four Japanese high school students, two teachers and two crew members. Since the incident, there have been numerous acts of goodwill between the State of Hawaii and the prefecture, including three baseball tournaments between youth teams from Ehime and Hawaii.

The establishment of a sister relationship between Ehime and Hawaii was a logical next step in furthering relations for the mutual benefit of the two communities. Consequently, in 2003, the House of Representatives of the Twenty-second State Legislature adopted two measures to establish the relationship: H.R. No. 55, H.D. 1 and H.C.R. No. 52, H.D. 1, and the Senate adopted S.C.R. 66.

On November 21, 2003, at the Hilton Hawaiian Village, Governor Lingle and Ehime Governor Moriyuki Kato signed the "Sister State-Prefecture Agreement between the State of Hawaii and the Prefecture of Ehime of Japan." The agreement pledged to "further a history of relations which is reflected in commerce, education, social and cultural exchange..." and to "foster mutually beneficial inter-change, build upon American and Japanese friendship, cordial relations, understanding, and goodwill."

In November, 2002, 100 Hawaii baseball players and their families participated in a baseball tournament in Ehime under the Hawaii-Ehime Youth Baseball Exchange Tournament. The following year, the baseball exchange continued, with Hawaii hosting an Ehime delegation. In 2002, a Hawaii delegation once again visited Ehime.

In 2004, the Ehime Hawaii Association supported numerous delegations to Hawaii to explore business opportunities, cultural exchanges and health education tours. For example:

- 100 Ehime senior citizens traveled to Hawaii to study health and wellness programs and participate in briefings at the UH School of Medicine and other medical facilities.
- A school excursion, consisting of teachers and students, visited Punahou School.

2005 Activities

• In February 2005, Ehime Prefecture sent a delegation to Hawaii headed by Mr. Hiroshi Suto, Chairperson of the Ehime Hawaii Association. Also accompanying the group of 12 delegates was Mr. Junnosuke Kainou, Vice Chairman of the Ehime Prefectural Assembly. DBEDT scheduled business appointments for delegation members. Discussions centered on business promotion activities between Ehime Prefecture and Hawaii.

14. Ilocos Norte, Philippines (2005)

Ilocos Norte is Hawaii's newest sister. The sister agreement was signed on February 1, 2005.

Hawaii and the Philippines' ties date back to the early 19th Century when waves of immigrants provided manpower for the territory's sugarcane industry. Since then, ties between Hawaii and the Philippines strengthened, resulting in sister relationships with the Provinces of Ilocos Sur in 1985 and Cebu in 1996.

Because a significant percentage of Hawaii's Filipino population trace their roots to Ilocos Norte, the 2003 State Legislature laid the groundwork to establish the sister relationship through H.R. No. 17 and H.C.R. No. 17. The House and Senate adopted H.C.R. No. 17, H.D. 1, with copies directed to Presidents Bush and Arroyo.

In November 2003, the Legislature sent a delegation to Ilocos Norte to present the resolutions to Governor Ferdinand Marcos, Jr. and the Office of the Sangguniang Panlalawigam. The delegation included Representatives Dennis Arakaki, Felipe Abinsay, Lynn Finnegan, Michael Magaoay, Romy Mindo, and Tulsi Gabbard Tamayo. According to Representative Abinsay, Governor Marcos was enthusiastic about the sister relationship.

2005 Activities

• Planning continued for Governor Lingle's visit to Ilocos Norte on January 6, 2006. She will meet with Governor Ferdinand Marcos, Jr. and tour the Hawaii-Ilocos Mango Processing Plant and the Ilocos Norte Hospital, where she will witness a joint project of Hawaii and Ilocos Norte physicians.

6. Recommendations

1. Sister relationships were originally formed to promote friendship and understanding between two communities in different countries through cultural exchanges. In recent years, the focus expanded to include economic development, with trade missions added to cultural exchanges. As perhaps the most international U.S. state, Hawaii has been actively involved, establishing sister ties with communities throughout the world.

Recommendation: the State should continue to pursue sister relationships, for both cultural and economic development reasons, with attention to fostering the most productive ties.

- 2. The most successful sister relationships occur when:
 - a. There is commonality between Hawaii and the sister, primarily from geographical, historical, cultural or economic standpoints.
 - b. There are active and interested support groups, such as the Chambers of Commerce, and cultural and civic associations.
 - c. There are economic benefits for both sisters, such as increased numbers of visitors, or enhanced investment or marketing opportunities.
 - d. Close ties have been established between the educational institutions of the two potential sisters, including both student and faculty exchanges.
 - e. There is a clear, strong governmental interest in not only forming, but maintaining the relationship.

Recommendation: to assure the productivity and viability of a sister relationship, the State needs a rigorous selection process including the re-formation of the Hawaii Sister-State Committee and the re-utilization of the Sister-State Application Form developed by the Office of International Relations.

The form must incorporate:

- a. A letter from the Governor of the proposed sister.
- b. A designated point-of-contact person.
- c. Recent activity reports between Hawaii and the proposed sister.
- d. Recommendations for future activities.
- e. Proposed calendar of future events.
- 3. The new globalization phenomenon has forced businesses to seek opportunities abroad, and the formation of Sister relationships is a highly effective vehicle for stimulating business opportunities.

Recommendation: the State should increase business opportunities through its existing sister partners and through the creation of new sister partners, and, provide small businesses access to these opportunities.

