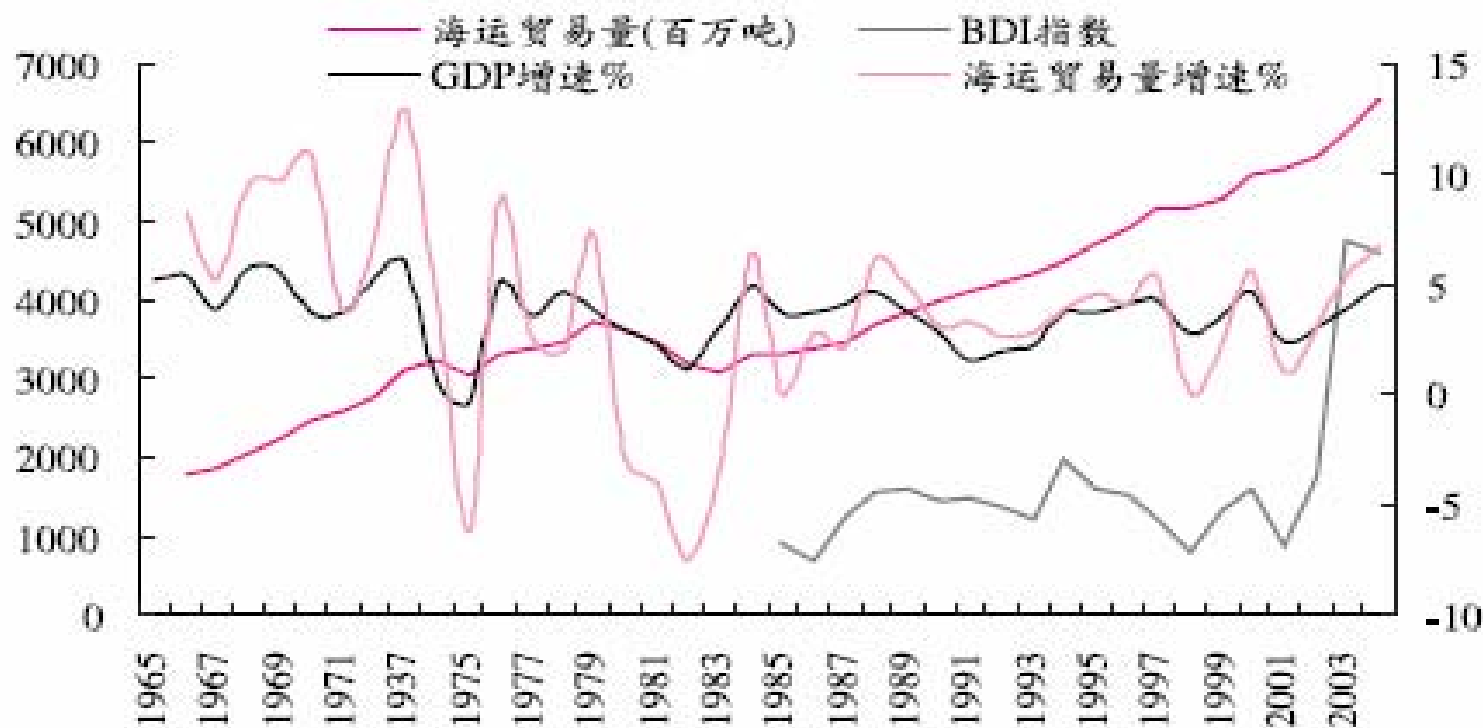


# China's Port and Shipping Industry after WTO Entry

Dr. Yang Mu, Visiting Senior Research Fellow, East Asian Institute, National University of Singapore

