

**NEWSLETTER****MACHINERY & AUTOMOTIVE****5 - 11 January 2026****China's machinery industry sees robust growth during 14th Five-Year Plan period**

Data from the China Machinery Industry Federation shows that, since 2021 the machinery industry's output value has grown at an average annual rate of 7.1%. From January to October 2025, the total foreign trade volume of machinery products reached US\$1.03 trillion, a year-on-year increase of 7.6%. Thirteen companies in the construction machinery industry have already entered the world's top 50. (**China Daily**)

**China becomes the world's fourth manufacturing power**

A recent assessment report released by the Chinese Academy of Engineering shows that in 2024, the US ranked first (scored 191) among nine major countries in the Manufacturing Development Index (five indicators: scale development, quality and efficiency, structural optimization, innovation and development, and sustainable development). Germany, Japan, and China all scored between 120 and 140. (**China Daily**)

**China renews auto trade-in subsidy program for 2026**

The Chinese government has released detailed rules for the 2026 car trade-in subsidy program. Consumers who scrap eligible old cars and purchase new ones can apply for a subsidy based on a percentage of the new car's price, with a maximum subsidy of 20,000 yuan (\$2857) per vehicle. The program aims to boost consumption and promote green transportation. (**China Daily**)

**Tighter safety rules aim to tackle fires**

China is set to enforce the world's first mandatory safety regulations for new energy vehicle batteries that explicitly prohibit fires and explosions, a landmark move to address public concerns and solidify its position as a global NEV pioneer. Issued by the Ministry of Industry and Information Technology in April 2025, and effective from July 1, 2026, the updated standards will replace a 2020 version. (**China Daily**)

**Three-year action plan to boost charging network**

China revealed a three-year action plan to improve its electric vehicle charging infrastructure. According to the plan, by the end of 2027, China aims to establish a nationwide network of 28 million charging facilities, with public charging capacity surpassing 300 million kilowatts - sufficient to meet the demand of more than 80 million EVs. (**China Daily**)