

State of Hawaii's Sister States/Cities

*A Report to the
Hawaii State Legislature*

January 1, 2006 – December 31, 2006



Strategic Marketing & Support Division
**Department of Business, Economic
Development & Tourism**

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1. Executive Summary

In the first years of the 21st century, the world became a much smaller place. With the fall of trade barriers, goods, services, ideas and capital flowed relatively easily across national borders. This integration of economies and societies, known as “globalization”, brought renewed importance to the necessity of nations’ working together for mutual benefit, a concept that had been advanced as far back as 1956 with the “People-to-People” program, which later evolved into “Sister Cities.”

The year 2006 will be remembered as the year the Hawaii State Legislature took significant steps towards strengthening the State’s Sister States/Cities program. The State’s first sister relationship occurred in 1981--with Fukuoka Prefecture, Japan. In the 1980’s, the ties were based more on cultural than economic development factors. In the 1990’s, however, business considerations began to predominate, proving especially valuable in linking with sisters in Greater China (Guangdong, 1985; Hainan, 1992; Taiwan, 1993; and Tianjin, 2002).

The Guangdong Model

The State now recognizes that considerable benefits can be derived from taking advantage of its sister relationships. This has proven particularly true for Guangdong Province, which has evolved as a model sister. There is a “past”—many of Hawaii’s Chinese population have strong ties to this area and community organizations, such as the Chinese Chamber of Commerce of Hawaii, placed a high priority on maintaining these ties; a “present”—as one of China’s largest and most economically important provinces, Guangdong offers numerous business opportunities; and a “future”—Guangdong’s economy continues to rapidly expand, opening up even more possibilities for Hawaii companies.

In 2005, Guangdong was Hawaii’s most active sister with exchange visits by the two governors, and well-attended seminars, business networking and matchmaking, and the agreement signings in both locations. In 2006, Hawaii participated in a major tourism festival in Guangzhou. Guangdong officials now place considerable importance on their sister tie with Hawaii, opening opportunities for Hawaii businesses that would not have occurred without the relationship. Indeed, the Guangdong/Hawaii success story points the way to the developing solid economic benefits through strengthening other ties, such as with the State’s five Philippine sisters, and carefully selecting new sisters with significant business potential.

2006: Noteworthy Activities:

- The Legislature created the Office of International Affairs within the Department of Business, Economic Development & Tourism, to provide visibility and accountability for the Sister States/Cities program.
- The Legislature established the Sister State Committee to oversee the formation and retention of Hawaii's sisters.
- The Legislature established a sister relationship with the Philippines' Isabela Province.
- Governor Lingle visited three of Hawaii's sisters in the Philippines (Ilocos Norte, Ilocos Sur and Pangasinan) in celebration of the 100th anniversary of Filipino immigration to Hawaii.

2. 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, has 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 spirit led to myriad cultural and educational initiatives, and a rapidly growing awareness of business opportunities—particularly those associated with the rapid expansion of Asian economies. In short, Hawaii is ideally positioned to take advantage of its diversity; its considerable technological, educational and cultural resources; and its strategic location.

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 in 1956 through President Dwight D. Eisenhower's "People-to-People" program. The Program brought together individuals and groups at all levels of society, 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 established "twinings" created friendship and cultural ties through exploring other cultures, and were characterized by exchanges of performers and other entertainers who acted as "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 members more than one sister in a country. Its membership grew to 700 American communities and 1800 international communities, totaling 2,500 partnerships. The goals expanded to embrace government, business, professional and technical exchanges and projects. Today, business creation and investment opportunities are major objectives of SCI programs.

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

The Office of International Relations

In 1989, to organize and standardize the Sister-State process, sister relationships were placed under the State Office of International Relations (OIR). In 1992, Act 101 of the 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 co-equal 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 processes to establish Sister-State relationships:

1. A detailed, 5-page application form to be filled out after a relationship is proposed. The form included descriptions of geography, economic structure, cultural resources, primary industries, foreign trade and business, and sports.
2. OIR preliminarily reviewed and forwarded the application to the Hawaii Sister-State Committee, which would develop a recommendation to the Governor.
3. The Governor reviewed the recommendation and either held the recommendation or forwarded it to the Legislature.
4. The Legislature adopted a concurrent resolution authorizing the Governor to enter into an agreement with the prospective Sister-State.
5. OIR and the prospective sister developed 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 event was lightly-attended, but 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 after abolishment of the OIR in 1994. The incoming administration eliminated OIR as part of a cost-cutting effort. Responsibility for establishing and monitoring sister relationships 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 sisters.

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, the Oceanic Institute, 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 represented the state's largest trading partners (China, Taiwan, Japan, Korea, and the Philippines), with both China and Taiwan sending large delegations. More than 200 persons participated in the *Summit*. The meeting's success may be judged by the representatives' enthusiastic response and their objective to bring significantly larger delegations to the 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, including information relating to State and County sisters. The Office provides access to sister information; outlines the process of becoming a sister; lists the latest sister news and events; assists with conference and meeting planning, etc. Interested parties may access the site by visiting DBEDT's website (www.hawaii.gov/dbedt/), clicking on "International Markets" and then going to "Office of International Affairs."

2006 Legislature established the Office of International Affairs

The 2006 Legislature resurrected the State Office of International Relations by creating the Office of International Affairs (OIA) through HB1889, HD1, SD 2, CD 1. The bill, introduced by Representative Helene Hale, Chairman of the House Committee on International Affairs, was intended to "coordinate and promote economic, social, cultural, and scientific relations with other countries." Among the bill's objectives was a provision to "encourage the development of international sister-city programs." (For a more detailed description of the bill, please see "Legislative Activity 2006"—below).