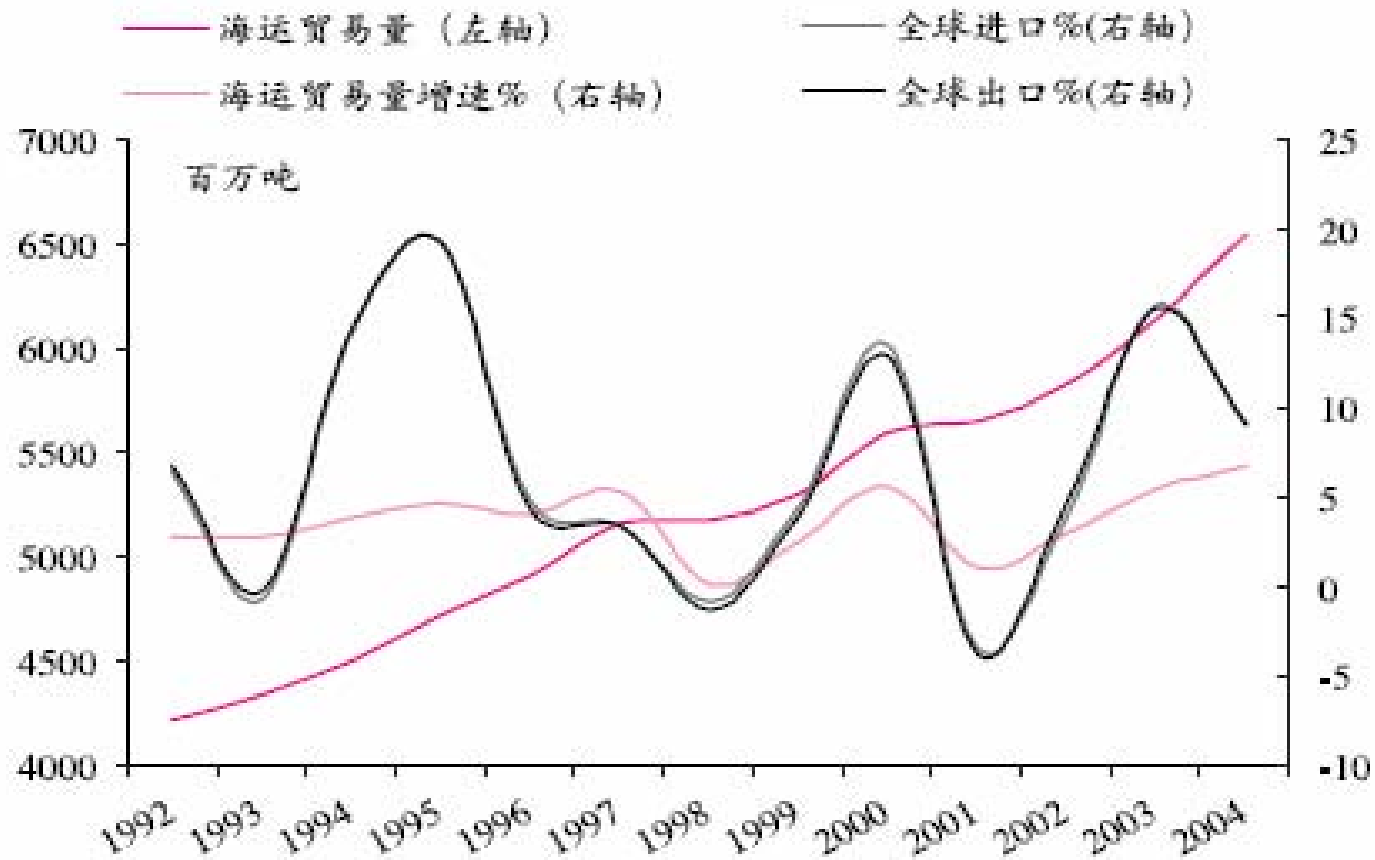
# Shipping & GDP Growth Rates

图3 全球海运量与全球经济的关系



资料来源: Drewry, 中信证券研究部

# Shipping & Export Growth Rates



资料来源: Drewry, 中信证券研究部

# WTO Impact on World Trade

- In the mid 1990s, the WTO estimated world trade in 2005 to be US\$ 5.4 trillion, 23.4% higher than that without WTO Agreements.
- In reality, world trade in 1999 was US\$ 5.2 trillion. It was close to US\$ 20 trillion in 2005, more than three times the target.
- The WTO greatly promoted World Trade.

# China Became a WTO Member Since 2001

- According to the agreement the Chinese government will have to reduce Tariff and Non-tariff measures according to the time table;
