

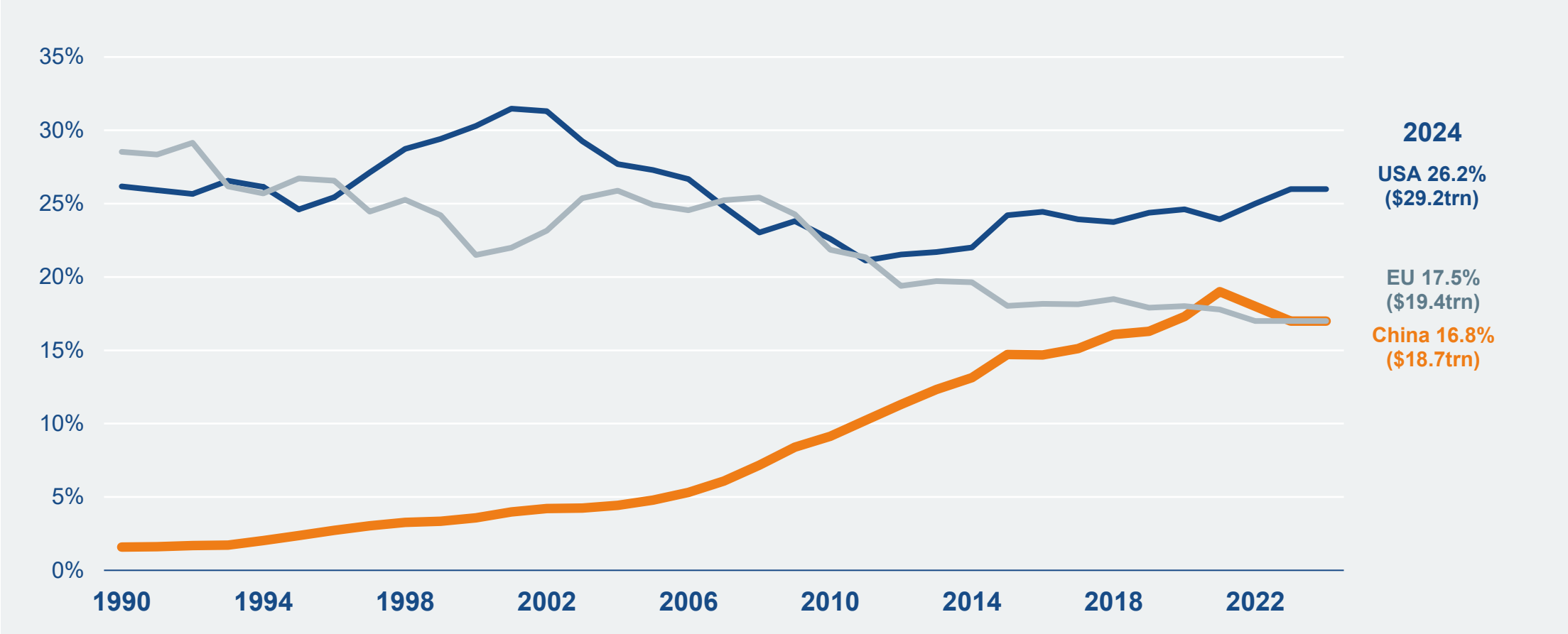
China's economic significance for the German electro and digital industry

