The 'Made in China 2025' ten-year national plan, which is aimed at propelling explosive growth in the biomedical and high-end medical device manufacturing industry, will increase competition in the Chinese medical device market, according to leading data and analytics company, GlobalData .

China has earmarked the biomedical and high-end medical device manufacturing industry as one of the crucial sectors that will be at the forefront of achieving strategic breakthroughs in technological development.

Traditionally, the majority of the domestic manufacturers are providing cheaper local alternatives to branded medical devices in Chinese hospitals. In the past decade, local Chinese firms have been steadily grabbing share from their international counterparts.

'Made in China 2025' focuses on the development of high-performance devices such as diagnostic imaging equipment, robotic surgery devices and high-end medical consumables like fully degradable cardiovascular stents, wearable devices and telemedicine. Innovations in the field of biological 3D printing and precision medicine based on gene sequencing and immune therapy are also highlighted.

Under theÂ plan, the government plans to raise the domestic content of core components and materials to 40% by 2020 and 70% by 2025. The goals of increasing domestic device use in high tier hospitals are to 50%, 70% and 95% by 2020, 2025 and 2030, respectively.

Tina Deng, Medical Devices Analyst at GlobalData , says: "Imports of medical devices will further reduce with implementation of the plan in the long term. Competition in the Chinese medical device market, the most important battleground for medical device firms of all emerging economies, will become more intense than ever."

So far, foreign manufacturers looked to use the existing distribution networks, establish key partnerships with local suppliers and set up innovation centers to foray into the Chinese market. As the market shifts towards the use of local devices, they need to adopt other strategies to remain competitive.

Deng explains: “While acquiring domestic players, international companies need to be cognizant of each province's guidelines on ‘local’ manufacturers. They should make enough changes to an innovative device and classify it as a Chinese device. Alternatively, foreign companies may seek to achieve broader product portfolios that offer better outcomes and prove cost-effectiveness over local products to have higher appeal for clinicians, patients, and payers.”