- Open the domestic market & allow FDI into the service industries;
- Implement WTO's Agreement on Intellectual Property Rights;
- Report to WTO on the change and implementation of China's laws and regulations and China's WTO Agreements.

# Impact on China after WTO Entry

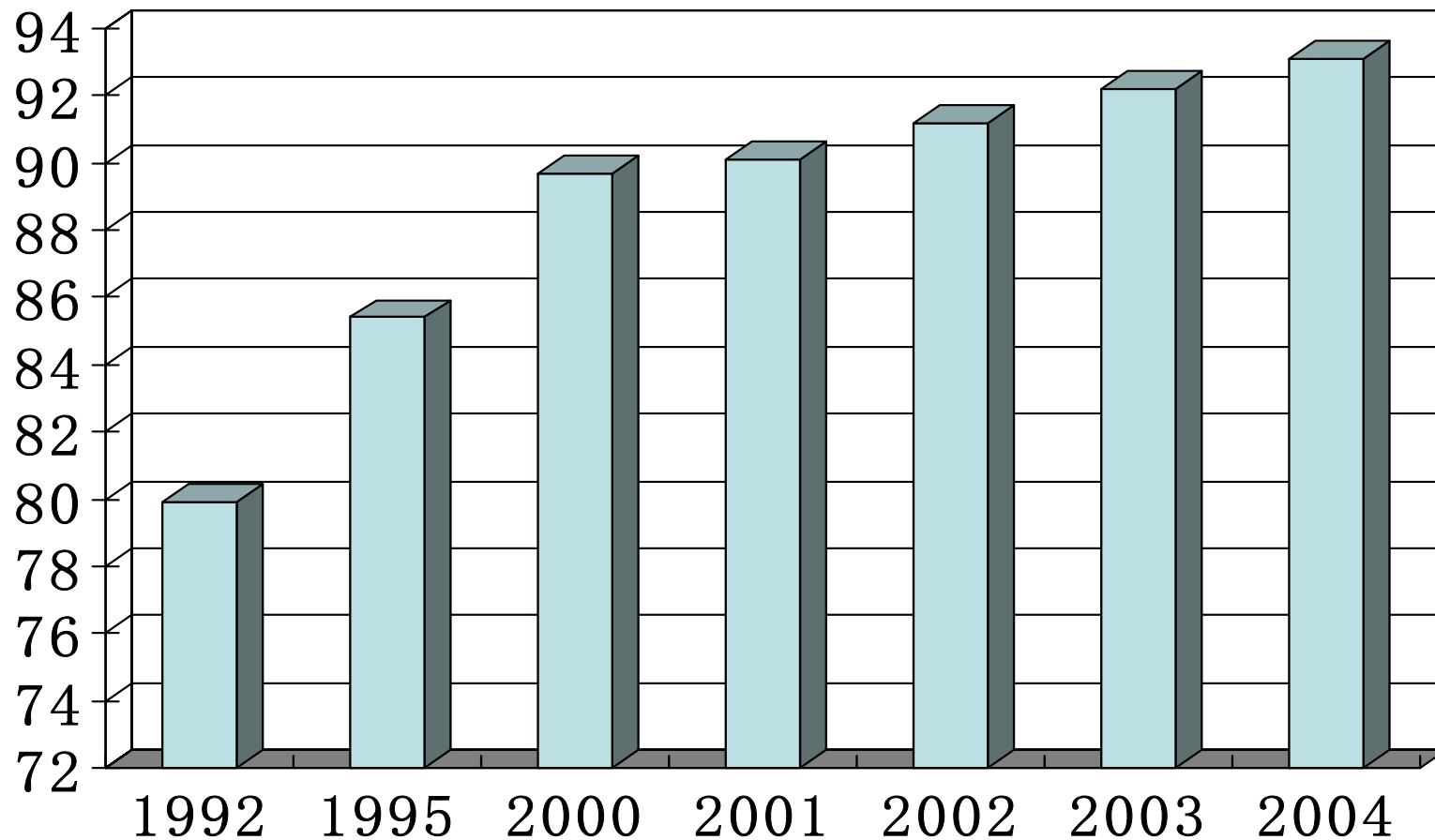
- Further open up China's domestic market to FDI;
- Promote the integration of China's manufacturing into the world's manufacturing and make China a part of the world's supply chain;
- Promote China's export, import and economic development;
- Improve the transparency of China's economy, and
- Increase the ability of China's macro control.

