

Document 20.9 “China-Taiwan Trade Ties Increase,” BBC News, January 17, 2007

Trade between China and Taiwan continues to grow significantly despite political tensions between the two.

China’s annual trade with Taiwan grew 18% to \$107.8 billion (£54.8billion) last year [2006], Chinese government figures show. China imported \$87 billion worth of goods from Taiwan, up 16.6% on the year before, while Taiwanese firms invested \$2.14 billion on the mainland.

Taiwanese firms have invested more than \$100 billion in mainland China since the 1990s, with many manufacturers building factories there to take advantage of lower labour costs. China exported \$20.7 billion worth of goods to Taiwan last year, a 25% increase on the year before.

Tourism boost

Despite restrictions on travel between the two countries, which requires most people to travel there via Hong Kong or another country, tourism has increased in recent years. According to a Chinese government spokesman, Taiwanese people made more than four million visits to China last year while more than 200,000 mainland Chinese visited Taiwan.