

Introduction:

China is located in Eastern Asia, bordering the East China Sea, Korea Bay, Yellow Sea, and South China Sea, between North Korea and Vietnam. It is the world's most populous country with 1.5 billion population and area of 9,596,961 Square Kilometers. Its vast landscape encompasses grassland, desert, mountain ranges, lakes, rivers and 14,500km of coastline. Beijing, the capital, mixes modern architecture with historic sites including sprawling Tiananmen Square. Its largest city, Shanghai, is a skyscraper-studded global financial centre. The iconic Great Wall of China fortification runs east-west across the country's north.

China's constitution states that The People's Republic of China "is a socialist state under the people's democratic dictatorship led by the working class and based on the alliance of workers and peasants," and that the state organs "apply the principle of democratic centralism." The PRC is one of the world's few remaining socialist states openly endorsing communism.



Note: Representative map

Population

The Chinese population is unevenly distributed, with the eastern part heavily populated (more than 300 persons per square kilometer) and the west scarcely populated (about 40 persons per square kilometer). The national average density of population is 119 per square kilometer (1990 census). The average size of household is 3.7 persons. The proportion of population aged at 0-14 was 26.4 percent, 67.3% between the ages 15-64, and 6.4% for the age group of over 65. The average life span of the Chinese population is 70.8 years, with the male at 68.71, and female at 73.04.

Although most Chinese still live in rural areas, China's cities are growing rapidly as people move from rural areas to cities, seeking better economic opportunities. About 36 percent of China's population now lives in urban areas. About 64 percent live in rural areas. Most of the rural residents are involved in agriculture. Of the total population, 93 percent are Han Chinese. These are the people whom non-Chinese often consider to be the Chinese.

Economy

Since the late 1970s China has moved from a closed, centrally planned system to a more market-oriented one that plays a major global role - in 2010 China became the world's largest exporter. Reforms began with the phasing out of collectivized agriculture, and expanded to include the gradual liberalization of prices, fiscal decentralization, increased autonomy for state enterprises, growth of the private sector, development of stock markets and a modern banking system, and opening to foreign trade and investment. China has implemented reforms in a gradualist fashion. In recent years, China has renewed its support for state-owned enterprises in sectors considered important to "economic security," explicitly looking to foster globally competitive industries. The restructuring of the economy and resulting efficiency gains have contributed to a more than tenfold increase in GDP since 1978. Measured on purchasing power parity (PPP), China in 2015 stood as the largest economy in the world, surpassing the US in 2014 for the first time in modern history. Still, China's per capita income is below the world average.

After keeping its currency tightly linked to the US dollar for years, in July 2005 China moved to an exchange rate system that references a basket of currencies. From mid-2005 to late 2008 cumulative appreciation of the renminbi against the US dollar was more than 20%, but the exchange rate remained virtually pegged to the dollar from the onset of the global financial crisis until June 2010, when Beijing allowed resumption of a gradual appreciation. In 2015 the People's Bank of China (PBOC) announced it would continue to carefully push for full convertibility of the renminbi after the currency was accepted as part of the IMF's special drawing rights basket.

Key Economic Indicators of China during 2015

GDP	
PPP	\$14,300 billion
Real growth rate	6.8%
Per capita	\$14,300
Composition	agriculture: 8.9% industry: 42.7% services: 48.4%
International Trade	
Export	\$2.27 trillion
Major Export Item	electrical and other machinery, including data processing equipment, apparel, furniture, textiles, integrated circuits
Major Export partner	US, Hong Kong, Japan, South Korea,
Import	\$1.596 trillion
Major Import Items	electrical and other machinery, oil and mineral fuels; nuclear reactor, boiler, and machinery components; optical and medical equipment, metal ores, motor vehicles; soybeans
Major Import partner	South Korea, Japan, US, Taiwan, Germany Australia

Source: CIA Fact book

It is a well established fact that China has a very strong domestic as well as external sector. China is world leader in gross value of agricultural output; rice, wheat, potatoes, corn, peanuts, tea, millet, barley, apples, cotton, oilseed; pork; fish. Similar to Agricultural sector manufacturing sector has also established itself in the world market. The major industrial output are mining and ore processing, iron, steel, aluminium, and other metals, coal; machine building; armaments; textiles and apparel; petroleum; cement; chemicals; fertilizers; consumer products (including footwear, toys, and electronics); food processing; transportation equipment, including automobiles, rail cars and locomotives, ships, aircraft; telecommunications equipment, commercial space launch vehicles, satellites.

