

China's Major Infrastructure and Manufacturing Projects See Robust Q1 2025 Growth

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China's economy witnessed a significant surge in the launch of major infrastructure and manufacturing projects during the first quarter of 2025, according to the latest data released by the State Taxation Administration (STA). The robust growth, spearheaded by large-scale developments, underscores the economy's strong upward trajectory.

During the first three months of the year, the number of large-scale projects, each valued at over 1 billion yuan (\$138 million), experienced a substantial year-on-year increase of 41.8 percent, with 182 such projects commencing construction, as reported by CCTV News. The total investment in these major undertakings reached 340 billion yuan, marking a significant 39.1 percent increase compared to the same period last year, according to the STA.

Transportation projects emerged as a key driver of this construction boom, with notable initiatives including the Linyi section of the Weifang-Suqian High-Speed Railway in Shandong Province and the G322 expressway project in Jiangxi Province.

Furthermore, the first quarter demonstrated strong momentum in high-tech investment. Anhui Province initiated a 2 billion yuan project to establish a production line for advanced display screens, while Zhejiang Province commenced the construction of a science park dedicated to artificial intelligence core components, according to CCTV News.

Smaller-scale projects, valued below 5 million yuan, also contributed to the growth, with 17,000 projects

launched, representing a 4.8 percent year-on-year increase. These projects, often focused on enhancing livelihoods, involved a combined investment of nearly 28 billion yuan, up 7.2 percent year-on-year.

Tax authorities have affirmed their commitment to providing consistent policy support to ensure the successful completion of these projects, with the aim of bolstering livelihoods and advancing the high-quality development of the broader economy, as reported by CCTV News.

Wang Peng, an associate research fellow at the Beijing Academy of Social Sciences, highlighted the dual impact of these major projects on China's economy. "On the demand side, infrastructure and industrial investments directly stimulate the construction and manufacturing sectors, creating significant ripple effects across supply chains. On the supply side, cutting-edge technology projects accelerate industrial upgrading, and livelihood-related projects help unlock new consumption potential," Wang explained to the Global Times.

He further added that these projects generate direct employment opportunities and indirectly support the services sector, thereby boosting household incomes and consumer confidence, ultimately promoting broad-based economic growth.

Nationwide, China's fixed-asset investment saw a 4.2 percent year-on-year increase in the first quarter, a notable 1 percentage point higher than the full-year growth rate of 2024. The total investment during the period amounted to 10.32 trillion yuan, according to data from the National Bureau of Statistics (NBS). Investment in infrastructure construction rose by 5.8 percent, while manufacturing investment saw a significant increase of 9.1 percent, as indicated by the NBS data.