

## **Statement on TAPA China and TAPA North Asia Region**

### Financial management of TAPA China Chapter

In 2012, TAPA Asia Pacific established the TAPA China Chapter in Hong Kong to facilitate TAPA's membership growth in China.

As TAPA China Chapter was based in Hong Kong, TAPA Asia Pacific appointed the Shanghai Credit Information Service Co., Ltd ("**SCIS**") to serve as the TAPA Asia Service Centre in Shanghai. SCIS's responsibilities included the financial management of the TAPA China Chapter, particularly the collection of membership fees from TAPA China members in Chinese Renminbi.

In mid-2015, the Board of Directors of TAPA Asia Pacific became concerned over SCIS' lack of transparency and accountability over the finances of TAPA China Chapter.

Attempts to obtain clarification on the accounts of TAPA China Chapter were unsuccessful.

In December 2016, TAPA China Chapter agreed to have their finances for the years 2015 and 2016 audited. Ernst & Young Hua Ming LLP were appointed by TAPA Asia Pacific to audit the accounts of TAPA China Chapter.

Between December 2016 and June 2017, Ernst & Young Hua Ming LLP attempted to complete the agreed audit. However, their attempts to commence the audit of TAPA China Chapter were unsuccessful due to SCIS' non-cooperation.

### Compliance with China's new NGO Management Law

On 1 January 2017, a new law on foreign Non-Governmental Organisations ("**New NGO Law**") came into effect in China. Under the New NGO Law, it is no longer lawful for a foreign NGO to recruit members, carry out activities, or collect fees from members unless a representative office is properly registered in China or relevant documents have been submitted for the purposes of carrying out temporary activities.

As TAPA China Chapter was registered in Hong Kong and not China, it could no longer continue to operate lawfully in China.

The dissolution of TAPA China Chapter was completed on 16 March 2017.

TAPA Asia Pacific has on 19 May 2017 instructed SCIS to refund all membership fees collected from TAPA China members. As far as TAPA Asia Pacific is aware, SCIS has, to date, refused to refund any membership fees.

### TAPA China

Despite TAPA Asia Pacific's decision to close the TAPA China Chapter, SCIS continues to claim that

they are representing TAPA in China under the name of "TAPA China", even after being specifically instructed to remove all mention of association between SCIS and TAPA.

"TAPA China" linked to a society "TAPA North Asia Region" which was registered as a society in Singapore on 2 May 2017.

It came to the attention of the Board of Directors of TAPA Asia Pacific that SCIS, operating as TAPA China, reached out to members of TAPA Asia Pacific and offered them complimentary renewal of their supposed membership with TAPA China.

TAPA China not and never been authorised by any of the three official regional TAPA entities or their governing body, the World Wide Council. In addition, we are advised that TAPA China's continued operation is not in compliance with the New NGO Law.

TAPA Asia Pacific and the World Wide Council are currently taking actions in accordance with legal counsel to close down TAPA China. In China, TAPA Asia Pacific has filed a report with the Public Security Bureau on TAPA China's continued activities. In Singapore, TAPA Asia Pacific had written to the Ministry of Home Affairs requesting the dissolution and filed a police report regarding their unlawful actions.

To serve TAPA members in China in compliance with the New NGO Law, TAPA Asia Pacific has submitted an application with the Chinese Government to establish a legal presence in China.

An announcement will be made once this has been completed.

TAPA Asia Pacific, based in Singapore, is the only recognised TAPA entity lawfully and legally operating in the Asia Pacific region.