India is also a major trading partner of China. India exported US\$ 11,934.2 Million of goods to China during 2014-15 while imported US\$ 60,413.17 million during the same time period. The value of Indian handicrafts export to China was US\$ 49.19 million in 2014-2015 which 0.41 was percent share of the export to China.

INDIA'S EXPORTS OF HANDICRAFTS TO CHINA (2013-2015)

US\$ Million

Sl. no	Items	2013-2014	2014-15	Growth rate
1.	ARTMETALWARES	3.43	6.95	50.6
2.	WOODWARES	2.98	6.16	51.6

3.	HAND PRINTED TEXTILES & SCARVES	0.32	1.11	71.2
4.	HAND KNITTED AND CROCHETTED GOODS	0.83	1.43	42.0
5.	SHAWLS AS ARTWARE	0.00	0.00	
6.	ZARI & ZARI GOODS	0.00	0.00	
7.	IMITATION JEWELLERY	1.04	0.54	-92.6
8.	MISCELLANEOUS HANDICRAFTS	8.79	33.00	73.4
	Total	17.39	49.19	64.6

Source- DGCI&S Kolkata

Trade Policy¹:

China became a WTO Member on 11 December 2001. China is an observer to the Plurilateral Agreement on Government Procurement (GPA) and is in the process of negotiating its accession thereto. China's notifications to the WTO cover a wide range of agreements; however updated notifications appear to be necessary in the area of subsidies. Between 2012 and 2013, China was involved in 4 dispute settlement cases as a complainant, 8 cases as a respondent, and 15 cases as a third party.

In the area of trade in goods, China has continued its efforts to facilitate trade, which date back to 2006, by launching a series of reforms, including the introduction of paperless customs clearance procedures. However, despite these efforts, customs procedures across the country still require harmonization. In addition, none of the trade facilitation measures implemented so far applies to goods subject to licensing or other restrictions. The tariff regime has not changed substantially since the last review. China's applied MFN tariff in 2013 consisted mainly of ad valorem rates (99.5% of the total number of lines). The non-ad valorem rates comprise specific and alternate rates, and formula duties. China's average applied MFN rate in 2013 was 9.4%, almost unchanged since 2011 and 2009 when the average stood at 9.5%. The applied tariff continues to be higher for agricultural products (WTO definition), at 14.8%, showing a slight decline from the averages for 2009 and 2011. The average tariff on non-agricultural products has remained unchanged since 2009, at 8.6%. Import licensing, restrictions and prohibitions are maintained on grounds of state security; public morality; human, animal and plant health; environmental protection; balance of payment reasons; and to comply with international commitments. However, these lists can be adjusted as necessary, and imports of goods that are not included in the Catalogue can be restricted or prohibited on a temporary basis by the relevant authorities.

¹ Available at : https://www.wto.org/english/tratop_e/tpr_e/s300_sum_e.pdf

FACT SHEET: COUNTRY INFORMATION AT-A-GLANCE

CHINA		
S.No.	ITEMS	DETAILS
1	LOCATION OF COUNTRY	China is located in Eastern Asia, bordering the East China Sea, Korea Bay, Yellow Sea, and South China Sea, between North Korea and Vietnam.
2	GOVERNMENT & ADMINISTRATION	communist state
3	CAPITAL OF THE COUNTRY	Beijing
4	HEAD OF THE GOVERNMENT	Mr. Xi Jinping, President
5	CLIMATE AND TEMPERATURE	China has a variety of temperature and rainfall zones, including continental monsoon areas. In winter most areas become cold and dry, in summer hot and rainy.
6	TIME AND TIME DIFFERENCE FROM INDIA	IST+2.3 hours
7	ECONOMIC REGION/ZONE	East Asia
8	NEIGHBOURING COUNTRIES	China shares border with the East China Sea, Korea Bay, Yellow Sea, and South China Sea, between North Korea and Vietnam.
9	AREA COVERED	9,596,960 sq km
10	OFFICIAL LANGUAGE	Chinese
11	LANGUAGE SPOKEN	Mongolian, Tibetan, Uyghur, Zhuang
12	POPULATION	1,367,485,388
13	MAJOR RELIGION	Buddhist 18.2%, Christian 5.1%, Muslim 1.8%, folk religion 21.9%, Hindu .1%, Jewish
14	ELECTRICITY SUPPLY SYSTEM-VOLTAGE	220V, 50HZ
15	TRANSPORT SYSTEM	Rail, which is the primary mode of transport, has also been used for long distances, has doubled in length since the mid-twentieth century, and an extensive network provides service to the entire nation. The larger cities have metro systems in operation, under construction, or in the planning stage. The highway and road system also has gone