3. State of Hawaii's Sisters

Hawaii's experience with sister-state relationships follows the national course. The impetus for initiating a sister tie has often been the result of a State or County legislator's resolution with the strong encouragement of particular ethnic organizations. Thus, Hawaii's 79 State and County sisters reflect a myriad of immigration sources into the Islands.



This banner announced DBEDT's participation at a major food show in Hawaii's sister, Taiwan, in April. The show also featured seminars on investment opportunities in Hawaii.

As of December 2006 the State had 15 sisters. Broken down by country, they were: Japan (4); the Philippines (5); China (3); Korea (1); Taiwan (1) and Portugal (1). These are listed below, with their establishment date.

Country	Province/Prefecture	Year
Japan	Fukuoka	1981
	Okinawa	1985
	Hiroshima	1997
	Ehime	2003
Greater China	Guangdong	1985
	Hainan	1992
	Taiwan	1993
	Tianjin	2002
Philippines	Ilocos Sur	1985
	Cebu	1996
	Pangasinan	2002
	Ilocos Norte	2005
	Isabela	2006
Korea	Cheju Island	1986
Portugal	Azores Islands	1982

4. Legislative Activity 2006

The 2006 Legislature made significant progress in encouraging the sister-city program. Among the important factors contributing to this development were: 1.) The rise of China and the obvious impact it had on Hawaii's economy; 2.) The heightened need to diversify the state's economy (made more urgent by the drastic fall in tourism following the September 11, 2001 events); and 3.) An increased awareness of the challenges and opportunities brought about by the globalization phenomenon.

Legislature creates the Office of International Affairs (OIA)

The 2006 Legislature took a giant step forward in assigning responsibility for sister-state relations by passing HB 1889, HD 1, SD2, CD 1—"Relating to the Office of International Affairs." The goal, was to coordinate and promote international activities, with the specific intention of encouraging and developing sister-city programs.

Legislators noted in the Committee Report that the Office of International Relations (OIR) was abolished in 1994 and that DBEDT assumed OIR functions. However, they also noted that "in this time of globalization, it is critical for Hawaii to assume a proactive role in international matters. Our State is impacted by international agreements and activities and there is much to learn from other countries." By forming the Office of International Affairs (OIA), they felt that a separate office was necessary to "enable the State to carry out its international activities more effectively."

The OIA, housed under DBEDT, without its own Executive Director, encourages the development of sister-city programs in art, culture, economics and education. OIA emphasizes economic activities and peace education, and provides informational exchanges and exchanges of individuals "to develop international and peace-based initiatives."

But while OIA was now "on the board," there remained several significant areas for future legislative action. First-and-foremost, is funding. Second, there was no clear mandate as to the Office taking a leadership role in preparing a strategic plan or primarily function as a repository of international information and activities. And third there is no provision for OIA to incorporate education and training to prepare Hawaii for a globalized world.

Legislature establishes the Hawaii Sister State Committee

The 2006 Legislature took an additional step forward in systematizing the formation of State of Hawaii sister affiliations with the passage of Act 150 (SB 1392, SD 1, HD 2, CD 1) which established the Hawaii Sister State Committee. The Act required the Governor to appoint one member from a list submitted by each of the following entities:

1. The Speaker of the House
2. The President of the Senate
3. A Native Hawaiian cultural organization
4. The East-West Center
5. The Hawaii State Association of Counties

The Act requires the Committee to “evaluate and develop recommendations for the initiation of all sister state or province relationships and forward its recommendation to the Legislature.”

Legislature creates the Student and Faculty Exchange Program between Hawaii and the Philippines

The Legislature instituted an exchange program between Hawaii and a sister to be used as a model for international education initiatives.

SR 94 “Student and Faculty Exchange Program Between Hawaii and the Philippines” resolved that the Department of Education (DOE), in consultation with the Hawaii Association of Independent Schools and the University of Hawaii, develop a student and faculty exchange program with Hawaii’s sister provinces in the Philippines.

The DOE will consult with various Filipino organizations in Hawaii regarding the program planning and implementation, and the program should be implemented by the commencement of the 2008-2009 school year. Reports to the Legislature on the progress of the program are also required.

HCR 230 provided an additional piece of legislation relating to “sisters” in the Philippines—the establishment of a sister affiliation with Isabela Province. This was signed by Governor Lingle and Isabela Governor Grace Padaca on August 31, 2006 (please see below under “New Sister Initiatives). Reflecting the Legislature’s desire to assure that the sister tie produces meaningful activity, legislators included this provision: “Further resolves that if by June 30, 2011 the sister-state affiliation with the Province of Isabela has not reached a sustainable basis by providing mutual economic benefits through local community support, the sister-state affiliation shall be withdrawn.”

Resolution to reduce military presence in sister province Okinawa

Another piece of legislation affecting a sister tie was the passage of HCR 27, HD 1, HR 19, HD 1: “Requesting the President of the United States, the United States Department of Defense, the United States Congress, with the Prime Minister of Japan, the Japan Defense Agency and the National Diet of Japan to seek an agreeable solution for reducing the and relocating the U.S. military forces in Okinawa.” Okinawa became a sister province of Hawaii in 1985.

