

exports increased 7.5 percentage points to 9.6% over 1990-2002, with particularly rapid expansion from 2000 to 2002. Moreover, 73% of Japan's export growth in the first eight months of 2003 has been attributed to exports to China.³ A similar pattern emerges for exports by Australia, Malaysia and Singapore.

Exports to China accounted for 1.2% of U.S. exports in 1990; China's share rose to 2.0% in 1995 and reached 3.2% in 2002. Germany is the only Western European country that saw shipments to China exceed 2% of total exports in 2002. Shipments to China accounted for 1.0% of Canadian exports in 1990, 1.2% in 1995, and then 1.0% again in 2002.

Similarly, imports from China play a dominant role in overall imports into Hong Kong, with China's share rising from 36.8% in 1990 to 44.3% in 2002. Imports from China into Japan and Korea also saw rapid increases. China's share of imports into Japan increased from 5.1% in 1990 to 18.3% in 2002, while for Korea the share expanded from 5.5% in 1995 to 11.4% in 2002.

In the U.S., the share of imports from China expanded from 3.2% in 1990 to 8.6% in 2000 and 11.1% in 2002. As with exports to China, imports from China have played an increasingly important role in Australia, Malaysia, Singapore and Russia.

Among Western European countries, China is more prominent as a source of imports than as a destination for exports. In 2002, China's share of total imports reached 5.1% in the Netherlands, 4.0% in Germany, 3.2% in Italy, 3.1% in the U.K. and 2.5% in France. In Canada, the share of imports from China increased over time from 1.0% in 1990 to 4.6% in 2002. In fact, China moved ahead of Japan last year to become the second most important source of Canada's imports.

Table 5: Geographic distribution of Chinese merchandise exports

Regional Distribution		North & Rest of the World						
Year	Asia	Europe	North & Central America	Middle East	South America	Africa	Oceania	Rest of the World
1990	68.8%	10.3%	10.2%	2.3%	0.4%	1.9%	0.9%	5.3%
2002	43.4%	15.6%	32.1%	2.2%	1.1%	1.4%	2.0%	2.3%
Major country destinations of exports; sorted on year 2002 levels								
Mn US\$	1985	1990	1995	2000	2001	2002		
1. United States	2,336	5,314	24,744	52,162	54,359	108,225		
% of goods exports	8.5%	8.5%	16.6%	20.9%	20.4%	29.1%		
2. Hong Kong, China	7,148	27,163	36,004	44,520	46,547	58,662		
% of goods exports	26.2%	43.3%	24.2%	17.9%	17.5%	15.8%		
3. Japan	6,091	9,210	28,466	41,654	44,958	53,058		
% of goods exports	22.3%	14.7%	19.1%	16.7%	16.9%	14.3%		
4. Germany	746	2,062	5,672	9,278	9,754	14,360		
% of goods exports	2.7%	3.3%	3.8%	3.7%	3.7%	3.9%		
5. Korea, Rep. of	0	433	6,688	11,293	12,521	14,015		
% of goods exports	0.0%	0.7%	4.5%	4.5%	4.7%	3.8%		
6. Netherlands	327	943	3,233	6,687	7,282	9,482		
% of goods exports	1.2%	1.5%	2.2%	2.7%	2.7%	2.6%		
7. United Kingdom	358	664	2,791	6,310	6,780	9,254		
% of goods exports	1.3%	1.1%	1.9%	2.5%	2.5%	2.5%		
8. Singapore	2,063	2,016	3,500	5,761	5,792	7,686		
% of goods exports	7.5%	3.2%	2.3%	2.3%	2.2%	2.1%		
9. France	228	654	1,844	3,715	3,699	6,115		
% of goods exports	0.8%	1.0%	1.2%	1.5%	1.4%	1.6%		
10. Italy	294	873	2,067	3,802	3,993	5,973		
% of goods exports	1.1%	1.4%	1.4%	1.5%	1.5%	1.6%		
Sum of top 10 countries	19,591	49,330	115,009	185,182	195,684	286,829		
% of goods exports	71.7%	78.6%	77.2%	74.3%	73.5%	77.2%		
Canada	233	443	1,533	3,158	3,350	4,305		
% of goods exports	0.9%	0.7%	1.0%	1.3%	1.3%	1.2%		
Other countries	7,505	12,987	32,413	60,855	67,107	80,289		
% of goods exports	27.5%	20.7%	21.8%	24.4%	25.2%	21.6%		
TOTAL	27,329	62,760	148,955	249,195	266,140	371,423		
% of goods exports	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		