		<p>through rapid expansion, resulting in a rapid increase of motor vehicle use throughout China. Although China's transport system comprises a vast network of transport nodes across its huge territory, the nodes tend to concentrate in the more economically developed coastal areas and inland cities along major rivers</p> <p>Today, China is linked by an evolving network of roads (China National Highways) and expressways (Expressways of China). In the past few years, China has been rapidly developing its highway system. Between 1990 and 2003, the total length of urban roads in China more than doubled; increasing from 95,000 to 208,000 kilometers of roads during that period. Similarly, during the same period of time, the total area allocated to roads more than tripled; from 892 million square meters in 1990, to 3,156.5 million square meters in 2003. China National Highways stretch to all four corners of mainland China. Expressways reach the same destinations as China National Highways, except for the rugged terrain of Tibet</p> <p>The Civil Aviation Administration of China (CAAC), also called the General Administration of Civil Aviation of China, was established as a government agency in 1949 to operate China's commercial air fleet. In 1988 CAAC's operational fleet was transferred to new, semiautonomous airlines and has served since as a regulatory agency.</p> <p>In 2002 the government merged the nine largest airlines into three regional groups based in Beijing, Shanghai, and Guangzhou, respectively: Air China, China Eastern Airlines, and China Southern Airlines, which operate most of China's external flights.</p> <p>By 2005 these three had been joined by six other major airlines: Hainan Airlines, Shanghai Airlines, Shandong Airlines, Xiamen Airlines, Shenzhen, and Sichuan Airlines. Together, these nine airlines had a combined fleet of some 860 aircraft, mostly Boeing from the United and Airbus from Europe.</p>
16	AIRPORTS AND PORTS	<p>Airports: Beijing Capital International Airport Guangzhou Baiyun International Airport Shanghai Pudong International Airport Shenzhen Bao'an International Airport</p>

		Zhengzhou Xinzheng International Airport major seaport (s): Dalian, Ningbo, Qingdao, Qinhuangdao, Shanghai, Shenzhen, Tianjin
17	MAJOR STATES	Beijing, Tianjin, Hebei Province, and Shanghai
18	BUSINESS CITIES	Tianjin, Shanghai, Hangzhou, Shenzhen and Guangzhou
19	GDP PER CAPITA	\$14,300
20	CURRENCY	Renminbi Yuan (RMB)
21	EXCHANGE RATE (USD/ARP)	6.243 Yuan per US \$ (As on March 2016)
22	ECONOMY - GENERAL	China has moved from a closed, centrally planned system to a more market-oriented one that plays a major global role - in 2010 China became the world's largest exporter. Measured on a purchasing power parity (PPP) basis that adjusts for price differences, China in 2015 stood as the largest economy in the world
23	LABOUR FORCE	804 million
24	MEDIA - PRESS, TV AND OTHER SYSTEM	Newspaper: China Daily , China News Digest, China Economic Daily, and Guangming Daily TV: CCTV-1, CHC Television, JXTVS, JXTVS Radio: Xinwen, Gudian, Jingji, and Tongsu
25	INDUSTRY ASSOCIATION AND CHAMBER OF COMMERCE	Trade Development Bureau No.82 Dong Huamen Avenue, Beijing China Tel: (010) 65599350 Fax : (010) 65256615 E-mail : TDB@Mofcom.gov.cn China Council for the Promotion of International Trade 1 Fuxingmenwai Street, Beijing 100860, P.R.China Tel: 86-10-88075000 Fax: 86-10-68011370 Email: BCNweb@ccpit.org http://www.ccpit.org.cn/ All-China Federation Of Industry & Commerce Post: : No.70, West Deshengmen Street, Xicheng District, Beijing, China 100035 Email: acfic@acfic.org.cn Tel : 0086-10-58050738 www.chinachamber.org.cn India China Chamber Of Commerce And Industry -(ICCCI) 54/ A, Elite Auto House, Near Crisil House, Andheri-Kurla Road, Andheri{East}, Mumbai:400093, Maharashtra, India Tel No:+91-022-28259484 / 022-40056948 www.indiachinachamber.com