4. Sister agreements traditionally are filled with general statements of friendship and goodwill.

Recommendation: sister agreements should include a higher degree of specificity, including each side's responsibilities: when, where, what.

5. Sister Summit 2002 laid important groundwork by establishing and re-establishing sister ties, including the program development, trade mission organization, and showcasing products and services.

Recommendation: the State should re-examine *Sister Summit 2002* and follow-up with the most promising opportunities; the State should consider the possibility of a second sister summit: when and where.

6. The State has 14 sister relationships, dating back to 1981. Some of these have been extremely active (e.g., Hainan and Ehime), while others have shown little or no activity (e.g., the Azores).

Recommendation: the State should carefully review the quality of its sister relations to determine which ties should be strengthened and which should be severed.

7. Sister Cities International offers "matchmaking" services among its 2,500 U.S. and international members, and now gives priority to economic development objectives. Its annual conference, attended by more than 600 members, offers networking opportunities. Recommendation: the State should assess the benefits and explore the possibility of joining Sister Cities International.

APPENDIX

County sisters

Hawaii County

Hawai-cho, Japan Hualien County, Taiwan Ikaho Town, Japan La Serena, Chile Legazpi City, Philippines Nago City, Okinawa, Japan Oshijima, Japan Sao Miguel Island, Portugal Sumoto, Japan Tasmania, Australia

City & County of Honolulu

The City & County of Honolulu has 23 "sister cities" and 40 "friendship cities," sister cities require City Council approval, but friendship cities do not. A 1991 Council Resolution set conditions to establish and maintain sister city relations. Among the criteria was the requirement that there be some type of exchange between Honolulu and its sister at least once every five years. Mayor Mufi Hanneman is currently reviewing Honolulu's sister and friendship city relations to strengthen and make such relations more directly beneficial to the people of the City & County of Honolulu.

Sister Cities

Baguio City, Philippines (1995) Baku City, Azerbaijan (1998) Bruyeres, France (1960) Caracas, Venezuela (1999) Cebu City, Philippines (1990) Funchal, Madeira, Portugal (1979)

Hainan Province, China (1985) Hiroshima Prefecture, Japan (1959) Hue, Vietnam (1995) Incheon, South Korea (2003) Kaohsiung City, Taiwan (1962) Laoag City, Philippines (1969) Manila, Philippines (1980) Mumbai (Bombay), India (1970) Mombasa, Kenya (2000) Naha City, Okinawa Prefecture, Japan (1960) Puerto Princesa, Philippines (2003) San Juan, Puerto Rico (1985)Seoul, Korea (1973) Sintra, Portugal (1998) Tokyo, Japan (1960) Vigan, Philippines (2003) Zhongshan, Guangdong Province (1997) Vigan, Philippines (2003)

Friendship Cities

Most "friendship cities" were started in the years 2003 and 2004 Mayor Jeremy Harris. On December 14, 2004, Honolulu organized a "summit" for its Philippine cities with friendship and sister city ties. The meeting, hosted by the City of Manila, (established sister city ties with Honolulu in 1980) was held at the Bulwagang Antonio Villegas at Manila City Hall. The summit focused on how Honolulu raised the quality of its services by utilizing innovative strategies and technologies.

Australia Darwin

Austria Vienna

China Huangshan

Anui Province Wuyishan Tianjin Shanghai

Czech Republic Chlumec

Cidlinou Pardubice Prelouc

Indonesia Yogyakarta

Russia Vladivostok

Kyzyl, Tuva, South Siberia

South Korea Jeonju

Gwacheon

Sri Lanka Gampha

Kauai County

Bagued, Philippines Cooktown, Queensland, Australia Ishigaki, Ryuku Islands, Japan Moriyama City, Japan Quinhuangdao, Hebei, China Oshima, Japan Papaenoo, French Polynesia Santa, Ilocos Sur, Philippines Urdeneta, Pangasinan, Philippines

Whitby, England

Maui

Maui's sister cities festival

From June 8 - 11, 2005, the County of Maui hosted its first Sister Cities Festival as part of the Sister Cities International program. Here, long-term global partnerships formed to promote cultural ties and stimulate economic development. Maui has been a member of Sister Cities International for 41 years. The County has 20 sisters.

Approximately 200 representatives from Chile, China, Japan, the Commonwealth of the Northern Mariana Islands and the Philippines, Taiwan, Korea and the Czech Republic attended the festival.

The festival featured agricultural, high-tech and education tours, and a Business Expo showcasing the sisters' and Maui's products and services. There were also cultural entertainment, food, craft booths and demonstrations. The festival was sponsored by County economic development and tourism offices and private-sector organizations. The

Maui sisters are:

Albi. France American Samoa Arequipa, Peru Bacarra, Ilocos Norte, Philippines Embo, Dornach, Scotland Funchal, Madeira, Portugal Hachijo Island, Japan Sanya City, Hainan Province, China Hirara City, Miyako Island, Okinawa, Japan Madrid, Spain Manila, Philippines Ping Tung, Taiwan Puerto Princesa, Palawan, Philippines Quezon City, Philippines Rapa Nui, Easter Island, Chile Santa and San Juan, Ilocos Sur, Philippines Sao Miguel, Portugal American Samoa Zambales Province, Philippines Zhongshan City, Guangdong, China