Sources: Asian Development Bank (ADB), Key Indicators of Developing Asian and Pacific Countries and International Monetary Fund

An export juggernaut

China has indisputably made its entry onto the world scene as an economic entity to be reckoned with. The rapid growth in China's economy and the accompanying trade expansion has greatly raised its profile, not only in the Asia-Pacific region, but also in the world at large. China's appetite for imports and investments was a key factor that assisted other Asian economies in recovering from the crisis of 1997-98. On the downside, the closer integration

between China and the other economies in the region leaves Asia more exposed to a slowdown in the Chinese economy.

Data for October 2003 show continued expansion of Chinese trade, with exports (at US\$40.9 billion) 37% higher than during the same month a year earlier. It remains uncertain how much of world exports China will end up capturing, and which countries will be pushed aside in the process.

Table 6: Geographic distribution of Chinese merchandise imports

Regional Distribution		North & Rest of the World						
Year	Asia	Europe	North & Central America	Middle East	South America	Africa	Oceania	Rest of the World
1990	52.7%	18.1%	16.0%	0.9%	2.0%	0.7%	2.8%	6.9%
2002	57.7%	14.3%	11.1%	3.3%	2.3%	1.7%	2.2%	7.5%
Major source countries for imports; sorted on year 2002 levels								
Mn US\$	1985	1990	1995	2000	2001	2002		
1. Japan	15,178	7,656	29,007	41,512	42,797	46,573		
% of goods imports	35.7%	14.2%	21.9%	18.4%	17.6%	17.0%		
2. United States	5,199	6,591	16,123	22,375	26,220	25,506		
% of goods imports	12.2%	12.2%	12.2%	9.9%	10.8%	9.3%		
3. Korea, Rep. of	0	236	10,288	23,207	23,389	25,194		
% of goods imports	0.0%	0.4%	7.8%	10.3%	9.6%	9.2%		
4. Hong Kong, China	4,762	14,565	8,599	9,429	9,423	24,415		
% of goods imports	11.2%	27.1%	6.5%	4.2%	3.9%	8.9%		
5. Germany	2,447	2,980	8,035	10,409	13,772	15,204		
% of goods imports	5.8%	5.5%	6.1%	4.6%	5.7%	5.5%		
6. Russia	n.a.	n.a.	3,799	5,770	7,959	8,259		
% of goods imports	n.a.	n.a.	2.9%	2.6%	3.3%	3.0%		
7. Singapore	241	849	3,398	5,060	5,143	7,224		
% of goods imports	0.6%	1.6%	2.6%	2.2%	2.1%	2.6%		
8. Malaysia	198	852	2,065	5,480	6,205	7,241		
% of goods imports	0.5%	1.6%	1.6%	2.4%	2.5%	2.6%		
9. Australia	1,124	1,361	2,585	5,024	5,426	5,287		
% of goods imports	2.6%	2.5%	2.0%	2.2%	2.2%	1.9%		
10. France	718	1,674	2,649	3,951	4,106	4,101		
% of goods imports	1.7%	3.1%	2.0%	1.8%	1.7%	1.5%		
Sum of top 10 countries	29,867	36,765	86,547	132,217	144,441	169,004		
% of goods imports	70.3%	68.3%	65.5%	58.7%	59.3%	61.6%		
Canada	1,150	1,484	2,681	3,751	4,030	3,627		
% of goods imports	2.7%	2.8%	2.0%	1.7%	1.7%	1.3%		
Other countries	11,463	15,561	42,934	89,128	95,143	101,713		
% of goods imports	27.0%	28.9%	32.5%	39.6%	39.1%	37.1%		
TOTAL	42,480	53,809	132,163	225,096	243,613	274,344		
% of goods imports	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		

Sources: Asian Development Bank (ADB), Key Indicators of Developing Asian and Pacific Countries and International Monetary Fund (IMF) Direction of Trade statistics