

## Fast Facts – People’s Republic of China

(Note: All information includes only main land China and not Hong Kong, Macau, or Taiwan)

(2009)



Map courtesy of Lonely Planet ([www.LonelyPlanet.com](http://www.LonelyPlanet.com))

### Overview

*Location* – Asia

*Population* – 1,338,612,968 (2008)

- Urban – 575,603,576 (43%)
- Rural – 763,009,392 (57%)

*Languages* – Mandarin (spoken, official), Simplified Chinese (written, official); Cantonese, Shanghaiese, Fuzhou, Hokkien-Taiwanese, Xiang, Gan, Hakka

### *Features*

- Time zones: 1 (UTC +8)
- Total Area: 9,596,961sq km (5,963,275.10 sq mi)
- Coastline: 14,500 km (9009.88 mi.)

### *Political Divisions*

- 23 Provinces
- 5 Autonomous Regions
- 4 Municipalities
- 2 Special Administrative Regions

*Major Cities* (province or municipality) (2009 population estimate)

- *Capital* – Beijing (Beijing) – 13,200,000
- Shanghai (Shanghai) – 17,000,000
- Guangzhou (Guangdong) – 12,000,000
- Shenzhen (Guangdong) – 8,615,000
- Tianjin (Tianjin) – 8,200,000

- Chongqing (Chongqing) – 7,500,000
- Dongguan (Guangdong) – 6,950,000
- Nanjing (Jiangsu) – 6,800,000
- Wuhan (Hubei) – 6,600,000
- Hangzhou (Zhejiang) – 6,300,000
- Shenyang (Liaoning) – 5,060,000

**Economic Standing** (definitions of economic terms are provided in the Appendix)

**NOTE:** All amounts are originally in US Dollars (USD) and are converted to Chinese Yuans (CNY) at the 2008 yearly average exchange rate of USD 1 = CNY 6.962.

- GDP (official) – CNY 30,126 trillion (USD 4,327 trillion)
- GDP (PPP) – CNY 55,640 trillion (USD 7,992 trillion)
- GDP per capita (PPP) – CNY 41,772 (USD 6,000)
- GNP – CNY 27,399 trillion (USD 3,936 trillion)
- Income per capita – CNY 20,468.28 (USD 2,940)

*Primary Resources* – ore, iron, steel, aluminum, other metals, coal, petroleum, chemicals

*Economic / commercial / industrial break-down*

- Agricultural – 11.3% of economy
- Industry – 48.6% of economy
- Service – 40.1% of economy

*Import / Export Activity*

- Imports (2008) – CNY 7,477 trillion (USD 1,074 trillion)
- Principal sources of imports: Japan 13.3%, South Korea 9.9%, US 7.2%, Germany 4.9%
- Exports (2008) – CNY 9,990 trillion (USD 1,435 trillion)
- Principal export markets: US 17.7%, Hong Kong 13.3%, Japan 8.1%, South Korea 5.2%, Germany 4.1%

**World Bank Group Doing Business Index ranking** (2010 report, covering 06/08 – 05/09)

- Overall Rank: # 89 (out of 183 countries)
- Starting a business:
  - Time Required: 37 days
  - Cost (% of income per capita): 4.9
  - Min. Capital (% of income per capita): 130.9
- Winding down a business:
  - Time required: 1.7 years
  - Cost (% of estate): 22
  - Recovery rate (cents on the dollar): 35.3

- Property Rights
  - Procedures to register: 4
  - Time: 29 days
  - Cost (as % of property value): 3.1%
- Foreign Trade
  - Documents to export (number): 7
  - Time to export (days): 21
  - Cost to export (per container): CNY 3,481 (USD 500)
  - Documents to import (number): 5
  - Time to import (days): 24
  - Cost to import (per container): CNY 3,794.29 (USD 545)
- Protecting Investors
  - \*\* “The indexes vary between 0 and 10, with higher values indicating greater disclosure, greater liability of directors, greater powers of shareholders to challenge the transaction, and better investor protection.”
  - Extent of disclosure index (i.e., transparency of transactions): 10
  - Extent of director liability index (i.e., liability for self dealing): 1
  - Ease of shareholders suits (individually or derivative): 4
  - Strength of investor protection index: 5

**Transparency International Ranking** (2008)

- Corruption Perceptions Index: 3.6
- Ranking: # 79 (out of 180 countries)

**Government and Politics**

*Form of Government* – Communist State

*Political Parties*

- Chinese Communist Party (CCP) (2,099 seats in the National People’s Congress)
- United Front Democratic Parties (PRC) (888 seats in the National People’s Congress)
  - Revolutionary Committee of the Kuomintang
  - China Democratic League
  - China Democratic National Construction Association
  - China Association for Promoting Democracy
  - Chinese Peasants' and Workers' Democratic Party
  - China Party for Public Interest
  - September 3 Society
  - Taiwan Democratic Self-Government League

*NOTE:* While these eight other Parties (collectively making up the PRC) are the only other parties recognized in China, the PRC is aligned with the CCP and falls under the authority of the Central Committee of the Communist Party of China

*Government Leadership*

- Head of State – President Hu Jintao (Succession: If the office of the President is empty, the Vice President, Xi Jinping, ascends to the Presidency.)
- Head of Government – Premier Wen Jiabao (Succession: Empty until a new appointment is made by the President and confirmed by the National People’s Congress.)