– September 2025

Global economic performance

China on par with EU

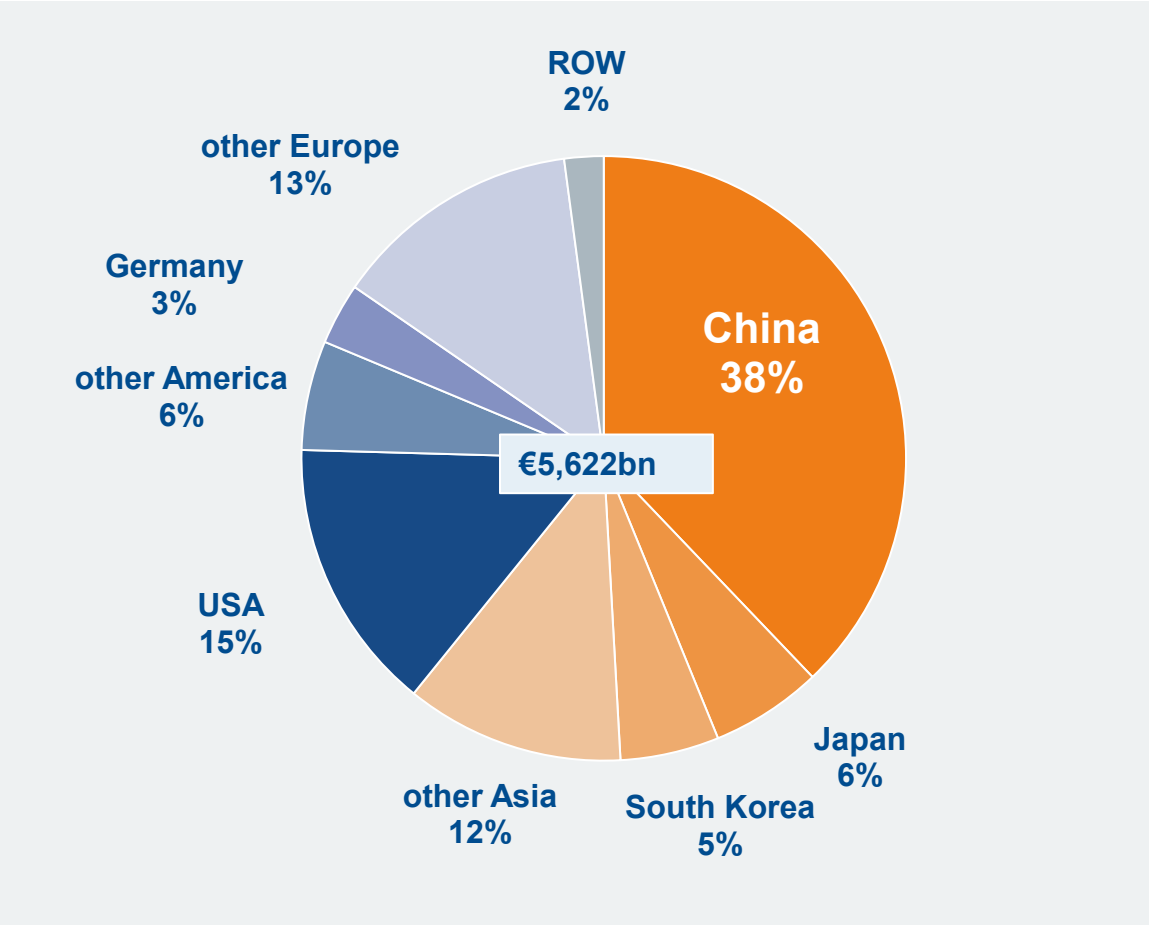
Shares of (nominal) global GDP



Source: World Bank

China: By far the world's largest electro market and biggest producer

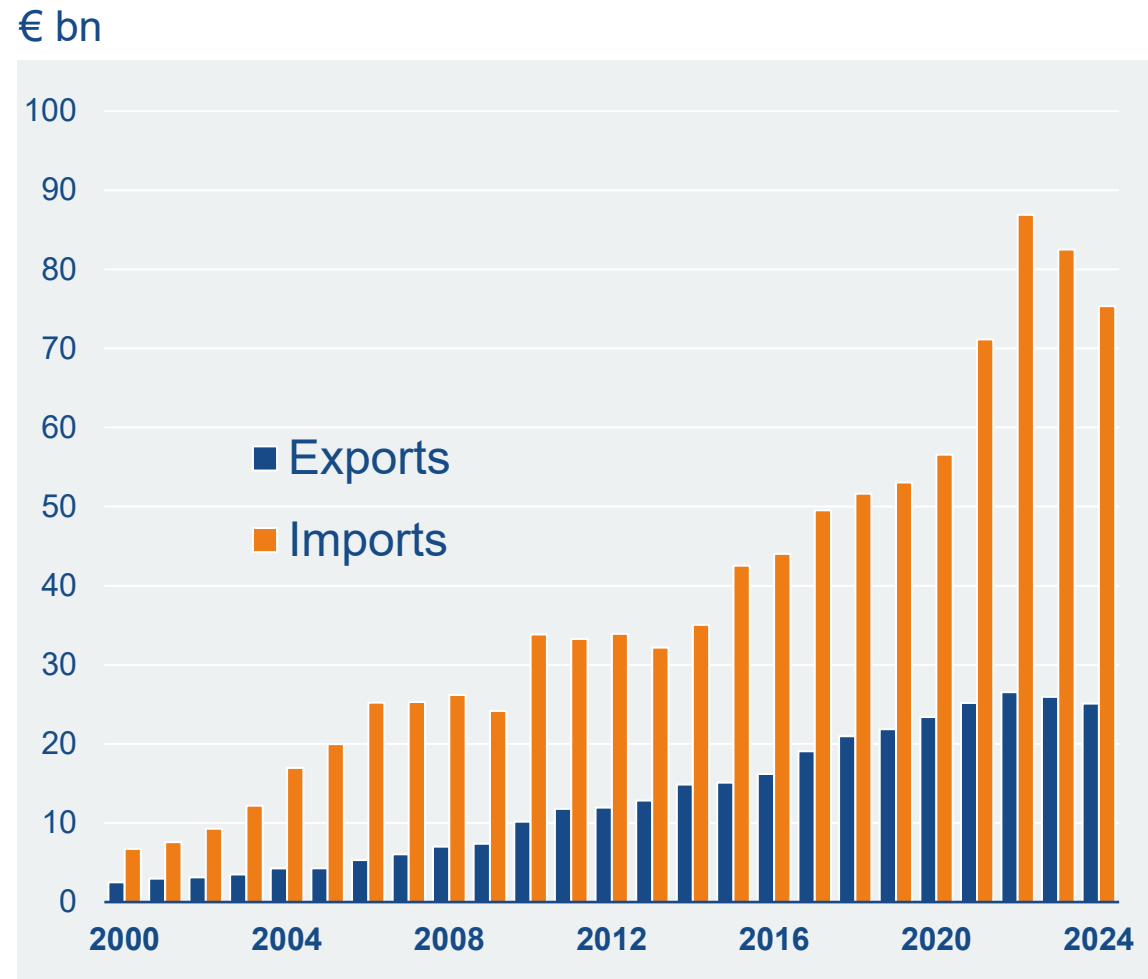
2022, shares of the global electro market, %