# Growth of China's Export & Import

Year	Export & Import (Billon US\$)	Growth Rate (%)
1998	323.9	0
1999	360.6	11.3
2000	474.3	31.5
2001	509.7	7.5
2002	620.8	21.8
2003	851.2	37.1
2004	1154.8	35.7
2005	1422.1	23.1

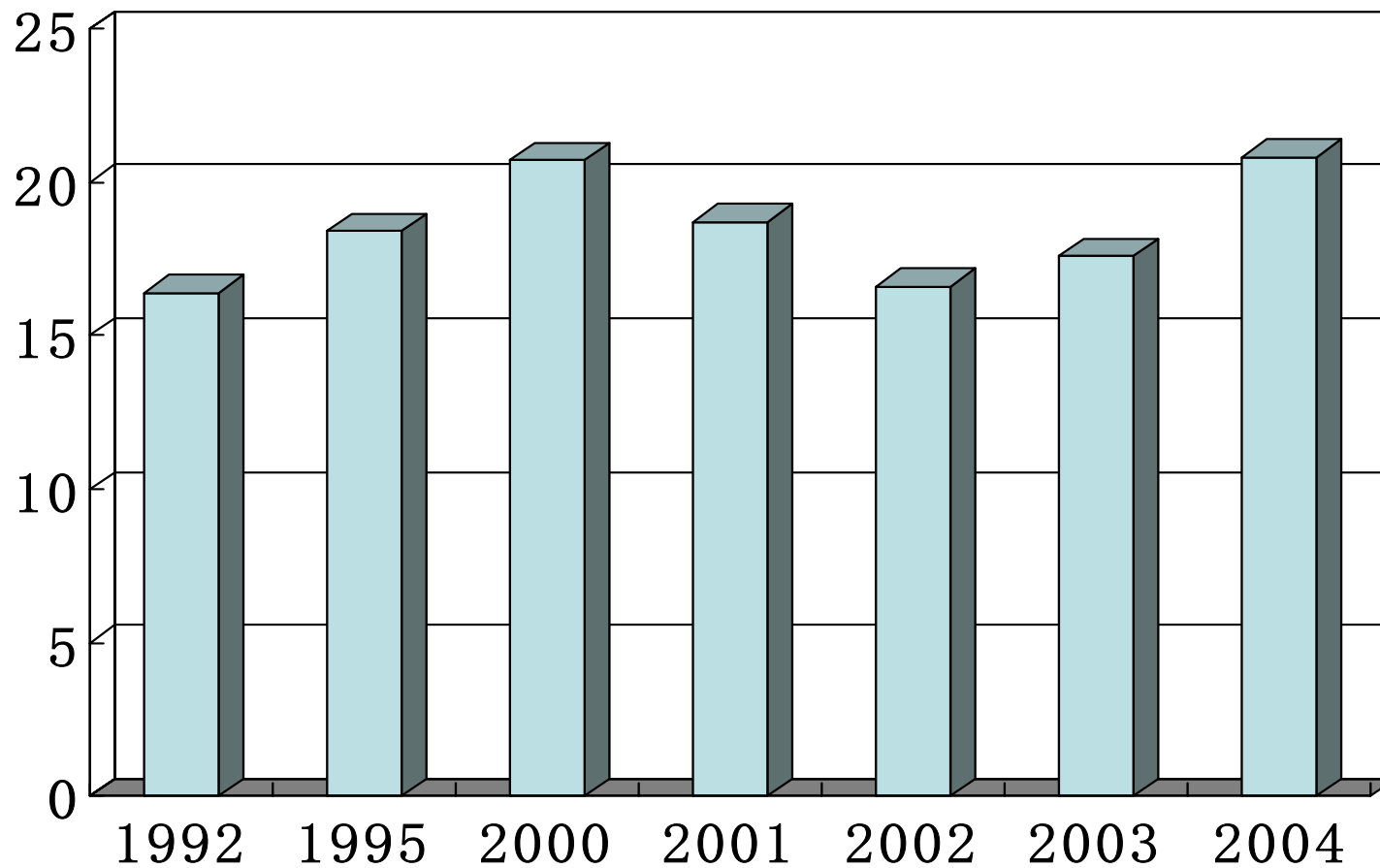
# The Change of China's Export Structure (%)

