

## The Chinese laboratory market



China is a rapidly growing market. In particular, demand for quality-control solutions in the food sector is becoming an important topic. Suppliers in the chemical, pharmaceutical and biotechnology sectors also have outstanding market opportunities.

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**analytica China**

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### China: Great deal of potential for technology producers

China is Asia's most important sales market for producers of medical technology, analysis technology, biotechnology and laboratory technology. These sectors will continue to grow. The most important reasons are the ageing population, rising health standards and a higher quality awareness.

### Chemicals sector in China: Strong sales markets for German suppliers

The People's Republic of China is one of the chemical industry's strongest sales markets in the world. Even with slightly slower growth, sales opportunities for German manufacturers remain excellent.

Examples therefore are the very high growth rates of fertilizers, cosmetics and medicines.

Demand for proteins, adhesives and enzymes also remain high.

### Food in China: Quality control driving growth

The trends toward the industrialization of the production process and toward products that are more processed are continuing. Increased expectations for improved food quality are a key driving force. A growing number of consumers are willing to pay more for higher-quality food.

During the first half of 2018, the Chinese food industry recorded a 6.8 percent increase in sales to 4.8 trillion renminbi yuan, compared to the same period

of the previous year. In 2017, revenue increased by 6.3 percent to 11.4 trillion renminbi yuan.

Profits even increased by 9.5 percent to 343 billion renminbi yuan, compared to the same period last year. For the full year 2017, sales of the Chinese food industry had increased by 6.5 percent to 800 billion renminbi yuan.

That is why food inspection is considered a promising growth sector. China needs measuring equipment such as gas or liquid chromatographs to verify compliance with limits for pesticides, microorganisms, etc.

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### **Pharmaceuticals in China: Impressive growth rates**

The Chinese pharmaceutical industry continues to develop at an impressive rate.

According to an article of the Federal Ministry of Economics and Energy, China is said to have overtaken the United States as the world's largest pharmaceutical market by 2020.

In May 2017, the Nanfang Research Institute for the Pharmaceutical Industry predicted that sales growth of around 13 percent would continue until the end of the year. The production value is expected to increase by 11.3 percent to 3.2 trillion renminbi yuan. Earnings are expected to grow even faster than sales.

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### **Biotechnology in China: Outstanding opportunities for German companies**

The People's Republic of China is ambitiously promoting its infrastructure for research and innovation. In 2016, expenditure on research and development already amounted to 2.11 percent of gross domestic product.

In 2018, research and development spending in China's companies increased by approximately 34.4 percent compared to the previous year.

The country is also working with German technology partners on equal footing. Aggressive government subsidies are driving the Chinese biotech industry forward—particularly in the centers of Peking and Shanghai. Hundreds of semi-state-owned companies dominate the field. Most of them produce copycat preparations to cover demand for medications in China's billion-plus population. But the government is also using all its resources to try and strengthen the development of genuine innovations. It is investing heavily in genome research in particular.

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