Source: National statistical offices and ZVEI's own calculations

- China alone accounts for almost half of global electro **production** (49%)
- China accounts for 38% of the global **market** for electro goods. (Asia accounts for over 60% of the global market)
- The Chinese electro market is larger than the two continental markets of Europe (16%) and America (21%) combined
- At the turn of the millennium, China's share was only 6%
- Since 2000, the Chinese electrical market has grown by an average of 13% per year (vs. +3% p.a. global market growth)

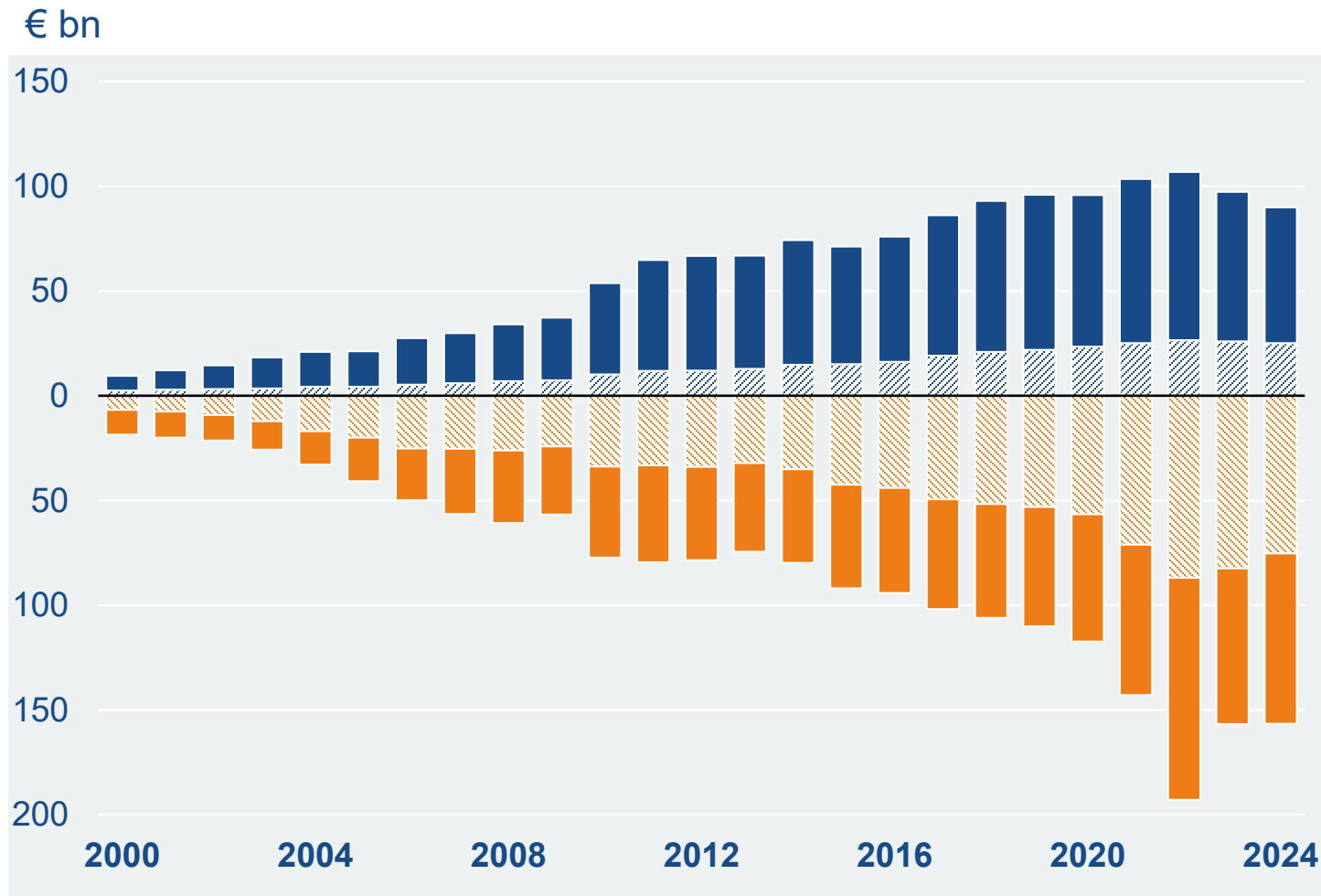
Almost a third of German electro imports are from China