		The Chinese General Chamber of Commerce 4/F., 24-25 Connaught Road, Central, Hong Kong (MTR Central Station Exit A / Hong Kong Station Tel. (852) 2525 6385 www.cgcc.org.hk/en
26	BANKS	Industrial & Commercial Bank of China (ICBC) , JP Morgan Chase & Co, China Construction Bank Corporation, Agricultural Bank of China
27	BANNED ITEMS	Weapons, simulated weapons, ammunition and explosives, Printed matter, films, photos, movies, audiotapes, videotapes, CDs, DVDs, computer storage devices and other things that could do harm to China's politics, economy, culture and morality
28	HOLIDAYS - NATIONAL/PUBLIC	Jan 1 New Year's Day
		Feb 8 Chinese New Year
		Feb 9 Spring Festival Golden Week holiday
		Feb 12 Spring Festival Golden Week holiday
		Feb 13 Spring Festival Golden Week holiday
		Apr 3 Qing Ming Jie holiday
		Apr 4 Qing Ming Jie
		Apr 30 Labour Day Holiday
		May 1 Labour Day
		May 2 Labour Day Holiday
		Jun 9 Dragon Boat Festival
		Sep 15 Mid-Autumn Festival
		Oct 2 National Day Golden Week holiday
29	Embassy of India to China	Shri Vijay Gokhale Ambassador No. 5, Liang Ma Qiao Bei Jie, Chaoyang District, Beijing, China Tel- +86-10-8531 2500/2501/2502/2503 Fax No. +86-10-8531 2515 Website- www.indianembassy.org.cn Email- hoc@indianembassy.org.cn
30	Embassy of China to India	Mr. Le Yucheng Ambassador 50-D, Shantipath, Chanakyapuri, New Delhi-110021 Tel: 91-11-26112345 Website: http://in.chineseembassy.org http://in.china-embassy.org E-mail: chinaemb_in@mfa.gov.cn
31	TRAVEL INFORMATION	China National Tourist Office www.cnto.org

32	PLACES OF TOUISTS INTEREST	Great Wall, Ming Tombs, Yonghe Lamasery Temple of Heaven, The Bund, Jade Buddha Temple, Shanghai Disneyland Park
33	TRADE FAIRS AND EXHIBITIONS HELD RELATED TO HANDICRAFTS	The Canton Fair 15.04 - 05.05 2016 The Yiwu Commodities Fair 13.5.2016- 16.5.2016 Beijing International Auto Show 25.04.2016- 4.05.2016 East China Import and Export Commodity Fair 01.03.2016-05.04.2016

