

China

Opportunities in China

The top opportunities for U.S. exporters in China include:

- Marine industries
- Green building
- Safety and security
- Aviation market
- Education and training
- Air pollution
- Renewable energy (solar and wind)
- Automotive components
- Healthcare
- Travel and tourism
- Tobacco
- Wood and Wood Products

For further information, download the Country Commercial Guide in our [Salesforce Content Pack](#).

Map of China



In 2011, China was the #3 export destination for the United States and the #2 for Virginia exports.

Total U.S. Exports to China



Top Virginia Exports to China

Export Category	2011	Change 10/11
Total Exports	\$1,754.4	38%
Electrical Machinery	\$ 209.4	38%
Mechanical Machinery	\$ 182.0	52%
Plastics	\$ 156.7	11%
Manmade Staple Fibers	\$ 154.3	17%
Organic Chemicals	\$ 110.9	39%
Grains, Seeds, Fruits	\$ 108.3	48%
Paper & Paperboard	\$ 103.0	39%
Aluminum	\$ 92.4	5%
Meat	\$ 79.5	1668%
Pharmaceuticals	\$ 78.9	94%

In US\$ millions (World Trade Atlas)

Opportunities in China for Exporters

Green Building

China has the world's largest construction market. Over the next decade, China will build half of the world's new buildings. 2011 is the first year of China's 12th Five Year (2011-2015) plan for Economic and Social Development, and many cities are planning to become an "eco-city" by retrofitting old buildings and building new low-carbon building. Some of the best prospects are:

- Green-design techniques
- HVAC systems
- Solar products
- Grey water, water reuse systems
- Heat preservation, insulation, ventilation
- New technologies and products
- T-series light fixtures, CFL and LED bulbs
- Double-glazed, low-solar-gain, Low-E glass

Marine Industries

China has seen rapid development of its marine industry over the past few years. The best prospects in China's marine industries include shipbuilding and marine engineering, recreational marine, and port related accessories and sea transportation. China's marine equipment industry currently lags behind the shipbuilding industry. Equipment in high demand includes:

- Key electric-mechanical equipment
- Communications systems
- Cutting and welding technology
- Diesel engine crank-shafts and key components
- High-powered diesel engines
- CAD software and other high-tech equipment
- High-grade steel plates and section bars
- Environmentally friendly paint
- Pleasure boats and accessories

This information is adapted from the U.S. Commercial Service. [Click here to view more export opportunities.](#)

Safety and Security

Over the last four years the annual compound growth rate of the safety/security equipment market in China was about 30%. In 2010, due to active demand in such fields as urban construction, transportation infrastructure development, finance, education and the military, the market for safety/security equipment reached \$3.53 billion. Much of the demand for safety and security equipment focuses on high-tech equipment, such as:

- Inspection control systems
- Security guard communication systems
- Emergency warning systems, especially airports
- Detection equipment

U.S. exporters should look for opportunities to provide products by partnering with local Chinese engineering firms with often have strong government connections.

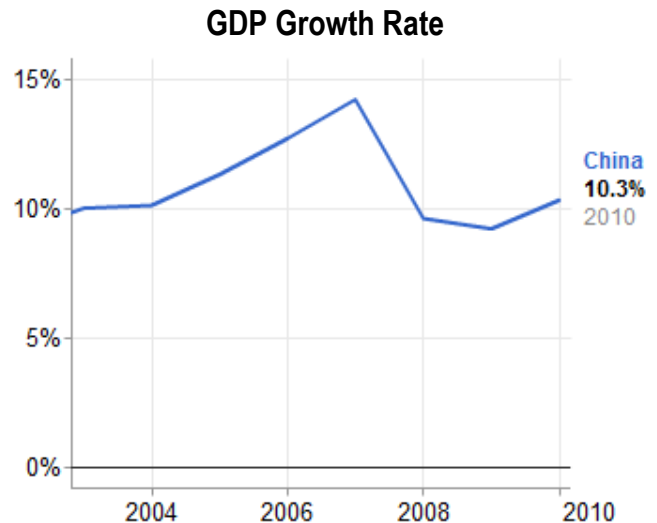
Aviation

China is one of the world's fastest growing civil aviation markets. Industry forecasts expect growth to remain strong over the medium term, averaging 7% over the next 20 years. In order to keep pace with demand, China is forecast to require 4,330 new aircraft valued at \$480 billion over the next 20 years. Though there are a number of major domestic aircraft and parts manufacturers scattered throughout China, the sector is still underdeveloped, creating a strong demand for reliable imported products and technologies to ensure quality standards. Top opportunities include:

- Airport design
- Ground service
- Infrastructure construction
- Consulting services
- Surveillance

Economic Overview

- In 2009, the global economic downturn reduced foreign demand for Chinese exports for the first time in many years, but China rebounded quickly, outperforming all other major economies in 2010 with GDP growth at 10.3%.
- Measured on a purchasing power basis that adjusts for price differences, China in 2010 stood as the second-largest economy in the world after the U.S.
- China's economic expansion has been driven largely by exports, and in 2010 China also became the world's largest exporter.
- China's fast-growing economy has fuelled the demand for energy, and the Chinese government is seeking to increase energy production capacity from sources other than coal and oil, focusing instead on nuclear and alternative energy development.
- The Chinese government faces numerous economic challenges, including inflation, which in 2010 surpassed the government's target of 3%, and local government debt, which has swelled as a result of stimulus policies.
(U.S. Central Intelligence Agency, U.S. Department of State)



Cultural Guide

- In China, getting to know someone face to face is often regarded as the only way of finding out whether a person is trustworthy. In general, the Chinese tend to build personal relationships before entering into a business partnership.
- Never arrive late for a Chinese meal. It is common for people to arrive up to 15 minutes early. Chinese hosts make it quite clear when the meeting is over and you will not be expected to linger.
- The Chinese do not like to say no. Doing so causes embarrassment and loss of face. If a request cannot be met, you might be told that it is inconvenient or under consideration. Alternatively, you might be told "Yes, but it will be difficult". This actually means "probably not".
- Gestures in conversation can have different meanings in China. Nodding means "I hear what you are saying", not necessarily "I agree with you". Laughing can be from embarrassment rather than because something is funny.
- The objective of developing close relationships is to build what the Chinese call guanxi (pronounced gwan shee), which are essentially social or business connections based on mutual interest and benefit.
- Many senior officials in southern China are moving away from the typical banquet scenario and are now more likely to be found playing tennis (with a top coach) or golf.
(UK Trade & Investment)

In conversation, safe subjects are hobbies, family, your hometown, the Chinese landscape and Chinese culture.

China



Trade Mission to China: April 16-20, 2012

For more information, please contact:

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The VEDP offers a number of export-related services to Virginia businesses, including group market visits and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters. For more information, please visit our website: www.exportvirginia.org.

Additional Resources

Market Reports

[Country Commercial Guide](#)

[Doing Business in China](#)

[Market Reports: China](#)

[Ease of Doing Business Report: China](#)

U.S. Commercial Service

UK Trade & Investment

GlobalTrade.net

World Bank

Website Links

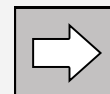
[Embassy of China in the U.S.](#)

[China Daily Newspaper](#)

[People's Daily Newspaper](#)

[U.S. - China Business Council](#)

Click here to access market reports and data in our custom Salesforce Content Pack for China.



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