5. New Sister Initiatives

Isabela Province becomes Hawaii's 15th sister

The 2006 Legislature passed HCR 230, which established Isabela Province in the Philippines as a sister of the State of Hawaii.



Governor Lingle with Isabela Governor Grace Padaca

On August 31, 2006, Governor Linda Lingle and Governor Grace Padaca of the Province of Isabela signed an agreement establishing a sister-state-province relationship between the State of Hawaii and Isabela Province. The ceremony took place at the Philippines Consulate.

The agreement builds on the historic relationship and cultural ties between Hawaii and the Philippines, provides increased opportunities in economic development, trade, tourism, agriculture, education, health care and social and cultural development.

“By formalizing our relationship between Hawaii and Isabela Province, we are recognizing the special bond of friendship and cooperation that will grow for many years to come,” said Governor Lingle. “This relationship will foster opportunities to partner with Isabela’s government and private sector to improve the lives of the people of our state and province. It will also allow Hawaii to share our expertise particularly in the areas of tourism, agriculture, and health care.”

“This sister relationship with Hawaii is both significant and historic as it is the first sister relationship Isabela Province has had with any place in the world,” said Governor Padaca. “As Governor of Isabela Province, I am proud that we are forming this important relationship in the centennial year of the immigration of the first sakadas to Hawaii. Isabela Province and Hawaii share many similarities in our culture, our people and our tropical environment. Through this relationship, I believe we can learn from all the experiences that have made Hawaii successful.”

The two Governors met in the Philippines in January when Governor Lingle led the Hawaii Philippines Centennial Mission commemorating the 100th anniversary of Filipino immigration to Hawaii.

Geography

Isabela Province is located in North Central coastal area of the Island of Luzon. It comprises an aggregate land area of 10,665 square kilometers, representing almost 40 percent of the regional territory. It is the largest regional province and the second largest province in the country in terms of land area. The capital is Ilagan and the population is roughly 1.16 million.

Economy

Agriculture is the major industry of Isabela. Farming is highly mechanized. With the presence of the Isabela State University, joint ventures and other foreign assisted projects and the Magat Dam contribute to the high agricultural productivity. It is also the hub of trade and commerce and other economic activities due to its central location in the region. Isabela's wood industry declined after a logging ban was imposed in the Cagayan Valley Region. However, furniture-making using narra and other indigenous forest materials still exists.

Potential investments are in fisheries and tourism. Isabela has a fertile fishing ground on the Pacific Coast. The Magat Dam reservoir is utilized for domestic market tilapia fish cage production. Tourism is a relatively new industry being developed in the province. Support services and accommodation facilities are likewise being developed.

History

The province was named for Queen Isabela of Spain. The Americans built schools and changed the political system. The economy remained agricultural, with rice replacing corn and tobacco as the dominant crop. The economy recovered quickly after World War II, and today the province is considered one of the country's most progressive.

Politics

For over 30 years the province was under the administration of the Dy family. In the 2004 gubernatorial elections, Governor Padaca—then a local radio broadcaster--defeated Faustino Dy, Jr. According to Wikipedia: “Despite suffering from polio, the neophyte Padaca instituted major reforms, including the eradication of illegal gambling, especially *jueteng*.”

Other sister initiatives

In previous years, the Legislature attempted to establish a sister relationship with Thua Thien-Hue Province in Vietnam, as cultural and educational ties between Hawaii and Vietnam continued to strengthen. On January 17, 2001, the UH College of Business Administration signed an agreement with the Hanoi School of Business launching an Executive MBA program directed by UH in Vietnam. This, and other initiatives, proved to be highly successful. In

addition, numerous members of Hawaii's Vietnamese community expressed their desire to form ties with the province. Thua Thien-Hue served as the ancient capital and possesses culturally and historically important attractions. There is currently strong opposition, mainly from U.S. and Vietnamese veterans groups, and the old flag of South Vietnam is still seen on local Vietnam television and community gatherings. Due to these factors, there was no progress in making Thua Thien-Hue a sister in 2006.

Another previous sister candidate--Rabat-Sale-Zemmour-Zaer, Morocco—once again failed to win the community support necessary for establishing the sister tie.

6. Sister Activities, 1981 - 2006

1. Fukuoka Prefecture, Japan (1981)

Fukuoka Prefecture, with a population of 5.1 million, is located on the Island of Kyushu—Japan’s third largest island. Its capital is Fukuoka City, the 8th largest city in Japan, with a population of 1.2 million. Fukuoka’s governor is Mr. Wataru Aso.

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 have taken place. In 1996, on the Fifteenth Anniversary of the relationship, Governor Benjamin 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*,



House Speaker Calvin Say presents a koa paddle to Fukuoka Governor Wataru Aso

Mr. Koichi Sueyoshi, Mayor of nearby Kitakyushu City, attended and participated in a panel presentation on Energy, Environment and Infrastructure.

2006 activities

Members of the Fukuoka Prefectural Assembly, supported by the Hawaii Fukuoka Kenjinkai, a community organization, traditionally participate in the Opening Day session of the Hawaii State Legislature, and 2006 was no exception. They extended invitations to a celebration marking the 25th anniversary of Hawaii's Sister-State relationship with Fukuoka Prefecture.

On May 17, DBEDT, the Department of Agriculture (DOA), the Oahu Visitors Bureau and its partners led a 5-day business mission to Fukuoka. Participants included House Speaker Calvin Say, seven members of the House of Representatives and 47 individuals' representing Hawaii's business community, Fukuoka Kenjinkai and government.