Rise of Processed Exports vs. Primary Goods

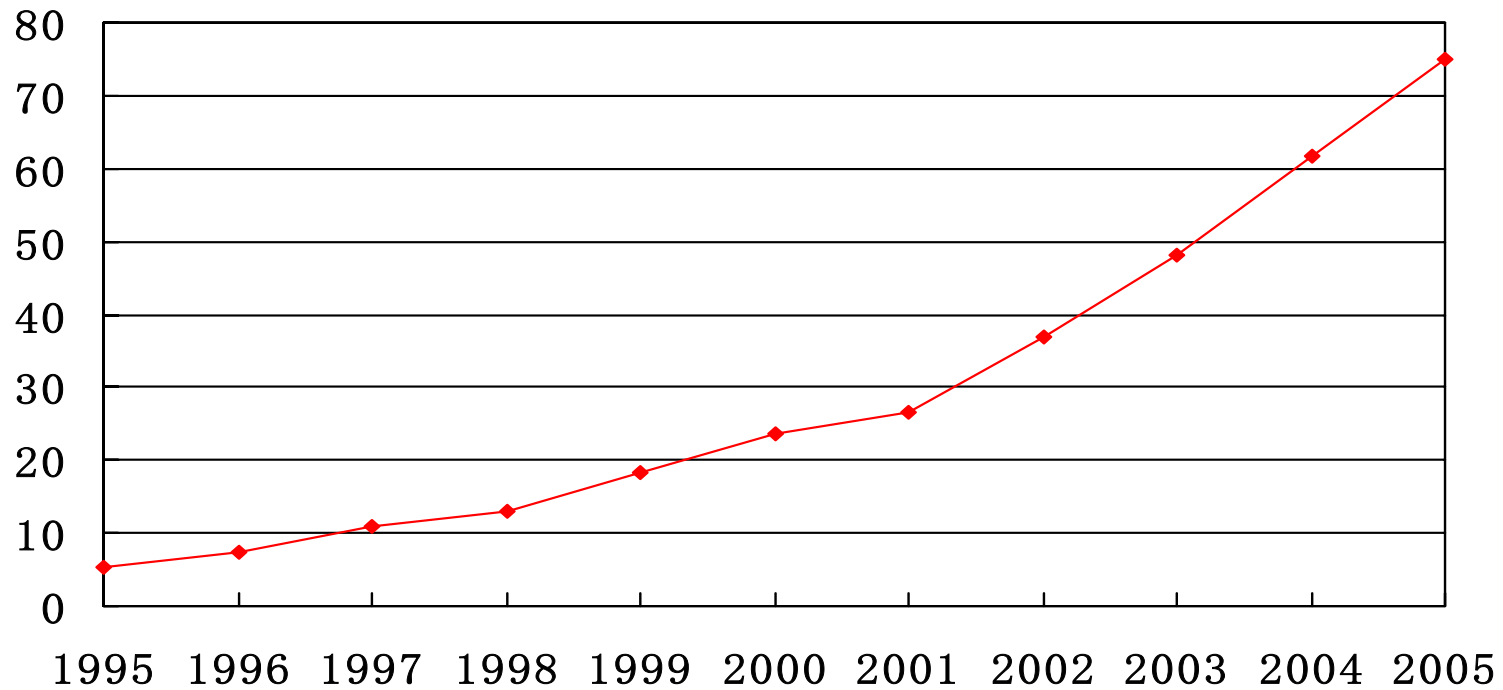


# The Change of China's Import Structure (%)

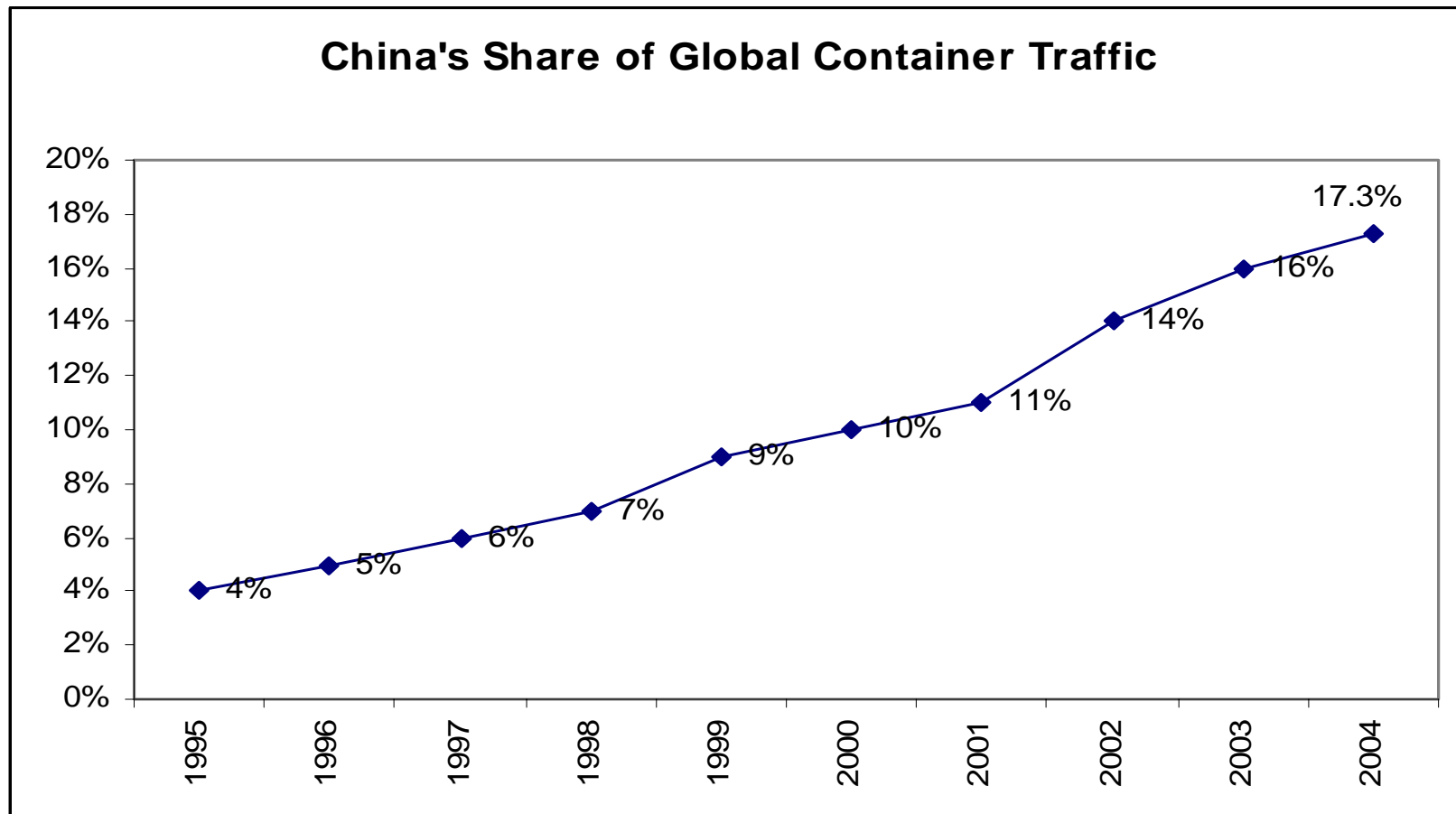
