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International Trade Policy Division
Ministry of Economic Development

COUNTRY BRIEFING PAPER

PEOPLE'S REPUBLIC OF CHINA

Country Briefing Paper People's Republic of China

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1. DIPLOMATIC RELATIONS

- The Maldives established diplomatic relations with China on **14 October 1972**.

1.1 Diplomatic Representation

The Maldives

The Embassy of Republic of Maldives accredited to People's Republic of China was officially opened in Beijing on 26th May 2008. The Embassy is presently headed by Ambassador His Excellency Mr Ahmed Latheef, who presented his Letter of Credence to H.E. Mr Hu Jintao, President of People's Republic of China on the 3rd April 2008.

China

The Embassy of China accredited to the Maldives is in Colombo. The Embassy is presently headed by Ambassador, Ms Yang Xiuping, who presented his Letter of Credence to President Mohamed Nasheed on 3rd February 2009.

1.2 Consular Representation

The Maldives

Nil

China

Prof. Guisheng Yang was appointed as the Honorary Consul of the Maldives in Shanghai on 3 September 2006.

The Consulate General of the Republic of Maldives in Hong Kong is presently headed by Honorary Consul General of Maldives Mr. Bob N. Harilela JP.

2. BILATERAL RELATIONS

A Zero Tariff Agreement has been signed between Maldives and China on 23rd July 2006. After having several discussions regarding the Rules of Origin within China and Maldives, the agreement is now in effect starting from 1st February 2009.

The agreement promotes economic development of Maldives and strengthen economic and trade relationship between both the countries. Under this agreement, non-reciprocal preferential tariff treatment is given to 278 tariff rates. (Only to Exports-mainly fish and fish products). Zero tariffs apply to those 272 as long as they don't cause serious injury to their domestic industry plus fits the Rules of Origin criterion.

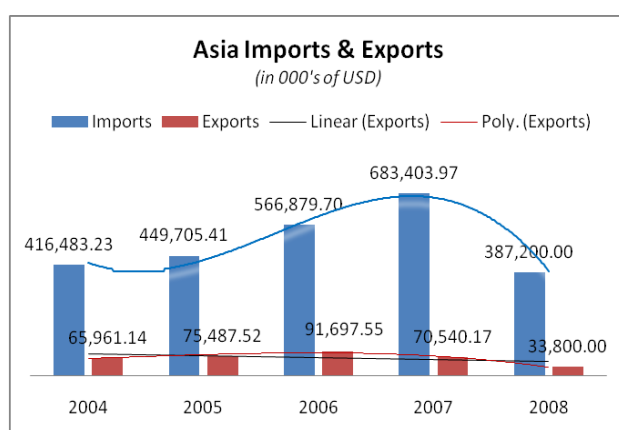
3. TRADE PERFORMANCE¹

IMPORTS & EXPORTS BY CHINA AND ITS REGION (ASIA)

Table 1: Imports & Exports from China to Maldives and its Region 2004 to 2008 (in 000's of USD)

Year	Asia				China			
	Imports	%	Exports	%	Imports	%	Exports	%
2004	416,483.23	65.1	65,961.14	53.9	7,933.62	1.2	51.55	-
2005	449,705.41	60.6	75,487.52	72.7	15,945.91	2.1	40.57	-
2006	566,879.70	61.4	91,697.55	67.9	17,430.58	1.9	585.84	0.4
2007	683,403.97	62.6	70,540.17	65.5	24,500.00	2.2	12.25	-
2008	387,200.00	62.6	33,800.00	59.6	29,149.00	2.1	0.26	-

Source: Maldives Customs Service



Main Exports to China

- Fresh Or Chilled Yellowfin Tuna and Loins
- Grouper (Fresh Or Chilled)
- Yellow Finned Tuna Loins (Fresh Or Chilled)
- Frozen Skipjack Or Stripe-Bellied Bonito
- Dried Sea Cucumber & Shark fins
- Fresh or Chilled Bigeye Tuna and its Head (Frozen)
- Marlin (Frozen)