The mission featured three events:

- An estimated 35,000 residents were attracted to Tenjin Lion Square, one of Fukuoka's most popular and fashionable shopping areas, to hear Hawaiian music and hula, and participate in hands-on cultural demonstrations and "Made in Hawaii" product sampling.
- Japanese buyers, distributors and importers were invited to meet Hawaii businesses at "The Hawaii Experience – Business Trade Show." There were ten vendors representing 24 Hawaii companies. DBEDT worked closely with the Fukuoka Prefectural Government, the U.S. Consulates in Osaka and Fukuoka, and the U.S. Embassy in Tokyo to organize over 70 individual meetings.

- The celebration culminated with “The Hawaii Experience – Gala Reception” on May 22 at the Hotel Nikko Fukuoka, which featured traditional Hawaiian music and hula. Close to 400 people from both Hawaii and Fukuoka attended this event. Hawaii businesses sold and/or promoted their products and services during the concert.

In addition to U.S. government agencies in Japan, organizations that partnered with DBEDT and DOA included the Oahu Visitors Bureau, the U.S. Department of Agriculture, the Honolulu Japanese Chamber of Commerce, Japan Airlines, Hawaii Fukuoka Kenjinkai and the Fukuoka Prefectural Government.

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.

2006 activities

In 2006, Kauai Mayor Bryan Baptiste announced his intention to visit Portugal, although he did not set an itinerary or date for his trip.

3. Okinawa Prefecture, Japan (1985)

Okinawa is Japan’s southernmost prefecture and the only prefecture with a subtropical climate. Okinawa, 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. In addition, the prefecture 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 state's 1924 residents of Japanese ancestry) came from Okinawa.

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

Not surprisingly, Hawaii's Okinawan community has been 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 Prefectural 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.

2006 activities

There was no significant activity between Hawaii and Okinawa in 2006.

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 has emerged as the nation's economic powerhouse and enjoys the highest per capita income and standard of living in China. In 2006, Guangdong led the nation with an astonishing GDP of 14.1%, ranking first in 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 establishment of a sister relationship with Guangdong in 1985, which set up formal ties to the province, had much to do with Hawaii's success in developing a bridge to China.

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 the state's first Chinese sister, as many early immigrants from China came to the Islands from Guangdong, and much of Hawaii's 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 has developed into one of Hawaii's closest sisters, eager to expand the relationship beyond traditional cultural exchanges. Legislators, Chinese Chamber of Commerce leaders, university officials and participants in trade missions have visited Guangdong. The province, in turn, has sent many delegates to Hawaii for business and training. Among the many activities carried out by DBEDT: over the years, hundreds of business publications were collected and sent to Zhongshan Library in Guangzhou and 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 Leadership Training Program which DBEDT and the College of Business Administration (CBA) established at the University of Hawaii in 1999. Each year, for five years, a group of ten senior civil service administrators and State-owned private enterprise executives attended classes at CBA related to their professional interest; visited businesses and governmental institutions; performed internships; and learned American customs and culture. Today, the 50 alumni of this program are 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 annually, 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.

Before moving on to 2006, it is important to recall 2005 happenings. There were two notable events involving Guangdong: Governor Lingle's visit to the province in June to celebrate 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 important activities. These included the 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, to be inaugurated in the Fall of 2007; a tourism workshop, co-sponsored by the Guangdong Provincial Tourism Administration and 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.



2005 highlight: in Guangzhou, University of Hawaii-Hilo Chancellor Rose Tseng, UH President David McClain, Zhongshan University President Huang Daren and Governor Lingle signed a memorandum of agreement between UH and Zhongshan University. At right is Consul General Zhong Jian Hua of the Chinese Consulate General in Los Angeles.

Guangdong Governor Huang Huahua visits Hawaii

Also, in 2005, 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 the Governor's welcoming reception for Guangdong guests, members of Hawaii's Chinese community; a tourism seminar on October 12 at the Hawaii Convention Center for travel companies interested in doing business with Hong Kong and Guangdong; the signing of a tourism development cooperation agreement between DBEDT and the Guangdong Provincial Tourism Authority 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) provide training opportunities in Hawaii. Guangdong officials contributed an exhibition of Guangdong Province photos as part of the "Splendor of China" event at the Blaisdell Center on October 8 and 9, and at Kahala Mall, and a performance by the 110-person Guangzhou Symphony Orchestra at the Blaisdell Concert Hall on October 11, featuring both Chinese and Western orchestral arrangements.

2006 activities

Visiting delegations

Like 2005, the year 2006 was characterized by a great deal of activity in the Hawaii/Guangdong sister relationship. On May 16, 2005, DBEDT staff escorted an agricultural delegation from Guangdong to the Oceanic Institute. The delegation included Mr. Xie Yuexin, the Director of the Province's Department of Agriculture, other government officials and representatives of private agriculture and aquaculture products companies. As a result of the visit, a Memorandum of Cooperation was negotiated between the Guangdong Government and Oceanic to further cooperative research and development projects.

On May 16, Guangdong Vice Governor Li Ronggen visited Hawaii with a delegation of 11 persons, and met with Lieutenant Governor Aiona.

On May 30, DBEDT hosted the visit of Minister Chen Yujie, the head of the Overseas Chinese Affairs Office of the State Council of China. Minister Chen has been extremely helpful to Hawaii's citizens of Chinese descent; specifically, she has assisted the Chinese Chamber of Commerce's activities in China, including helping members locate ancestral homes in Guangdong.

