

MADE IN CHINA 2025

In 2015, the Chinese government presented Made in China 2025, one of its main development policies which aims to make the country a "manufacturing superpower" within the next few decades. It is part of the Chinese Communist Party's goal of modernizing China and turning it into a fully developed nation by 2049, the 100th anniversary of the founding of the People's Republic.

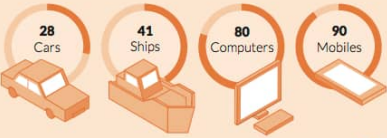
2015

THE WORLD'S FACTORY

In 2015, China was already a manufacturing powerhouse, with the manufacturing sector contributing over 40% to China's economic growth and around 90% to its total exports. However, the country started to grapple with issues such as lack of innovation, weakness in core technologies, excessive energy consumption and severe pollution. Even though the quality of its products had improved in previous years, they still lagged behind counterparts from Japan and Germany.

PRODUCED GOODS

Worldwide share in %



INDUSTRIAL AUTOMATION

Robots in the industry per 10,000 workers



IMPORTANCE OF THE MANUFACTURING SECTOR

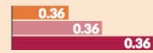
Share of total gross domestic product (%)



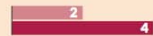
EXAMPLE STEPS FOR REACHING THE TARGETS OF MADE IN CHINA 2025

2015 2020 2025

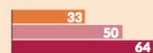
Innovation
Invention patents per CNY 100 mn total revenue



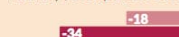
Quality
Growth of industrial value added (%)



Digitization of Industry
Use of numerical control machines in key production processes (penetration %)



Environmental Protection
Decrease in industrial energy intensity (% compared to 2015)



AVERAGE MONTHLY EARNINGS OF WORKERS

USD, from 2009-2015



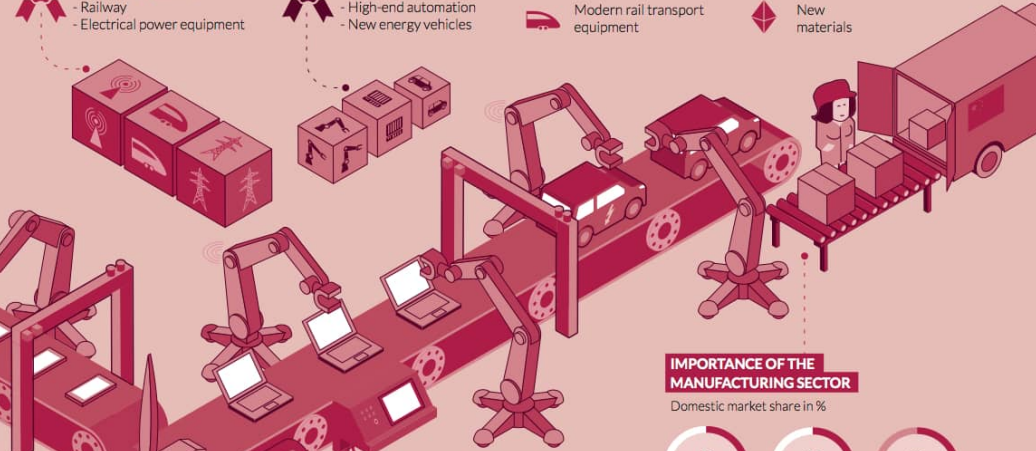
2025

SMART FACTORY OF THE WORLD

The Made in China 2025 plan sets out to use subsidies and protection mechanisms to create Chinese world leaders in the ten selected industries. China's government is also urging the country's companies to buy up innovative foreign firms, and their patented technologies, to create a shortcut that can move them up the manufacturing value chain quicker.

KEY TARGETS OF MADE IN CHINA 2025

- World's leading manufacturer**
 - Telecommunication
 - Railway
 - Electrical power equipment
- Ranking No. 2 or No. 3**
 - Robotics
 - High-end automation
 - New energy vehicles



WHICH SECTORS ARE AT THE CENTER OF THE STRATEGY?

- New advanced information technology
- Automated machine tools & robotics
- Aerospace and aeronautical equipment
- Maritime equipment and high-tech shipping
- Modern rail transport equipment
- New energy vehicles and equipment
- Power equipment
- Agricultural equipment
- Biopharma and advanced medical products
- New materials

IMPORTANCE OF THE MANUFACTURING SECTOR

Domestic market share in %



CLEAN ENERGY PRODUCTION

2020 2025

Decrease in CO2 emission intensity
% compared to 2015



Reuse of solid industrial waste
% of total waste



KEY POLICY TOOLS OF MADE IN CHINA 2025

Swapping technology for market access



Restricted access for foreign entities



Buying up foreign companies and their technical expertise



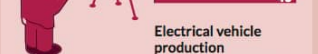
OTHER MAIN TARGETS

2020 2025

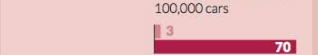
Basic components and materials
Domestically produced, %



Innovation centers
15 40



Electrical vehicle production
Domestically produced, 100,000 cars



Operating costs, production cycles and product defect rates
%