Tariff applicable in China in 2015

ITC HS Code	Description	China	
		MFN rate	Preferential rate
330190	ATTARS OF ALL KINDS IN FIXED OIL BASE	20	18
330741	AGARBATTI" & OTHR ODORIFEROUS PRPNS WHICH OPERATE BY BURNING	10	
330749	OTHER ODORIFEROUS PRPNS USD FOR DEODORIZING ROOM (EXCL AGARBATTI)	10	
340600	CANDLES	10	
392310	WATCHBOX JEWELLERY BOX AND SIMILAR CONTAINER OF PLASTICS	10	7
441400	WOODEN FRAMES FOR PAINTING, PHOTOGRAPHS, MIRRORS OR SIMILAR OBJECTS	20	
441900	TABLEWARE	0	
442010	STATUTES & OTHER ORNAMENTS OF WOOD	0	
442090	WOOD MARQUETRY & INLAID WOOD	0	
442190	PARTS OF DOMESTIC DECORATIVE ARTICLES USED AS TABLEWARE & KITCHENWARE	0	
460120	COIR MATS & MATTING BOUND IN PARALLEL STAND		
460199	PLNTS & SMLR PRDCTS OF PLATING MATRLS PLATS& SMLR PRDCTS PLACD SIDE BY SIDE & BOUND TOGETHER IN FORM OF SHEETS (E.G.MATS ETC)	9	
460219	PALM LEAF BASKET ETC	9	
460211	BASKETWORK, WICKERWORK AND OTHER ARTICLES, OF BAMBOO.	9	
460212	BASKETWORK, WICKERWORK AND OTHER ARTICLES, OF RATTAN.	9	
630491	OTHER - FURNISHING ARTICLES, KNITTED/CROCHETED	14	
630790	DRESS MATERIAL HANDPRINTED OF SILK	14	
650400	HATS & OTHR HEADGEAR PLTD/MADE BY ASSMBLING STRIPS OF ANY MATRLS W/N LIND/TRMMD		
650590	OTHER HEADGEAR, HATS, KNITTED / CROCHETED MADE UP FROM LACES ETC W/N LIND/TRMMD		
660200	WALKING STICKS, SEAT STICKS, WHIPS, RIDING CROPS, AND THE LIKE	10	
670100	FEATHERS DUSTERS		
670290	ARTIFICIAL FLOWERS ETC OF OTHER MATERIALS	21.6	
681599	OTHERS-OTHER ARTICLES OF STONES/OTHER MINERALS	17.22	
691190	OTHERS - WATER FILTERS OF A CAPACITY NOT EXCEEDING 40 LTRS. OF PORCELAIN	24.5	20
701328	OTHER - GLASSWARE FROM TABLE KITCHEN, TOLIT, OFFICE INDOR DCORTION (EXCL GOODS OF HDG NO	8	

	7010/7018)		
701333	OF LEAD CRYSTAL	15	
701337	OTHERS -GLSSWR FR TBL KTCHN,TOLT,OFFC INDOR DCORTION (EXCL GOODS OF HDG NO 7010/7018)	8	
701341	GLSSWR FR TBL KTCHN,TOLT,OFFC INDOR DCORTION (EXCL GOODS OF HDG NO 7010/7018)	15	
701349	GLSSWR FR TBL KTCHN,TOLT,OFFC INDOR DCORTION (EXCL GOODS OF HDG NO 7010/7018)	10	
701391	OF LEAD CRYSTAL	10	
711711	CUFFLINGS AND STUDS	35	
711719	BANGLES	17	15.3
711790	JEWELLERY STUDDED WITH IMITATION PERALS OR IMITATION OR SYN. STONES	35	30
732392	OTHER HOUSEHOLD ARTICLES OF CAST IRON ENAMELLED		
732394	UTENSILS - OTHER HOUSEHOLD ARTICLES OF IRON (OTHER THAN CAST IRON)OR STEEL,ENAMELLED	13.33	
741810	OF EPNS	16	
761510	OTHER TABLE AND KITCHENWARE OF ALUMINIUM	12.67	
940330	CABINETWARE	0	
940350	BED STEAD	0	
940360	OTHER WOODEN FURNITURE	0	
940381	FURNITURE OF WICKERWORK/BAMBOO	0	
940389	OTHER - FURNITURE OF OTHER MATERIALS, INCLUDING CANE, OSIER, BAMBOO PR SIMILAR MATERIALS	0	
940390	PARTS OF FURNITURES OF HEADING 9403	0	
940490	HANDMADE POUFFES/ ARTICLES OF BEDDING, CUSHIONS ETC	10	
940510	HANGNG LMPs COMPLETE FITNGS	10	
940530	LGHTNG SETS OF A KIND USD FR CHRISTMS TREE	16	
950510	ARICLES OF CHRISTMAS	0	
950590	OTHER MAGICAL EQUIPMENTS	0	
960190	WRKED MOTHR OF PEARL & ARTCLS THEROF	20	
960200	WORKED VEGETABLE CARVING MATERIAL & ARTICLES THEREOF	17.75	
960310	BROOMS & BRUSHES,CONSTNG OF TWIGS/OTHR VGTBL MTRLS BOUND TOGTHR,WTH/WHT HNDLS	25	
960622	BUTTONS OF BASE METAL NOT COVERED WITH TEXTILE MATERIAL	15	
961400	SMOKING PIPES (INCLUDING PIPE BOWLS) & CIGARS AND CIGGERATE HOLDERS AND PARTS THEREOF		
970110	MADHUBANI PAINTINGS(ON TXTLS)	8.67	