On July 17, DBEDT staff met with Mr. Barry Zhang, Ms. Eileen Bai and Ms. Diana Liu of the U.S. Foreign Commercial Service, Guangzhou Office, to discuss Integrated Development Group (IDG) projects relating to training in all aspects of golf course management, maintenance and operations. Staff also met with representatives from a leading Chinese golf magazine in regard to the possibility of organizing high-end tours to Hawaii golf courses.

On July 18, staff met with Ms. Jiang Nan of GZL International Travel Service, which has organized a series of specialized tours to Guangdong's sisters. Under the auspices of the Hawaii-Guangdong Sister State-Province relationship, the Guangdong Government expressed its

wish to send a group of 100 persons to visit Hawaii. This event—part cultural exchange, part leisure travel—would last approximately a week. If this pilot project is successful, GZL feels that they could bring several groups of this size annually.

Guangdong Tourism & Cultural Festival

DBEDT participated in the Guangdong Tourism & Cultural Festival, from November 24 to 28, of which the first-ever Guangdong Sister-State/Cities Festival was one program. The event was organized by Governor Huang Huahua and the Guangdong Foreign Affairs Office in order for the province to meet and network with ten of its “sisters” from around the world. Attendance at a special exhibition and other attractions was close to two million people.

The Festival provided DBEDT with the opportunity to host a special seminar on the Immigrant Investor Program, a Federal program administered by DBEDT that provides foreign investor funding to American businesses to stimulate jobs in the U.S. DBEDT invited Hawaii companies to present their projects at the seminar, in addition to Chinese agents who represented clients with an interest in investing in Hawaii projects. The projects included shopping centers, a scuba operation, an aquaculture farm and a model ship building enterprise. A tourism festival, held in conjunction with the sister festival, included Hawaiian entertainment.



***Above right: Opening of the seminar in Guangzhou on the Immigrant Investor Program.
Above left: One-on-one meetings between potential immigrant investors and Hawaii developers.***

Because Hawaii is a sister of Guangdong, the state was given two free booths at the exhibition and full press coverage for Hawaiian entertainers. The Hawaii delegation--30 business persons and government officials--was led by DBEDT Deputy Director Mark Anderson.



Above left: DBEDT Deputy Director Mark Anderson with Yu Min, Deputy Director General of Guangdong Foreign Affairs Office, at the 2006 Guangdong Sister-State Festival. Above right: crowds at the opening ceremony of the Guangdong Tourism & Cultural Festival.

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. Port Salomague in Cabugao is the port where the last group of Filipino immigrants (the "sakadas") boarded a ship for Hawaii.

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 strengthened ties with Ilocos Sur, and the province was represented at the *Sister Summit*.

2006 Activities

Governor Linda Lingle visits

In January, Governor Lingle led a 178-member delegation to the Philippines to celebrate the 100th anniversary of Filipino immigration to Hawaii and to advance the initiatives set forth in the Sister State-Province agreements with Hawaii's (then) four sisters: Ilocos Sur, Ilocos Norte, Pangasinan and Cebu. Accompanying the Governor were Senators Lorraine Inouye, Norman Sakamoto and Gordon Trimble, and Representatives Filipe Jun Abinsay, Dennis Arakaki, Lynn Finnegan, Michael Magaoay, Mark Moses and Kymberly Pine, in addition to Filipino community leaders, members of the Filipino Chamber of Commerce and State government officials. The 8-day visit (January 4 to 11) included stops in the four sister provinces, as well as Manila. In addition to the provincial governors, Governor Lingle met with President Gloria Macapagal Arroyo and Manila Mayor Lito Atienza in Manila.



Gov. Lingle, Rep. Kymberly Pine (second from right) and Rep. Lynn Finnegan (far right) at Port Salomague in Cabugao, Ilocos Sur, at the unveiling of a statue as a tribute to the historic journey of the second wave of sakadas who boarded a ship to Hawaii in 1946. Also pictured: Ilocos Sur Vice Governor Diogracias Victor Savellano (far left), Cabugao Mayor Diocaesar Suero (second from left) and Ilocos Sur Gov. Luis "Chavit" Singson (next to Governor Lingle).

On January 8, Governor Lingle visited Ilocos Sur where she met with Governor Luis Singson and Cabugao Mayor Suero. Together with the Hawaii delegation, she unveiled a statue (below photo) which was constructed as a tribute to the historic journey of the second wave of immigrants—the “sakadas.”



Above: Governor Lingle with Ilocos Sur Governor Luis Chavit Singson to her right in the photo, and Vigan City Vice Governor

Following the ceremony at the statue, Governor Lingle visited a small public library--the recipient of books and computer equipment donated by Kauai Filipinos--and then toured Vigan City. While there, she witnessed the signing of a Memorandum of Understanding between the University of the Northern Philippines (UNP) and Kapiolani Community College (KCC) that will help UNP faculty improve curriculum and provide for faculty exchanges so that UNP instructors can study new technology and teaching techniques at KCC. The agreement is believed to be a first of its kind in the Philippines. If successful, the University of Hawaii could expand it to other universities in the nation and establish similar exchanges in China and other countries.

On January 9, Governor Lingle visited the San Esteban Aloha Mission municipal health center annex that was dedicated on December 26, 2005. The funds to construct the building came from donations raised by Hawaii Filipinos who descended from the people who had originated from San Esteban.

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 is rich in 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 acknowledged an important segment of Hawaii’s population--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 was not especially active. Cheju was unable to send a representative to the *2002 Summit*.

