

## 4.3 PEOPLE'S REPUBLIC OF CHINA

**C**hina, with a population of 1.1 billion people had a GNP of RMB 1.385 trillion in 1988 (11.2% increase over 1987) which was equivalent to US\$340 per head in 1988. Key industrial sectors include, agriculture, energy, petroleum and petrochemicals, metals and minerals, transportation, machinery, telecommunication. ● ●

### TECHNOLOGY TRENDS

Technology development thrusts are in the following fields: agriculture (chemical fertilizer plant, farm machinery, pesticides); energy (hydro, coal fired and nuclear power); petroleum and petrochemical (ethylene, polyethylene, propylene, carbon disulphide, etc); metals and minerals (steel, aluminum, lead and zinc); transportation (railways, waterways, port, aviation, car); telecommunications (switchboard, packet switching, fibre optic, microwave).

The government recently outlined its funding priorities and listed 30 key projects involving power-supplies, ports, airports, plants producing chemical fertilizers, aluminum, copper, cement, heavy duty trucks, ethylene, colour television tubes, detergents and electric generating equipment. Briefly, China will expand infrastructure project investments in energy, raw materials and communications (both telecommunications and transportation).

### KEY ORGANIZATIONS

There are more than 200 science and technology research institutes and centres in China. The most important ones are:

- Chinese Academy of Science
- State Science and Technology Commission
- Beijing New Technology Application Research Institute
- Beijing Machinery and Electricity Institute

- Beijing Agricultural Machinery Research Institute
- Beijing Automotive Industry Research and Development Centre
- Central Iron & Steel Research Institute
- Beijing Information-Optics Instruments Institute
- Organization responsible for patents and licensing of technology: China Patent Office

### KEY SUPPORT PROGRAM(S)

China Association of Science and Trade (CAST)

China Council for the Promotion of International Trade (CCPITT)

### CONDITIONS OF ACCESS

Viable business opportunities exist in many areas, but cool and realistic assessment is essential. Decision to enter PRC market requires long-term commitment of resources need to achieve success and acceptance of probability that, initially, results may be minor and long-delayed. China's potential and current circumstances justify a special approach. There is a need to accept less well-defined and precise operating circumstances than usual. Initial profits should be used to expand local base of operations, rather than repatriation, but for a limited period only. Must check to what extent any propriety technology will be protected under the patent and copyright system (April 1985, currently under review). Two key words: Patience and Persistence pay. Sooner or later, China will become one of the biggest markets in the world. The sooner one starts, the better.