Main Imports from China

- Machinery
- Electrical Products
- Data Processing Equipment
- Apparel
- Textile
- Steel
- Mobile Phones

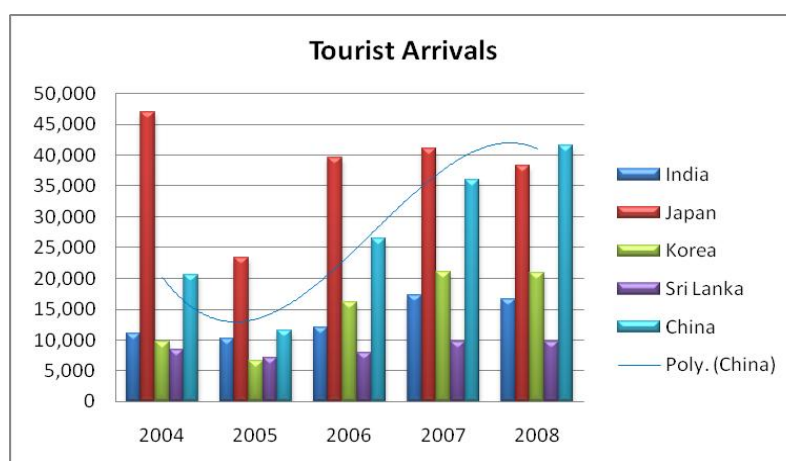
¹ No particular product in goods
No particular pattern in commodity

TOURIST ARRIVALS BY CHINA & ITS REGION (ASIA)

Table 2: Tourist Arrivals to Maldives from India & Other Asian Countries, 2004 to 2008

Year	Total Tourist arrivals	Main Markets within the Region				China	
		India	Japan	Korea	Sri Lanka	Tourist Arrivals	% of Tourist Arrivals
		2004	616,716	10,999	46,939		
2005	395,320	10,260	23,269	6,543	7,165	11,609	2.94
2006	601,923	12,071	39,528	16,157	7,954	26,396	4.39
2007	675,889	17,327	41,121	20,976	9,654	35,976	5.32
2008	683,012	16,663	38,193	20,934	9,752	41,511	6.08

Source: Ministry of Tourism and Civil Aviation



TOURIST ARRIVALS BY MAJOR MARKETS

Table 3: Tourist Arrivals to Maldives from major Markets, 2004 to 2008

Country	2004		2005		2006		2007		2008		Ranking
	Tourist Arrivals	%	Tourist Arrivals	%	Tourist Arrivals	%	Tourist Arrivals	%	Tourist Arrivals	%	
United Kingdom	113,991	16.9	87,264	12.9	107,995	16.0	125,158	18.5	116,821	17.1	1
Italy	131,044	19.4	70,112	10.4	118,929	17.6	117,246	17.4	103,823	15.2	2
Germany	72,967	10.8	55,782	8.3	70,830	10.5	72,269	10.7	69,240	10.1	3
France	46,156	6.8	21,640	3.2	43,627	6.5	45,301	6.7	48,100	7.0	5
Japan	46,939	6.9	23,269	3.4	39,528	5.8	41,121	6.1	38,193	5.6	7
China	20,599	3.3	11,609	2.9	26,396	4.4	35,976	5.3	41,511	6.1	6
Russia	18,075	2.7	14,582	2.2	21,955	3.2	31,845	4.7	48,978	7.2	4
Switzerland	29,252	4.3	19,321	2.9	26,251	3.9	26,183	3.9	26,983	4.0	8
Korea	9,672	1.4	6,543	1.0	16,157	2.4	20,976	3.1	20,934	3.1	9
India	10,999	1.6	10,260	1.5	12,071	1.8	17,327	2.6	16,663	2.4	10

Source: Ministry of Tourism and Civil Aviation

- With a total of 683,012 tourists, it has been recorded that 2008 has been a record year for tourist arrivals in the Maldives.
- Among the top ten markets of 2008 include, United Kingdom, Italy, Germany, France, Japan, **China**, Russia, Switzerland, Korea and India.
- China is one of the rapidly growing source markets to Maldives. China currently holds the sixth position among the major markets for Maldives, sharing 6.1 percent of the total number of visitors to Maldives.
- The month of February is recorded as the peak season for visitors from China to the Maldives.