Source: German statistical office and ZVEI's own calculations

- **Exports** from the German electro and digital industry to China amounted to €25.1 billion in 2024, representing 10% of total German electro exports (€246.4 billion)
- Our industry's deliveries to China increased tenfold between 2000 and 2024
- China was the biggest export market for the German electro and digital industry in 2024 (ahead of the US and France). However, the US once again overtook China in the first half of 2025
- China's significant importance in electro **imports** to Germany has grown even further (2024: €75.3 billion or 30%)
- As a result, Germany had a huge trade deficit with China in electrical goods (of €50.2 billion) in 2024

Share of electro goods in total German exports and imports to/from China

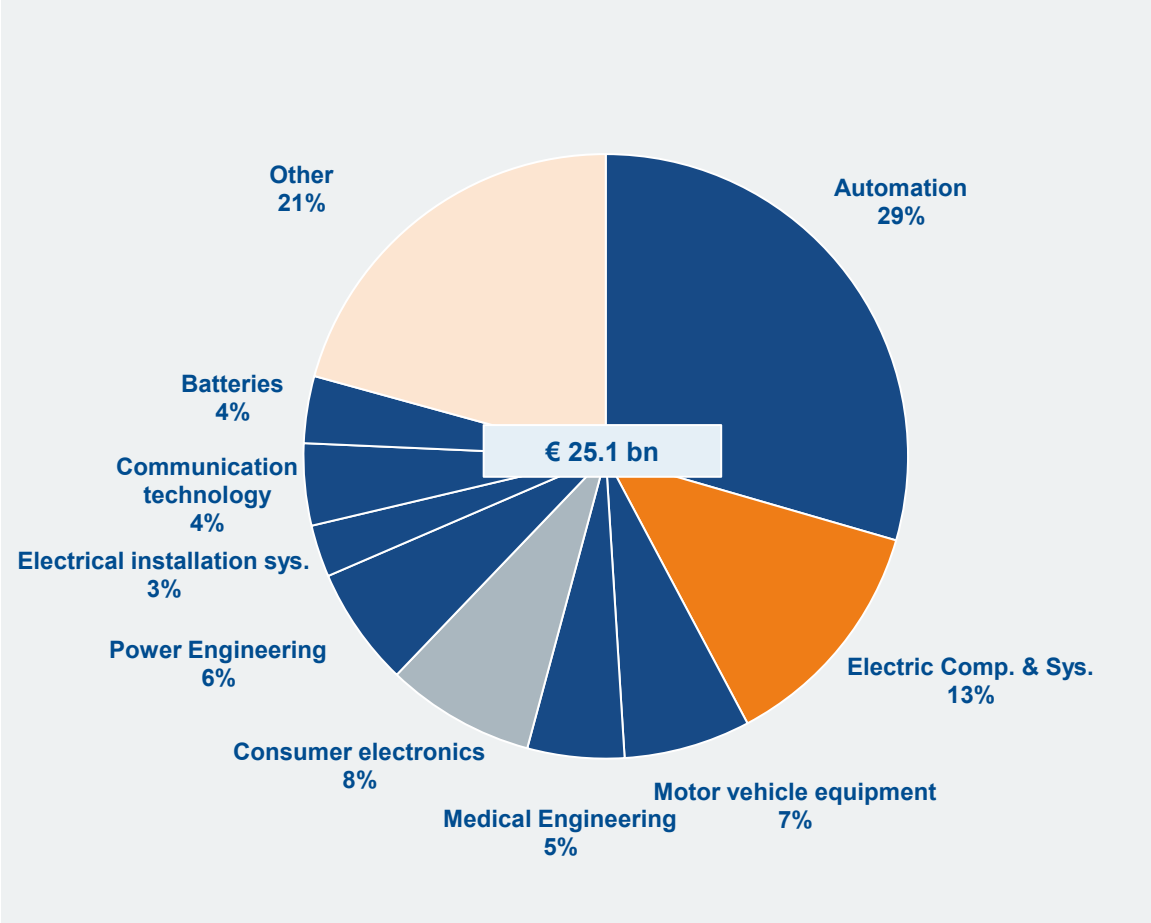


Source: German statistical office and ZVEI's own calculations

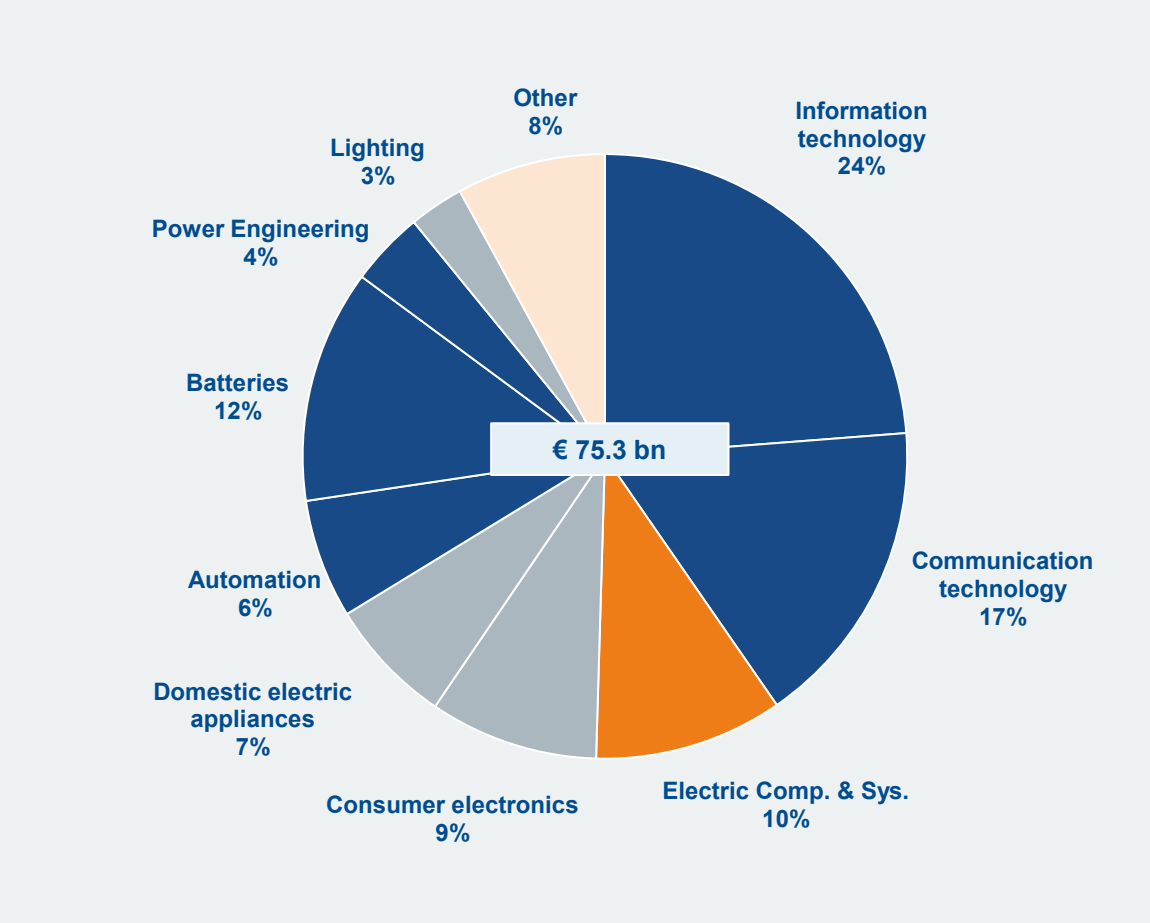
- German electrical exports accounted for 28% of total German exports to China in 2024
- This represents an increase of two percentage points since 2000
- **German electrical imports accounted for almost half (48%) of total German imports from China in 2024**
- This represents an increase of twelve percentage points since 2000