In June of 2005, 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.

2006 Activities

There was no significant activity between Hawaii and Cheju in 2006.

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 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 have 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 State Department of Transportation to organize a seminar for the Haikou Meilan International Airport and Sanya Phoenix International Airport officials. The seminar provided briefings in such areas as airport promotion, route development, international transit services and airport facilities. In addition, Hainan officials were introduced to representatives from Duty Free Shoppers (DFS) Hawaii 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 an M.O.U. 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 at Fragrant Water Bay.

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 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.

2006 activities

There was no significant activity between Hawaii and Hainan in 2006.

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, and increased to 4.21% in 2005. This was due to expanded foreign trade and manufacturing output, in response to a recovered global economy.

In contrast to other Hawaii sisters where a strong cultural history led to the sister relationship, in Taiwan's case, 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 have included business missions, educational and special promotional fairs, cultural exchanges, investor seminars, media productions and gubernatorial visits.

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

In 2003, DBEDT signed a Memorandum of Agreement with Taitung, a county of Taiwan Province, which "builds on the goodwill and friendship of the (Taiwan Province) Sister State-Province relationship," and encourages the types of activities normally associated with a full sister relationship; i.e., exchanges and cooperation in such areas as business and trade, high technology, agriculture and aquaculture, deep-ocean industry, education, culture and the arts.

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 Offices Association, an organization of 18 U.S. states in Taiwan.

Deep-ocean pipeline project

Mr. Lei played a key role in drafting the above-noted Memorandum of Agreement between the State of Hawaii and Taitung County, in southern Taiwan whose long coastline and tropical climate resembles Hawaii. The Agreement notes that "of particular importance is the sharing of knowledge on deep-ocean science technology activities, including possible cooperative efforts in establishing an ocean-science park in Taitung."

Like Hawaii, the county possesses an offshore, deep-ocean water (DOW) 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.

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.

In April, staff assisted Mr. Reb Bellinger of Makai Ocean Engineering in his two Taiwan visits. They introduced him to Groundmat—a Taiwan company that was interested in developing the project. Staff then worked with Groundmat, the Taiwan Industrial Technology Research Institute and Makai to organize a 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.

2006 activities

Major Taipei food show promotes Hawaii products

A major culinary event in Taipei presented staff with a major opportunity to showcase Hawaii products. "Gourmet Taipei International Food & Lifestyle Show", from April 26 to May 1, at the Taipei 101—the world's tallest building--attracted more than 36,000 visitors. The Hawaii segment, entitled "Hawaii Experience in Taipei", included a trade mission and the following:

- Jason's Market Place, a popular, upscale supermarket at Taipei 101, promoted and sold 26 Hawaii products, including coffee, wines, bath crystals, hot sauces, mushrooms, jams and jellies, sea asparagus and macadamia nuts.
- Hawaii chefs D.K. Kodama and Hiroshi Fukui prepared, demonstrated and served Kona Kampachi (amberjack) at the Grand Hyatt Taipei.
- An investment seminar, entitled "Hawaii's Economy and Its Future Prospects" at the Taipei World Trade Center, attracted 70 participants.
- A seminar on immigrant investor opportunities in Hawaii drew 30 people.
- A seminar on deep-ocean technology was attended by roughly 70 persons.
- A charity ball to benefit Taiwan culinary students, which featured Hawaii chefs and cuisine, attracted more than 250 persons.

Following this event, staff participated in the Taipei Food Show, from June 21 to 24, at which two Hawaii companies—Maunaloa and Ever Shine—featured Hawaii products.



Joy Hsu, Office Manager for the State of Hawaii Office in Taipei, points toward the Kona Kampachi for sale at Jason's Market Place.



Staff steps up deep-ocean water (DOW) activity

In September, Taipei staff continued its efforts to speed the development of Taiwan's DOW capabilities and obtain business for Hawaii marine technology companies by assisting the visit of six technicians from the Bureau of Standards, Meteorology & Inspection of the Ministry of Economic Affairs to NELHA.

Staff also assisted the Industrial Technology Research Institute (ITRI) in organizing a DOW seminar in Taipei. They invited Mr. Jan War, NELHA Operations Manager, and Mr. Bellinger to provide keynote speeches at the September 28th meeting. The seminar focused on DOW international trends and exchanges of applied technology, in addition to drinking products and other applications, such as Ocean Thermal Energy Conversion (OTEC), cooling systems and algae cultivation. The more than 200 persons who participated received information from seven speakers--from Hawaii, Canada, Japan and Taiwan.

Staff also assisted Mr. War and Mr. Bellinger in visiting a site in Taitung where the DOW facility is being planned. There, they met with numerous officials and administrators from both the public and private sectors. Staff anticipated that the seminar would lay the groundwork for the next international conference—at NELHA in 2007.

Taipei International Travel Fair 2006

Staff participated in the Taipei International Travel Fair 2006, from November 3 to 6, at the Taipei World Trade Center Exhibition Hall, by joining the Hawaii Tourism Authority booth. The show attracted 601 participants from 58 nations. There were 1,105 booths that were visited by 172,280 persons. Staff promoted the Integrated Development Group, short-time training opportunities and school excursions.

9. Cebu Province, Philippines (1996)



Vivian Aiona; Bob Awana, Chief of Staff to Governor Linda Lingle (left); and Elias Beniga, chairman of the Filipino Centennial Celebration Commission (right); and the members of the Hawaii delegation met Cebu Mayor Tomas Osmena. Several members of the Hawaii delegation trace their roots to Cebu, including Mrs. Aiona, whose grandmother is from the area.