Rise of Primary/ Mineral Imports vs. Processed Goods



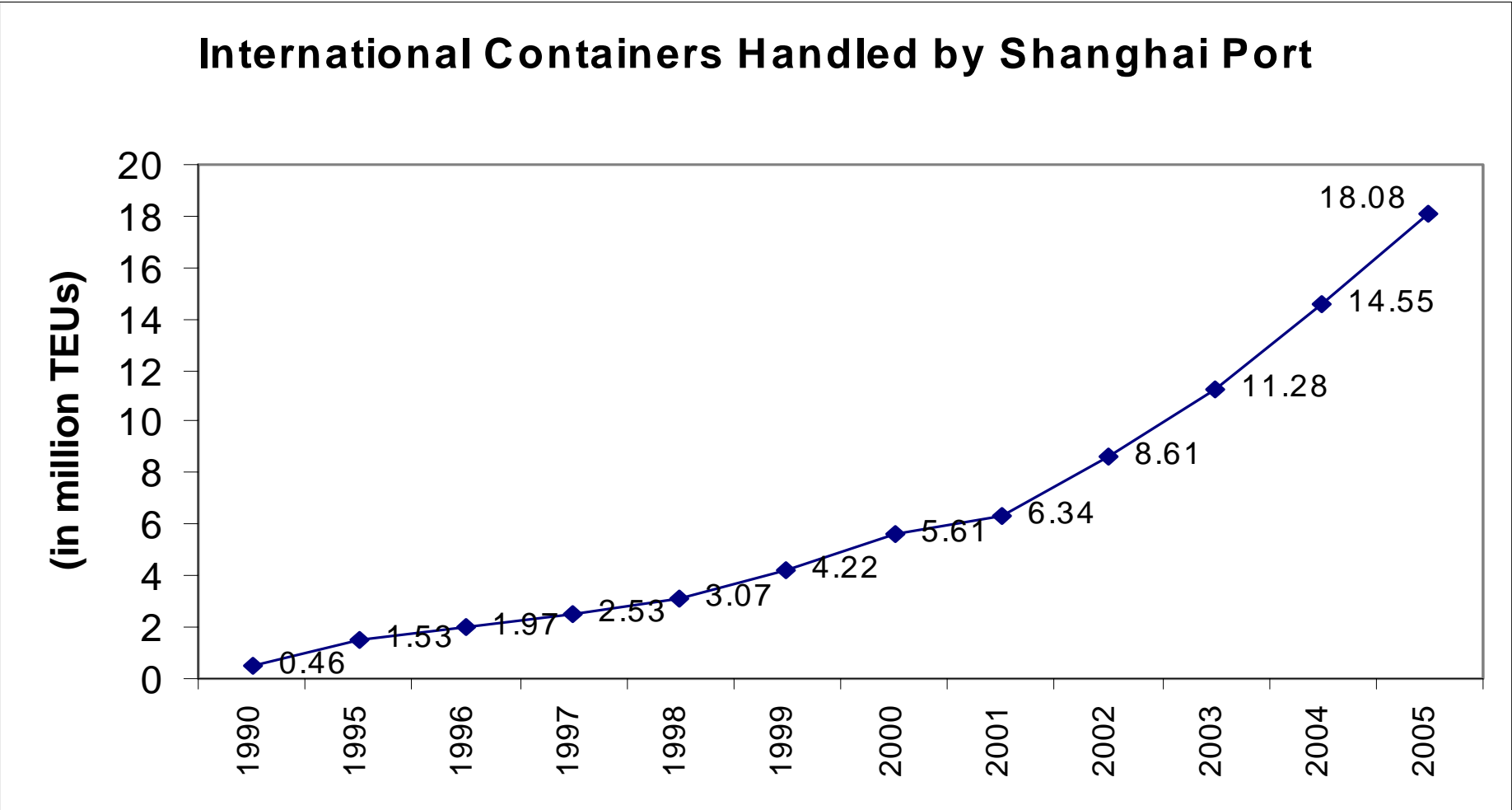
# The Increase in China's Container Shipping (Unit: million TEUs)