Structure of exports and imports by sub-branches

German electro exports to China 2024, shares



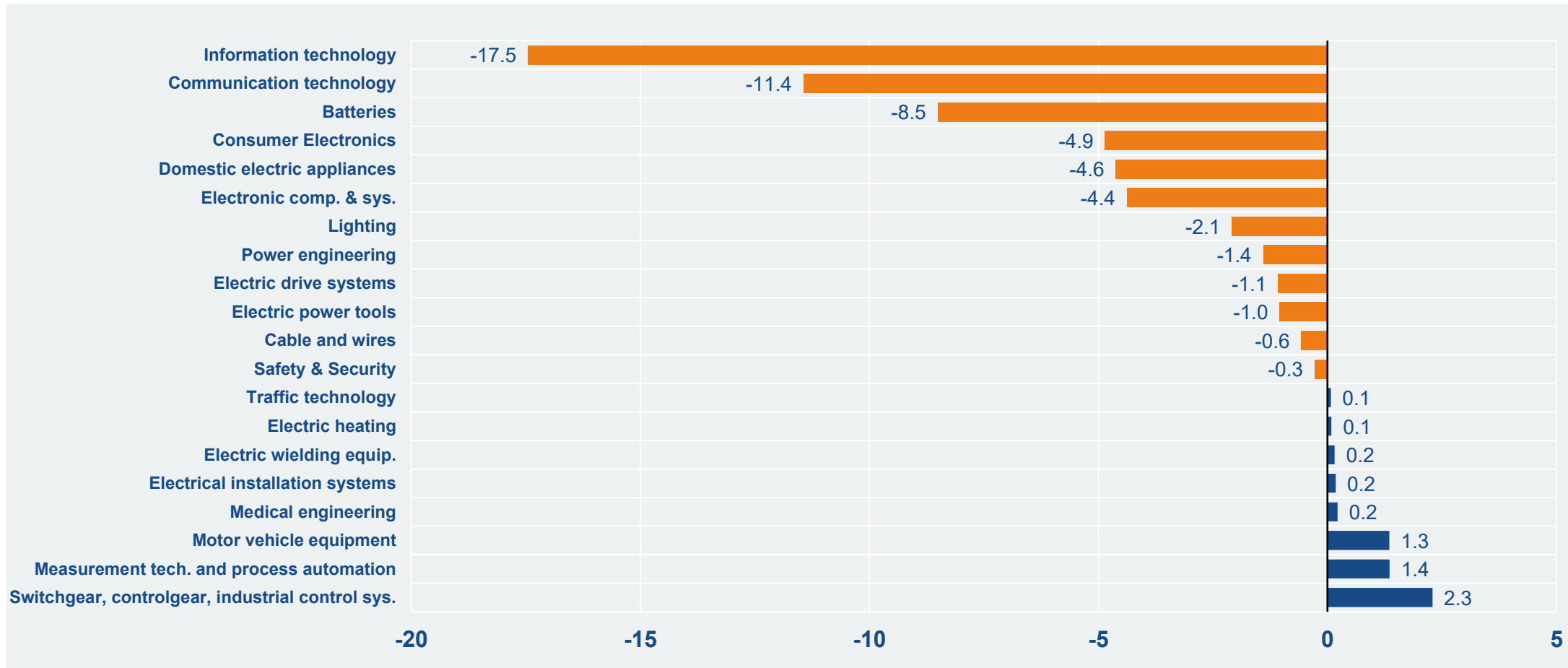
German electro imports from China 2024, shares