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 (Hawaiian Dredging and Belt Collins, for example). 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.

2006 activities

A Hawaii delegation visited Cebu on January 11 where they met with Cebu Mayor Thomas Osmena and Cebu Governor Gwen Garcia. They attended a welcoming reception and Filipino show, hosted by Governor 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 had a population of 1,160,956 in 2006. 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, Hiroshima has participated in 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.

2006 activities

There was no significant activity between Hawaii and Hiroshima in 2006.

11. Pangasinan Province, Philippines (2002)

Like Ilocos Norte Province, Pangasinan is the ancestral home of thousands of 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 cassava. 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 abound.

The province is also known for its *bagoong*, a 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, 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 Magaoay planned a courtesy call on Governor Agbayani in Pangasinan in January, 2005.

2006 activities

Governor Lingle visited Dagupan City and Lingayan, Pangasinan on January 9. She participated in a dinner hosted by Governor Victor Agbayani, and witnessed the signing of a Memorandum of Understanding with Virgen Milagrosa University. At a free concert at Plaza Burgos in the center of Vigan, Tihati’s Polynesian Review—performing with Jasmine Trias—attracted an audience of 2,000.

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. This was signed by Mr. He Ronglin, the Secretary General of the Tianjin Municipal Government, 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 Hawaii; 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 asked for assistance to 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 officials from government ministries responsible for tourism development, environmental protection and education and training.

As part of Governor Lingle's June China mission, a delegation of Hawaii businesses visited the Tianjin High-tech Park on June 14, 2004. The members were offered a presentation by park officials, and later joined them and other representatives for a welcoming luncheon. In the afternoon, there were presentations by Hawaii's High-tech Development Corporation and DragonBridge Capital. DragonBridge, a Hawaii-based financial advisory company, serves Chinese technology firms by helping them raise capital, locate technology partners and expand their markets in the U.S.

2006 activities

Planning Tianjin's business district and wetlands

In July, DBEDT staff met with Vice Mayor Cui Jin Du and senior staff from the Foreign Affairs and Commerce Commission to discuss the possibility of IDG's submitting a proposal for a master plan for the redevelopment of the Tianjin Central Business District. This business district is undergoing a massive transformation to reflect the city's new status as "Beijing's Shanghai." The estimated value of this would be roughly \$2 million.

In addition, IDG was asked to help master plan a nature and eco-tourism preserve in one of the largest, untouched wetlands in the Beijing/Tianjin area. The preserve contains half of all bird species in China. It is also a significant stopover on the winter migratory routes between Siberia and Australia. The project could possibly engage members of the Environmental Development Group (EDG), and could be a site for the demonstration of new environmental technologies. DBEDT estimated the value of the planning contract to be \$1 million.

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 the state to explore business opportunities, cultural exchanges and health education tours. One-hundred Ehime senior citizens also traveled to the Islands to study health and wellness programs and participate in briefings at the UH School of Medicine and other medical facilities.

In February 2005, Ehime Prefecture sent a delegation to Hawaii headed by Mr. Hiroshi Suto, Chairperson of the Ehime Hawaii Association. 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.

2006 activities

Each year, the Ehime Prefectural International Center organizes a tour for women to travel overseas to experience different cultures. In January, 2006, Ehime's "Colleges for Mom" program brought over 100 women with ties to Ehime's farming industry to Hawaii where they visited popular tourist sites and participated in agri-tourism-based activities.

14. Ilocos Norte, Philippines (2005)

Ilocos Norte became a sister of Hawaii on February 1, 2005.

Because an estimated 80% 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 Panlalawigan. 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.

2006 activities

Governor Lingle visits Ilocos Norte

As part of the celebration of the centennial of Filipinos arriving in Hawaii, Governor Lingle and a 178-member delegation visited Laoag City, the capital of Ilocos Norte Province. On January 7, Representative Dennis Arakaki presented pen-pal letters from Kalihi-uka, Farrington, Kalakaua Intermediate and Fern schools to students and teachers at four schools in Sarrat, a city near the Laoag that is the birthplace of the late Philippines President Ferdinand Marcos. He was met by Sarrat



Gov. Lingle and Ilocos Norte Governor Ferdinand “Bong Bong” Marcos, Jr., at the inauguration of a new mango processing plant in Ilocos Norte. The plant, which is under construction and scheduled to begin operating later this year, is a partnership between Hawaii and Filipino entrepreneurs that is a result of the Hawaii-Ilocos Norte Sister-State/Province Agreement. The plant will process dried mangoes and mango concentrate, juice and candies for export to Japan, Hong Kong, China, Hawaii and the Mainland U.S. Also pictured are Bob Awana, Governor Lingle’s chief of staff (far left); Sandra Lee Kunimoto, Director of the Department of Agriculture (second from left); and Chito Dumlao, Governor Marcos’ chief of staff (far right).

Mayor Corazon J. Ruiz-Abad, Arakaki, Representative Michael Magaoay and former Representative Jun Abinsay are sponsoring the education of two boys from Sarrat—from grade school through college.

On January 6, Governor Ferdinand Marcos hosted a dinner for Governor Lingle and the Hawaii delegation that featured Filipino cultural performances. The dinner also celebrated the sister-province relationship that the two governors established in February, 2005.