# The Proportion of China's Container Shipping in the World

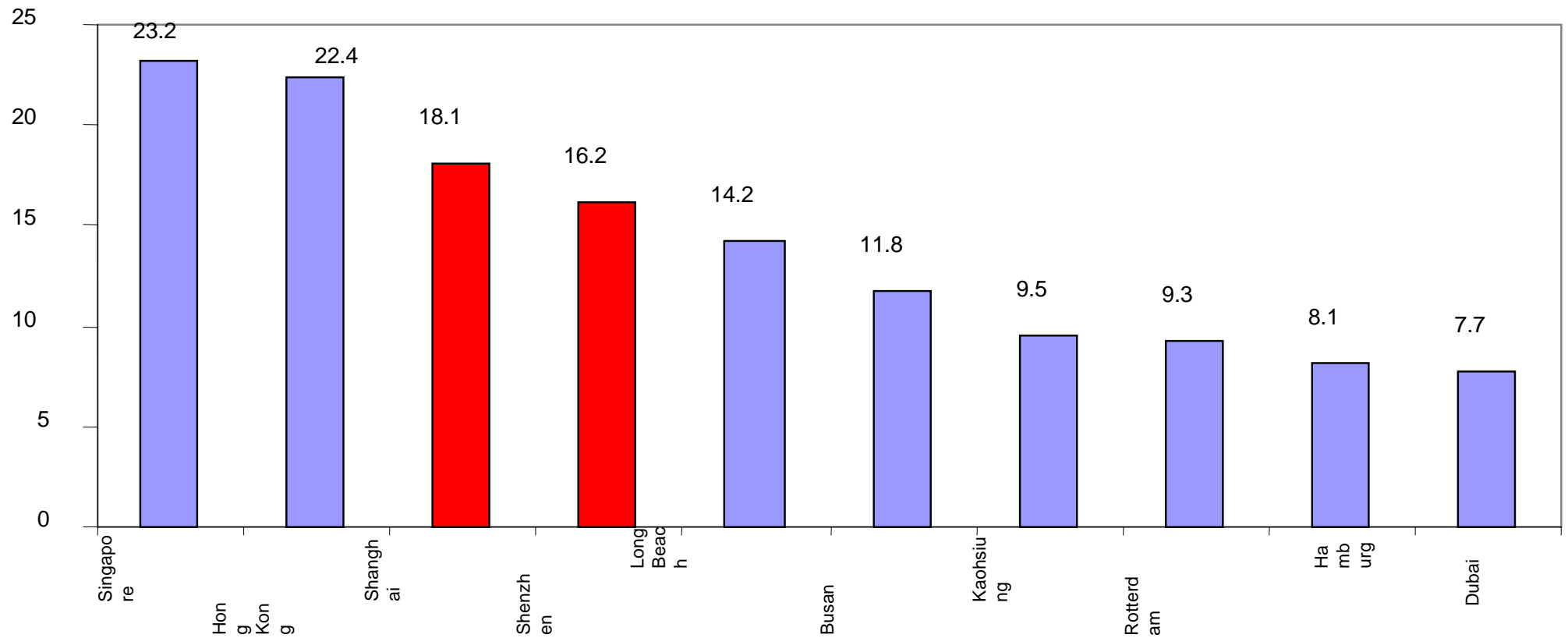


# The Increase in Containers Shipping in Shanghai Port



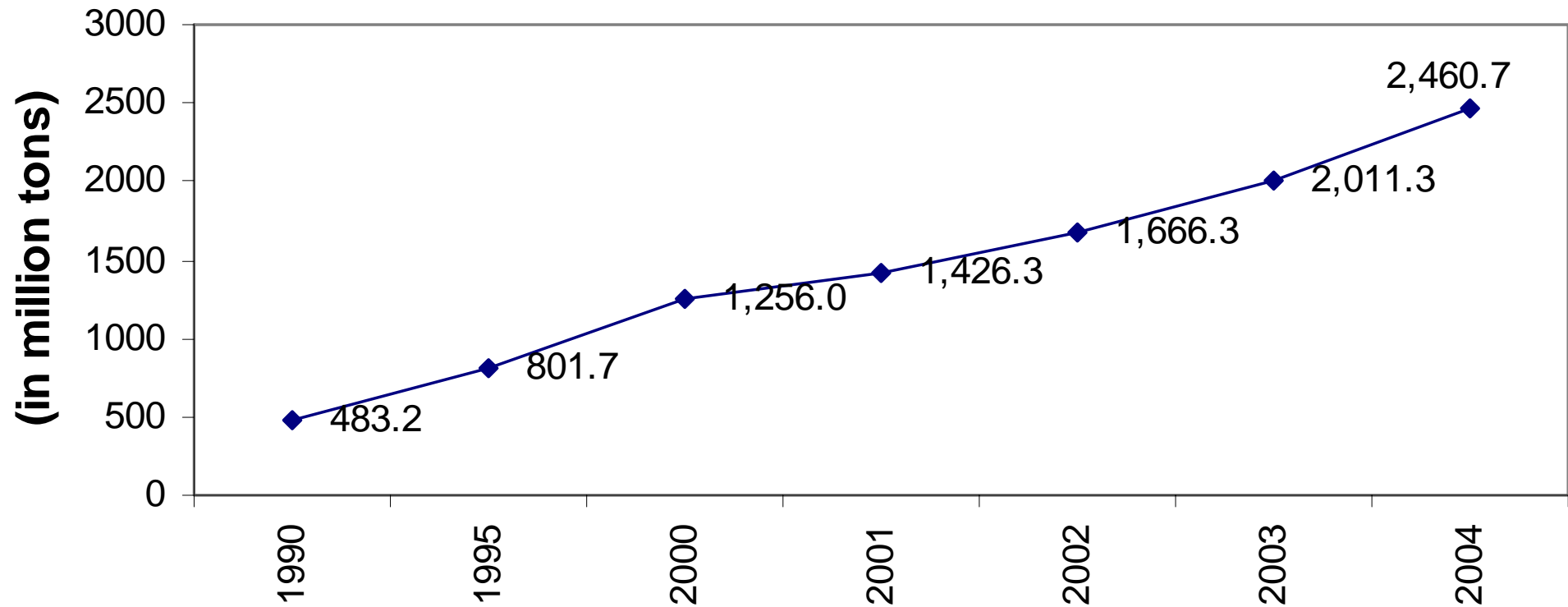
# Shanghai Port, the Third Largest in the World (in containers)

Top Container Ports Globally (2005)