970190	DOMESTIC ARTICLES OF WOOD HAND DECORATED	14	
970200	ORIGNL ENGRVNGS,PRNTS & LITHOGRPHS		
970300	ORIGINAL SCULPTURE & STATUARY IN METAL	6	
970500	STUFFED ANIMALS & BIRDS (TAXIDERMY)	0	
970600	ANTIQUES OF AN AGE EXCDNG ONE HUNDRED YRS		
420229	HANDBAGS OF OTHER MATERIALS EXCLUDING WICKER WORK OR BASKET WORK	20	14
420231	JEWELLERY BOX - SURFACE OF LEATHER	10	6.9
420239	JEWELLERY BOX - OTHER SURFACE OF LEATHER		
480210	HAND MADE PAPER	7.5	
482390	PRODUCT CONSISTINGS OF SHEETS OF PAPER/ RBORD, IMPREGNGTED,COTED OR COVERED WITH PLASTICS	7.5	
580430	HAND MADE LACE	10	
580500	HAND WOOVEN TAPESTRIES HAND MADE OR NEDDLE WORKED BY HAND, OF COTTON - EMBRODIERY	12	
580810	BRAIDS, IN PCS OTHER THAN OF COTTON	10	
581010	EMBORIDERY IN THE PIECE, IN STRIPS OR IN MOTIFS - EMBRODIERY WITHOUT VISIBLE GROUND	10	
581092	EMBROIDERY BADGES, MOTIFS AND THE LIKE	10	
581100	KANTHA - EMBROIDERY		
610431	ENSAMBLES OF WOOL OR FINE ANIMAL HAIR - CROCHETTED	16	11.7
611710	SHAWLS OF WOOL	14	9.3
640610	EMBROIDERED UPPERS OF TEXTILE MATERIALS	15	13.2
691110	TABLEWARE OF BONE CHINA AND SHOFT PORCELAIN	9	
691200	CERAMIC TABLEWARE (E.G. OF IMITATION PORCELAIN/OR SEMI-PORCELAIN)	10	
691310	STATUETTES ETC OF PORCELAIN/CHINA	15	
691390	OTHER STATUETTE ETC (EXCL OF PORCLAIN /CHINA	15	
691410	OTHER CERMC ARTCLS OF PORCELAIN / CHINA	24.5	
691490	OTHER CERMC ARTCLS EXCL OF PORCELAIN / CHINA	10	
700992	OTHR GLASS MIRRORS, FRAMED	12	10.8
701810	BANGLES	10	
701890	GLASS STATUE OF OTHR ARTCLE OF HDG 7018	10	
702000	GLOBES FOR LAMPS & LANTERNS	8.72	8.01
711311	SILVER FILLIGREE WORK	20	16.5
741999	UTENSILS ARICLES OF COPPER ALLOYS ELECTROPLATED WITH NICKLE SILVER	12.5	11.75
830621	OTHER ORNMNT PLTED WITH PRCS METAL	8	
830629	OTHR STATUETTES(EXCLUDING WORKS OF ART)	8	

830630	PHOTOGRPH,PICTURE/SMLR FRAMES,MIRORS	8	
830890	IMITATION ZARI SPANGLES	10.5	
920290	OTHER STRING MUSICAL INSTRUMENTS	17.5	
920590	FLUTES	16.1	
920600	PERCUSSION MUSICAL INSTRUMENTS (E.G. DRUMS, XYLOPHONES, CYMBOLS, CASTENETS, MARACAS)	17.5	
940550	HURRICANE LANTERNS	20	
960899	PEN HOLDERS PENCIL HOLDERS AND SIMILAR HOLDERS	19.83	
830610	BELLS GONGS AND THE LIKE	8	
482370	ARTICLE OF PAPER MACHIE	7.5	
640320	KOLAPURI CHAPPALS AND SIMILAR FOOTWEAR	24	

Source: WIS, TRAINS