On January 7, Governor Lingle attended a Barangay Fiesta in San Nicolas, and toured a hospital which has received medical equipment and help from Hawaii through the Aloha Medical Mission. That night, she hosted a show with Tihati's Polynesian Review and Jasmine Trias that attracted an estimated 10,000 persons.

15. Isabela Province (2006)

Please see page 8.

7. Recommendations

The following recommendations are offered to the newly-formed Sister State Committee.

1. The Office of International Affairs has been established, but lacks funding. In order for the Office of International Affairs (OIA) to be effective, it needs sufficient funding for its operations.

Recommendation: the Committee should work closely with legislators to encourage and assist them in introducing legislation that will provide sufficient funding for OIA operations.

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

3. 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 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 Committee should re-utilize the Sister-State Application Form developed by the Office of International Relations.

The form should 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.**
4. 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 Committee should continue to foster business opportunities through its existing sister partners and through the creation of new sister partners and provide small businesses access to these opportunities.

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

Recommendation: the Committee should assure that agreements include a higher degree of specificity, including each side's responsibilities: when, where, what, how.

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

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

7. The State has 15 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 Committee should carefully review the history of activities of each sister relation to determine which ties should be strengthened and which should be severed.

8. 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 Committee should assess the benefits and explore the possibility of joining Sister Cities International.

8. Appendix

County Sisters

1. Hawaii County

According to Hawaii County's Andy Levin, the County has 10 sisters:

Hualien City, Taiwan Province (1971)
La Serena, Chile (1994)
Legazpi City, Philippines (1970)
Nago City, Okinawa, Japan (1986)
Oshima, Japan (1962)
Sao Miguel Island, Portugal (1980)
Shibukawa, Gunma Prefecture, Japan (1997)
Sumoto, Japan (2000)
Tasmania, Australia (1997)
Yurihama, Tottori Prefecture, Japan (1996)

2. City & County of Honolulu

According to the City & County of Honolulu's Michelle Ching, Aide to Mayor Mufi Hannemann, the County has 23 "sister cities." 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. In July, 2006, Rabat, Morocco became a sister.

During the year, Mayor Hannemann visited Naha, Okinawa, Japan and Incheon, Korea. In addition, he hosted a delegation of planners from Sanya, Hainan Province, China, and met with a group of students from the Hiroshima Foreign Languages College and its president from Hiroshima, Japan. The students participated in a short-term study program at Hawaii Pacific University. Further, on December 13, Honolulu hosted an International Trade Exposition for the County's sisters in the Philippines, as part of the Filipino Centennial celebration. There was also contact with Bruyeres, France through the Peace and Freedom Trail organization, a group composed of both American and French citizens.

Baguio City, Benguet Province, Philippines (1995)
Baku City, Azerbaijan (1998)
Bruyeres, France (1960)
Caracas, Venezuela (1999)
Cebu City, Cebu Province, Philippines (1990)
Funchal, Madeira, Portugal (1979)
Hainan Province, China (1985)
Hiroshima Prefecture, Japan (1959)

Hue, Vietnam (1995)
Incheon, South Korea (2003)
Kaohsiung City, Taiwan Province (1962)
Laoag City, Ilocos Norte Province, Philippines (1969)
Manila, Philippines (1980)
Mumbai (Bombay), India (1970)
Mombasa, Kenya (2000)
Naha City, Okinawa Prefecture, Japan (1960)
Rabat, Morocco (2006)
San Juan, Puerto Rico (1985)
Seoul, South Korea (1973)
Sintra, Portugal (1998)
Uwajima, Ehime Prefecture (2004)
Vigan, Ilocos Norte Province, Philippines (2003)
Zhongshan, Guangdong Province (1997)

3. Kauai County

According to Kauai County's Kaui Tanaka, the County has 10 sisters:

Bangued, Abra Province, Philippines (2000)
Cooktown, Queensland, Australia (1989)
Ishigaki, Ryuku Islands, Japan (1963)
Moriyama City, Shiga Prefecture, Japan (1975)
Quinhuangdao, Hebei Province, China (1993)
Suo-Oshima, Yamaguchi Prefecture, Japan (1964)
Papaenoo, French Polynesia (2000)
Santa, Ilocos Sur Province, Philippines (1991)
Urdeneta, Pangasinan Province, Philippines ((2000)
Whitby, England (1987)

4. Maui County

According to Maui County's Anna Ribucon, Maui County has 21 sisters.

Maui's 2005 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.

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.

Maui's sisters are:

Albe, France (2001)
American Samoa (1986)
Arequipa Municipality, Peru (1994)
Bacarra, Ilocos Norte Province, Philippines (1970 and 1985)
Cabugao, Ilocos Sur, Philippines (2005)
Embo, Dornach, Scotland, United Kingdom (1990)
Funchal, Madeira, Portugal (1985)
Hachijo Island, Japan (1994)
Sanya County, Hainan Province, China (1998)
Hirara City, Miyako Island, Okinawa, Japan(1965)
Madrid, Spain (1969)
Manila, Philippines (1994)
Ping Tung County, Taiwan (1982)
Puerto Princesa, Palawan, Philippines (1999)
Quezon City, Metro Manila, Philippines (1970)
Rapa Nui, Easter Island, Chile (1998)
Saipan, Northern Marianas Islands (2005)
Santa and San Juan Municipalities, Ilocos Sur, Philippines (1991)
Sao Miguel Island, Azores, Portugal (1990)
Sarrat, Ilocos Norte Province, Philippines (2005)
Zambales Province, Philippines (1968)