

## **China's Plan to Upgrade its Industry by 2025 Could Increase Copper Demand by 232,000 tonnes**

The Chinese government's Made in China 2025 initiative will have a significant impact on copper demand in China, according to new research commissioned by the International Copper Association (ICA).

As China endeavors to upgrade its industry through increased efficiency and the use of "smart factories," copper intensity is projected to rise in areas such as transportation, electric power equipment and industrial robots. The new research—conducted by Brilliance Consulting of China—predicts annual demand for copper will grow by an additional 232,000 tonnes by 2025, due to the plan. This projected growth in demand is in addition to natural growth experienced by the market.

"Manufacturing trends such as Industry 4.0, smart factories, green manufacture and the Internet of Things will push copper intensity, particularly in applications such as wind power, transformers and industrial motors," said Colin Bennett, Market Analysis and Outreach, ICA. "These efficient technologies require a larger amount of copper in end-use products, due to copper's superior conductivity and durability, and other valuable properties."

As China adopts higher efficiency motor standards, copper intensity in this sector is forecast to increase from 0.87 kilograms of copper per kilowatt (kg/kw) in 2015 to 1.56 kg/kw in 2025. Similarly, higher efficiency distribution transformers use more copper.

Another potential boost for copper would come from the Made in China 2025 goal of developing a more advanced railway network. The study notes that more double-line railway construction in the future is likely to increase copper use per kilometer, from the current 5.1 tonnes to 6 tonnes by 2025. Growth in these key sectors and more—including electric vehicles and offshore wind power—will be fueled by the Made in China 2025 initiative. The plan's focus on efficiency creates a strong opportunity for copper, which is used to increase the efficiency of numerous electrical technologies.

For more information, visit the Trends and Innovations section of [copperalliance.org](http://copperalliance.org), or contact ICA.

### **About the International Copper Association (ICA)**

ICA brings together the global copper industry to develop and defend markets for copper and to make a positive contribution to society's sustainable development goals. Headquartered in New York, ICA has offices in four primary regions: Asia, Europe and Africa, Latin America and North America. Copper Alliance® programs and initiatives are executed in nearly 60 countries through its regional offices. For additional information please visit [copperalliance.org](http://copperalliance.org).



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