### *Political Jurisdictions*

- 23 Provinces (including Taiwan which China claims): Run by a CCP appointed Provincial Committee headed by a First Secretary who serves as de facto Governor of the Province.
  - Anhui, Fujian, Gansu, Guangdong, Guizhou, Hainan, Hebei, Heilongjiang, Henan, Hubei, Hunan, Jiangsu, Jiangxi, Jilin, Liaoning, Qinghai, Shaanxi, Shandong, Shanxi, Sichuan, Taiwan, Yunnan, Zhejiang
- 5 Autonomous Regions: Have the right to appoint their own Governor from the local minority, and theoretically have greater legislative rights than the provinces.
  - Guangxi, Nei Mongol, Ningxia, Xinjiang Uygur, Xizang (Tibet)
- 4 Municipalities: Status is equal to that of the provinces.
  - Beijing, Chongqing, Shanghai, Tianjin
- 2 Special Administrative Regions: Have separate codified constitutions with common law in effect (“one country, two systems”).
  - Hong Kong and Macau

### **Appendix**

#### *I. Economic Definitions:*

- **GDP (official)** is defined as the value of all final goods and services produced within a nation in a given year. The result is stated in the domestic currency, then divided by the average US exchange rate with that country for that year.
- **GDP – Purchasing Power Parity (PPP)** is defined as the sum value of all goods and services produced in the country valued at prices prevailing in the United States
- **GDP per capita (PPP)** is defined as a country’s GDP on a purchasing power parity basis divided by the country’s population.
- **Gross national product (GNP)** is defined as the value of all final goods and services produced within a nation in a given year (plus income earned by its citizens abroad, minus income earned by foreigners from domestic production).
- **Income per capita** is defined as the total income generated by a country divided by the country’s population.

#### *II. Source Information:*

- All maps are taken from Lonely Planet, which can be found at [www.lonelyplanet.com](http://www.lonelyplanet.com)
- All information from the beginning of the document (after the map), until the “World Bank Group Doing Business Index ranking,” is taken from the 2009 CIA World Factbook which can be found at <https://www.cia.gov/library/publications/the-world-factbook> , except:
  - Major City information which is taken from the National Bureau of Statistics of China which can be found at <http://www.stats.gov.cn/english/>
  - All GNP information is taken from the World Bank which can be found at [www.worldbank.org](http://www.worldbank.org)
  - All exchange rate information used in the economic sections as well as throughout the document for currency conversions is taken from the US Internal Revenue Service website and can be found at <http://www.irs.gov/businesses/small/international/article/0,,id=206089,00.html>

- All information from the “World Bank Group Doing Business Index ranking” section is taken from information produced by the World Bank and can be found at <http://www.doingbusiness.org/EconomyRankings/>
- All Transparency International ranking information is produced by that organization, and taken from their “Corruption Perceptions Index” which can be found at [http://www.transparency.org/policy\\_research/surveys\\_indices/cpi/2009](http://www.transparency.org/policy_research/surveys_indices/cpi/2009)
- All information in this document from “Form of Government” until its end, is taken from the following sources:
  - An overview of the National People’s Congress which can be found at <http://www.china.org.cn/english/chuangye/55414.htm>
  - The Council on Foreign Relations background document on the Chinese Communist Party which can be found at <http://www.cfr.org/publication/14482/>
  - The China Internet Information Center which can be found at <http://www.china.org.cn/english/Political/25060.htm>
  - 2009 CIA World Factbook which can be found at <https://www.cia.gov/library/publications/the-world-factbook>

© Copyright - Smith Brandon International, Inc.

Smith Brandon International, Inc.(SBI) conducts international investigations and global due diligence investigations. SBI provides actionable business intelligence and risk avoidance counsel to assist companies in their international operations. SBI’s principals are grounded in investigative, analytical, and intelligence gathering techniques, drawing on decades of experience in the FBI, State Department, intelligence circles and the private sector. For more information, please call (202)887-9363, or visit our website at <http://www.smithbrandon.com/>.