

NEWSLETTER

MACHINERY & AUTOMOTIVE

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Three departments issued a document to promote stable growth in the power equipment industry

Three Chinese ministries (MIIT, SAMR, NEA) issued a 2025-2026 plan to stabilize power equipment industry growth. By 2026, traditional power equipment's annual revenue growth is around 6%, new energy equipment's steady, advanced clusters up around 7%, leading enterprises around 10%. Eight measures cover supply, demand and environmental sides. **(Xinhua News)**

National subsidies will continue in 2026.

The National Development and Reform Commission and the Ministry of Finance announced plans to implement the "Two Renewals" policy in 2026, covering large-scale equipment upgrades and trade-in programs for consumer goods. The policy clarifies subsidy standards for automobiles, home appliances, e.g., a 12% subsidy for scrapping new energy vehicles, up to a maximum of 20,000 yuan (\$2857). **(The Beijing News)**

Key trends in the Chinese automotive market in January 2026

January 2026 saw China's new energy vehicle (NEV) market hit a milestone, topping 50% market share and marking NEVs as mainstream. 2025 Tesla sales-beater BYD, Geely and Changan led sales. Joint venture brands accelerated electrification transformation under market pressure, with new national subsidies and automakers' price cuts driving the market boom. **(Southern Daily)**

China to introduce 'digital IDs' for electrical vehicle batteries to enhance recycling

China will assign unique "digital IDs" to new energy vehicle power batteries (according to the Ministry of Industry and Information Technology and other 5 ministries' new regulations) for full-lifecycle supervision and recycling. 2025 saw over 400,000 tons of retired batteries reused (YoY +32.9%), with 2030's projected retirement exceeding 1 million tons, addressing environmental and safety risks. **(China Daily)**

China tightens vehicle safety rules with new door handle standard

China's Ministry of Industry and Information Technology has issued a mandatory auto door handle safety standard on January 1, 2027, requiring mechanical inner/outer handles (excluding tailgates) to avoid electronic failure risks. Newly approved models must comply by January 1, 2028, existing ones by January 1, 2029. **(China Daily)**