Source: German statistical office and ZVEI's own calculations

Net foreign trade balance with China by sub-branches

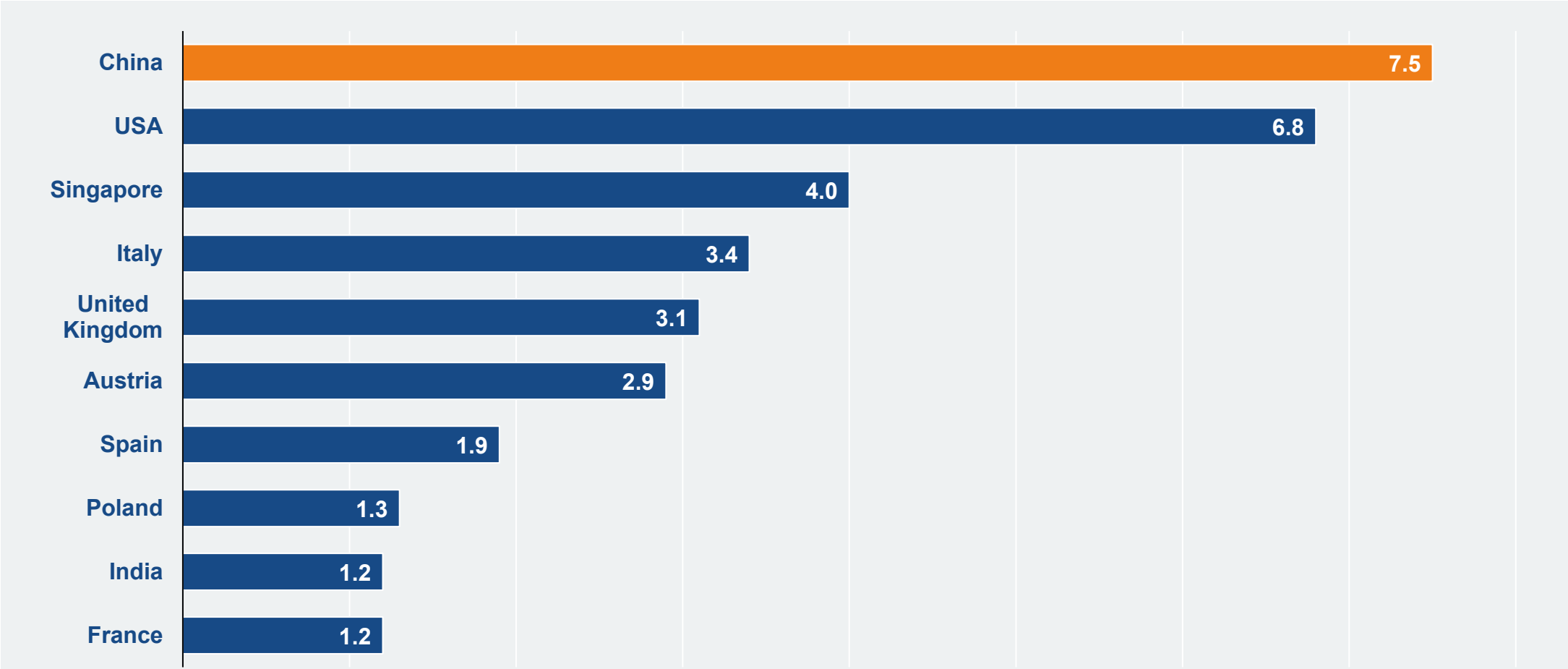
2024, € bn



Source: German statistical office and ZVEI's own calculations

China is the main destination of German electro industry's FDI stock

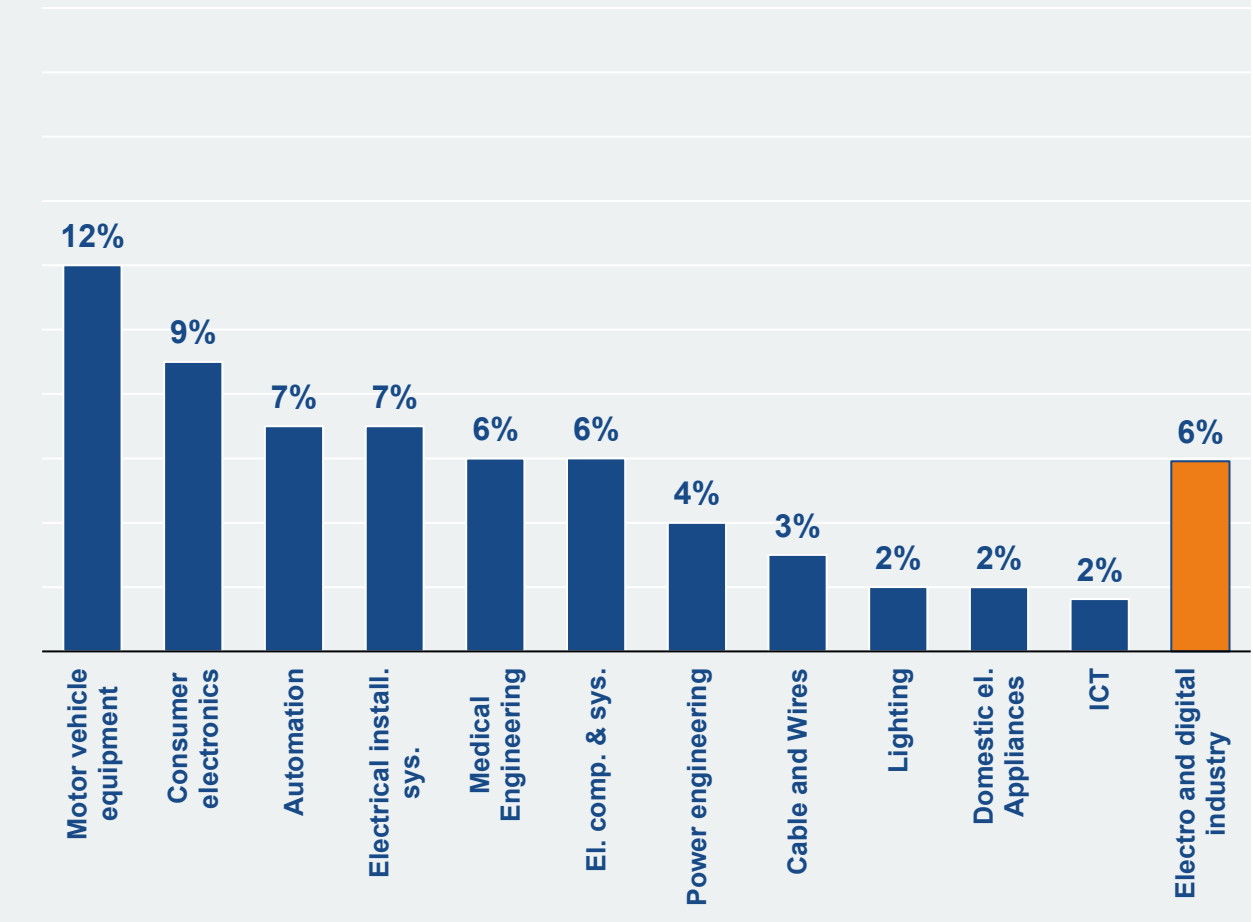
Top ten FDI locations of the German electro and digital industry, 2023 stocks, € bn