INVESTMENTS MADE BY CHINA IN MALDIVES**Table 4: Chinese Investments in Maldives**

Company	Registered Country	Shareholders (including number of shares)	Type of activity	Declared Capital (US \$)	Established Date
Chinese Medical Centre Pvt. Ltd.	Maldives	Dr (Mrs) Zhou Mingzhu (China) – 100 shares Mr Zhou Jun (China) – 100 shares Dr (Mrs) Zou Guangyun (China) – 100 shares	Operate a Chinese medical clinic for Chinese traditional treatments & Chinese herbal medicine	70,000	15-11-2003
Chinese Health Care Pvt. Ltd.	Maldives	Mr Han Bing Zhu (China)-70% Mr Chen LI Ping (China)-30%	Operate a Chinese Clinic in Maldives	20,000	06-03-2006

Source: Foreign Investments Services Bureau

EXPATRIATES OF CHINA & ITS REGION (ASIA)**Table 5: Expatriates of China and its Region (Asia) in Maldives from 2004 to 2008**

	2004	2005	2006	2007	2008
China	155	169	310	364	414
Asia	36,741	43,331	52,350	68,438	79,061

Source: Ministry of Human Resources, Youth & Sports

4. COUNTRY PROFILE

Economy and finance

GDP (2008 est.):	US\$ 7.8 trillion
GDP per capita (2008 est.):	US\$ 6,100
Currency:	Renminbi Yuan (RMB¥)
Exchange rate (2008 est.):	Renminbi yuan (RMB) per US dollar - 6.9385 7.61 (2007), 7.97 (2006), 8.1943 (2005), 8.2768 (2004)
Imports (2008 est.):	US\$ 1.156 trillion f.o.b.
Main Import Commodities:	Machinery & Equipment, Oil & Mineral fuels, Plastics, LED screens, Data Processing equipment, Optical & Medical Equipment, Organic Chemicals, Steel, Copper
Exports (2008 est.):	US\$1.465 trillion f.o.b.
Main Export Commodities:	Machinery, Electrical products, Data Processing equipment, Apparel, Textile, Steel, Mobile Phones
Industries	Iron, steel, textiles, apparel, machine building and armaments
Main Crops:	Grain, rice, cotton, potatoes and tea
Minerals:	Tungsten, antimony, coal, oil, mercury, iron, lead, manganese, molybdenum and tin

Head of State:	His Excellency Mr Hu Jintao (President since 15 March 2003)
Head of Government:	His Excellency Mr Wen Jiabao (Premier of the State Council since 16 March 2003)
Foreign Minister:	His Excellency Mr Yang Jiechi (since 2007)
Geography:	
Area:	9,596,960 sq km
Capital:	Beijing

People:	
Population:	1,330,044,605 (July 2008 est.)
Ethnic groups:	Han Chinese (92%), Tibetan, Mongol, Korean and Manchu
Principle Languages:	Mandarin (official), Yue, Wu, Haka, Xiang Gan, Minibei and Minnan.
Religion:	China is officially atheistic, but there are five State-Registered Religions: Daoism, Buddhism, Islam, Catholic and Protestant Christianity

Political system

- According to the Constitution of China, the country is a socialist state led by the working class and based on the alliance of workers and peasants. *The Chinese Communist Party (CCP) is the only political party in the country. The National People's Congress (NPC) is China's legislative body comprising of nearly 3000 deputies, elected every five years by Provincial People's Congresses and the People's Liberation Army. The NPC has the power to appoint and remove the President and Vice-President of China, the Premier and Vice-Premiers of the State Council, the Procurator and President of the Supreme People's Court and the Chairman and members of the State's Military Commission.*