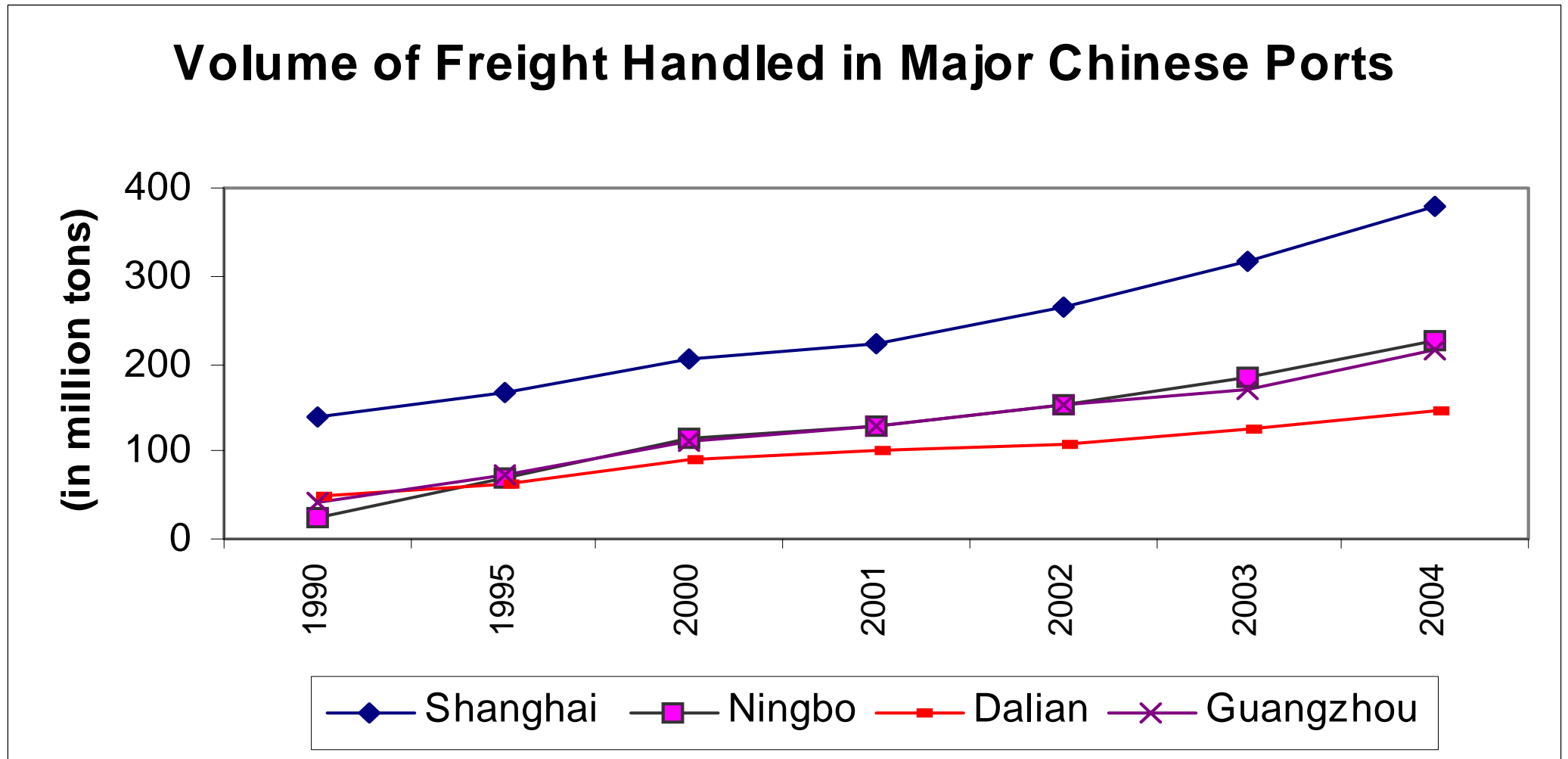


# Weight of Freight Handled in Major Coastal Ports in China

Volume of Freight Handled in Major Coastal Ports in China



# Weight of Freight Handled in Major China's Ports





RUSSIA

KAZAKHSTAN

HEILONGJIANG

KIRGIZSTAN

MONGOLIA

JILIN

XINJIANG

INNER MONGOLIA

LIAONING

GANSU

Beijing

NORTH KOREA

Tianjin

Yellow Sea

SOUTH KOREA

QINGHAI

Yellow River

CHINA

SHANXI

SHANDONG

PAKISTAN

NINGXIA

SHAANXI

HENAN

JIANGSU

SHANGHAI

TIBET

SICHUAN

CHONGQING

HUBEI

ANHUI

East China Sea

Yangtze River

ZHEJIANG

NEPAL

BHUTAN

GUIZHOU

HUNAN

JIANGXI

FUJIAN

INDIA

BANGLADESH

YUNNAN

GUANGXI

GUANGDONG

TAIWAN

BURMA

VIETNAM

Macau

Hong Kong

South China Sea

THAILAND

LAOS

HAINAN

0 400 km

# Container Port Country League 2003

Rank	Country	TEU	Rank 02	02TEU
1	China	61,621,500	1	55,717,490
2	USA	32,641,549	2	29,676,893
3	Singapore	18,441,000	3	16,986,010
4	Japan	14,566,953	4	13,501,411
5	Korea	12,993,429	5	11,719,502

\* Source: Containerization International Yearbook 2005

# Top 10 Container Service Operators (October,2004)

Rank 2003)	Carrier	TEU (in service)	Vessels	TEU (on order)	Vessels (Rank
1(1)	AP Moller Group	900,509	346	396,888	78
2(2)	MSC	818,025	237	250,499	37
3(3)	Evergreen Group	437,618	151	170,192	26
4(4)	P&O Nedlloyd	426,996	158	202,656	38
5(5)	CMA CGM	373,191	178	237,833	41
6(8)	APL	295,321	91	49,566	9
7(6)	Hanjin	284,710	75	60,755	10
8(9)	NYK	265,192	96	67,800	8
9(7)	COSCO	253,007	125	131,954	20
10(17)	CSCL	236,079	106	190,167	35

\* Source: Containerization International Yearbook 2005

# China's Economy Will Add More Impetus to World Shipping

- China's export in automobiles, telecommunication equipment and other equipment will increase;
- More FDI will flow into China & more Chinese FDI will flow into Asean and other countries;
- China will import more energy related products, more mining products and raw materials, and
- China will set up FTA with Asean, Australia and other countries.

# China to Be World's Largest Exporter

- | Nation  | Export<br>In 2005<br>in US\$ (b) | Percentage<br>in the world amount<br>(%) | Growth<br>in 2005<br>(%) |
|---------|----------------------------------|--|--------------------------|
| Germany | 970.7                            | 9.3                                      | 7                        |
| USA     | 904.3                            | 8.7                                      | 10                       |
| China   | 762.0                            | 7.3                                      | 28                       |
| Japan   | 595.8                            | 5.7                                      | -                        |

# Shanghai Yangshan Deep-water Port

Time	No. of Berths	Capacity in million TEU	Investment in Billion US\$
2005	5	2.2	1.7
2006	9	4.4	2.5
2015	30	15.0	
2020	50	25.0	30-50

# 上海国际航运中心

SHANGHAI INTERNATIONAL SHIPPING CENTER

## 洋山港区区域位置图

LOCATION MAP OF YANGSHAN PORT DISTRICT





# Development of China's Main Ports

	2000	2001	2002	2003	2004	2005E	2006E	2007E	2008E	2009E
上海	561.2	634	861.2	1128.2	1460	1820	2060	2290	2540	2870
年增长率		13.0	35.8	31.0	29.2	24.7	13.2	11.2	10.9	13.0
深圳	399.4	507.6	761.8	1065	1360	1670	1860	2040	2240	2490
年增长率		27.1	50.1	39.8	28.3	22.8	11.4	9.7	9.8	11.2
青岛	211.6	263.9	341	423.9	510	610	670	720	780	860
年增长率		24.7	29.2	24.3	21.4	19.6	9.8	7.5	8.3	10.3
宁波	90.2	121.3	185.8	277.2	400	480	530	570	620	680
年增长率		34.5	53.2	49.2	42.9	20.0	10.4	7.5	8.8	9.7
天津	170.8	201.1	240.8	301.5	380	430	460	490	520	560
年增长率		17.7	19.7	25.2	26.7	13.2	7.0	6.5	6.1	7.7
大连	101.1	121.7	135.2	167	220	260	280	300	320	350
年增长率		20.4	11.1	23.5	29.4	18.2	7.7	7.1	6.7	9.4