Source: Deutsche Bundesbank and ZVEI's own calculations

Domestic employment dependent on direct exports to China

Share in respective total number of employees in Germany, 2024

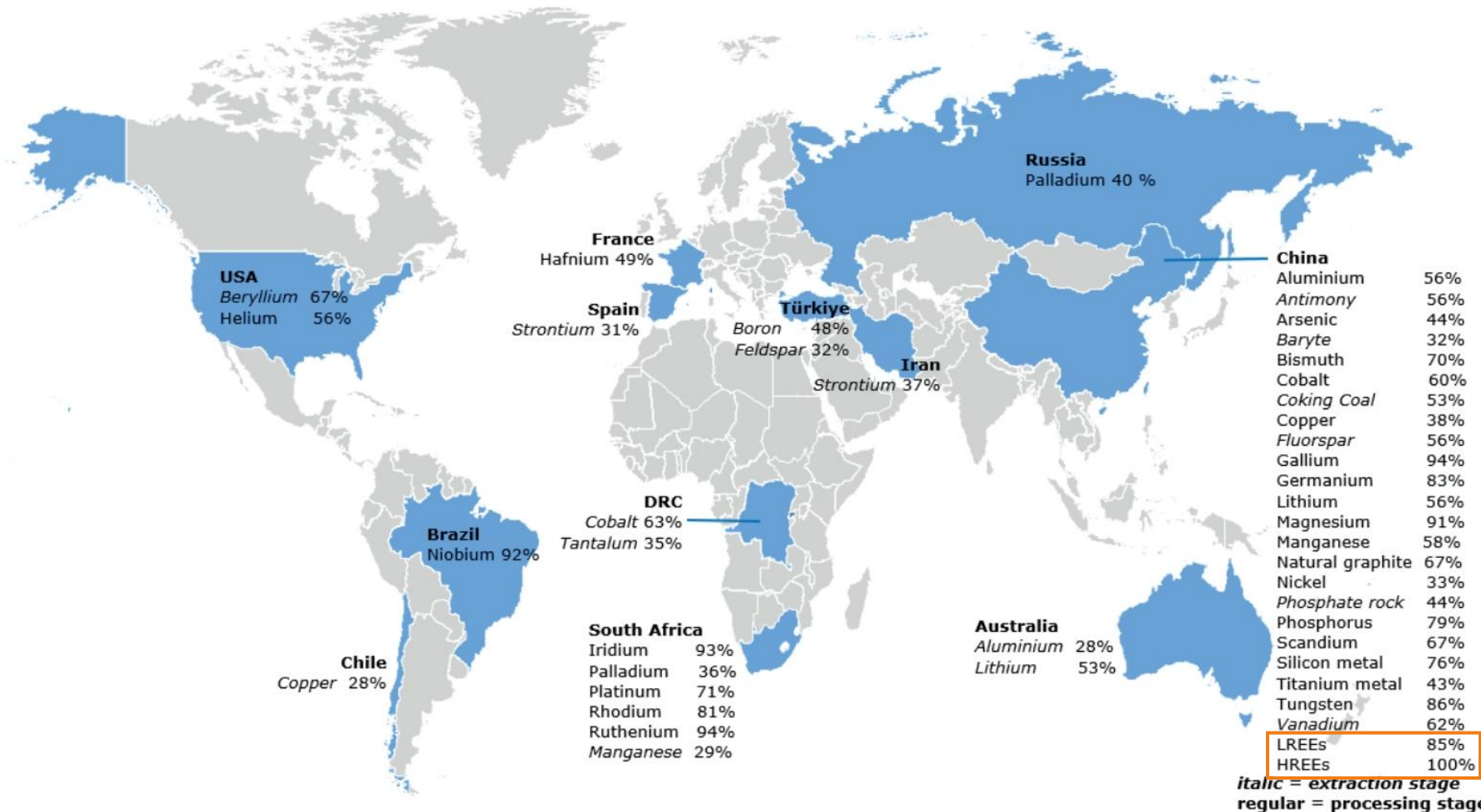


6%
of the total workforce of 889,600 (end of 2024)
or
53,000 employees
within the German electro and digital industry were
directly dependent on exports to China in 2024*

Source: German statistical office and ZVEI's own calculations, *not considering indirect and mediate effects

Critical raw materials

Dependence on China, especially for rare earths



- Over the past few decades, China has **systematically** built up a **strategic position** in raw materials
- This applies not only to the development of **reserves**, but also, and above all, to further **processing stages**
- Its position in **rare earths** is particularly significant today

Light rare earths
Heavy rare earths

Respective economic relations to China




Major industrial sectors by comparison

Industrial sector	Exports to China (2024)	Imports from China (2024)	Balance (2024)	FDI stock in China (2023)
Electro/digital	€25.1bn <i>1st rank</i>	€75.3bn <i>1st rank</i>	-€50.2bn	€7.5bn <i>1st rank</i>
Chemistry + pharmacy	€10.8bn <i>8th rank</i>	€7.2bn <i>8th rank</i>	+€3.6bn	€7.5bn <i>3rd rank</i>
Mechanical engineering	€18.5bn <i>2nd rank</i>	€12.3bn <i>1st rank</i>	+€6.2bn	€6.6bn <i>2nd rank</i>
Automotive	€20.3bn <i>2nd rank</i>	€6.7bn <i>8th rank</i>	+€13.6bn	€31.7bn <i>1st rank</i>
Total Germany	€89.9bn <i>5th rank</i>	€156.6bn <i>1st rank</i>	-€66.7bn	€115.8bn <i>3rd rank</i>

Source: German statistical office and ZVEI's own calculations




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