



Key facts about UK-China Relations

Trade and Economic Ties

- Total UK trade (exports and imports) with China grew **9%** to **£103.5 billion** in the four quarters to the end of Q3 2022, making it the UK's **fourth largest trading partner** after the United States (**£262.7b**), Germany (**£133.7b**), and the Netherlands (**£112.4b**).
- China is the UK's **sixth largest export market**. In the four quarters to the end of Q3 2022, UK exports to China grew **16.1%** to a total of **£31.7 billion**, making up **4.1%** of total UK exports.
- China is the UK's **third largest import market**, importing **71.8 billion** worth of goods and services to the UK in the four quarters to the end of Q3 2022.
- UK goods exports to China rose **10.2%** to **£20.3 billion** in the four quarters to the end of Q3 2022. Goods imports from China rose **5.4%** to **£68.9 billion**.
- UK service exports to China grew **28.4%** to **£11.4 billion** in the four quarters to the end of Q3 2022. Service imports from China rose **19.5%** to **£2.9 billion**.

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Contribution to the UK Economy

- According to 2020 research by Cambridge Econometrics, the UK's links to China via goods trade, tourism and education support **114,000-129,000** jobs in the UK.

Investment and Financial Services

- The UK is by far Europe's most popular destination for Chinese FDI; between 2000 and 2021, Chinese firms invested **€79.6 billion (£70.7 billion)** here. The second highest was Germany with **€30.1 billion (£26.7 billion)**.
- The UK received **€2.1 billion** in Chinese FDI in 2021, up **50%** from 2020.
- The UK received **€230 million (£204 million)** worth of Chinese venture capital investment in 2021, the second highest amount in Europe after Germany (**€597 million, or £530 million**).
- In 2021, British firms held FDI positions worth **£10.7 billion** in mainland China. The stock of Chinese FDI in the UK stood at **£5 billion**.
- The City of London is the **world's largest hub** for renminbi trading outside China.

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Education

- There were **151,690** Chinese students enrolled at British universities in the academic year 2021/22, making them the largest cohort of foreign students.
- In 2022, **142,655** students from China applied to UK universities, a **15%** increase on 2021. Accepted candidates numbered **82,360**.
- Chinese students contributed **£2.1 billion** (7% of all revenue) to the UK education sector in 2021.

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General

- China is the world's second largest economy with an estimated GDP of **£14.98 trillion** in 2022.
- The IMF estimates China will grow **5.2%** this year, nearly the equivalent of adding another Netherlands to the world economy.
- McKinsey research shows that **39% (138 million)** of Chinese urban households were upper-middle class or higher (over **£19,100** in annual income) in 2021.
- China is indispensable when it comes to solving global problems like climate change. It is the world's leader in renewable energy, with **1020GW of capacity** installed in 2021 — more than the next six countries combined.

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