

NEV Technologies: Lessons from China

Industrial & Automotive, Accenture China
Aug 2026



1. China is setting the global north star for automotive on cost, speed, and AI integration, across both development and manufacturing.
2. China is democratizing AI-enabled features, including highly automated driving across all vehicle segments.
3. Competition is increasingly won through cross-industry ecosystems, where OEMs, tech firms, and AI players co-develop.
4. The next NEV growth story lies in developing markets, and Chinese OEMs are entering with technology and platforms, not just vehicles.
5. What can South Africa's automotive and manufacturing ecosystem learn from China?

Agenda

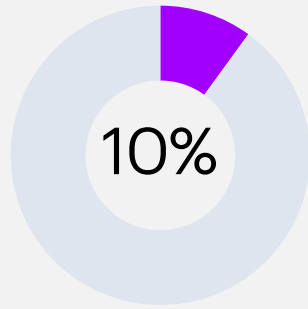
01 China auto's structural reset

02 The global pace setter

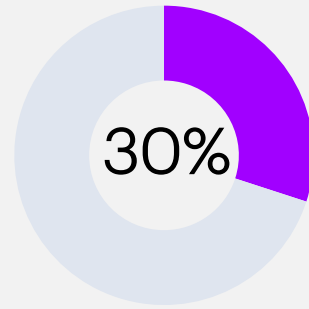
03 The advantage stack



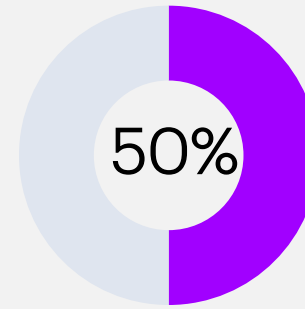
China auto has undergone a structural reset



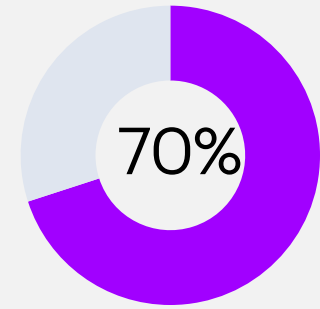
of national
GDP



of global light
vehicle sales

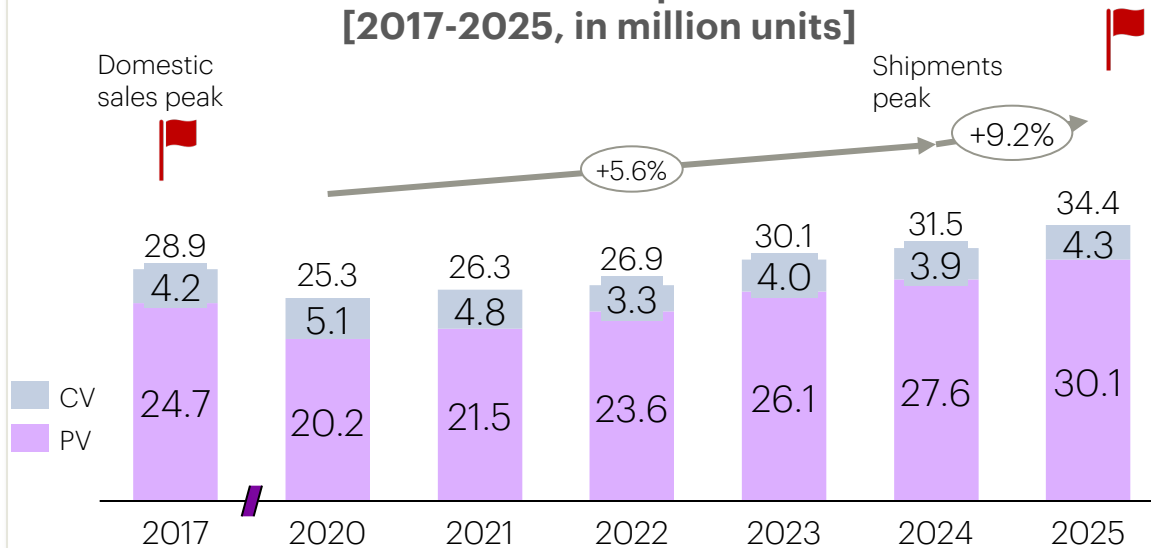


of global
E-vehicle sales

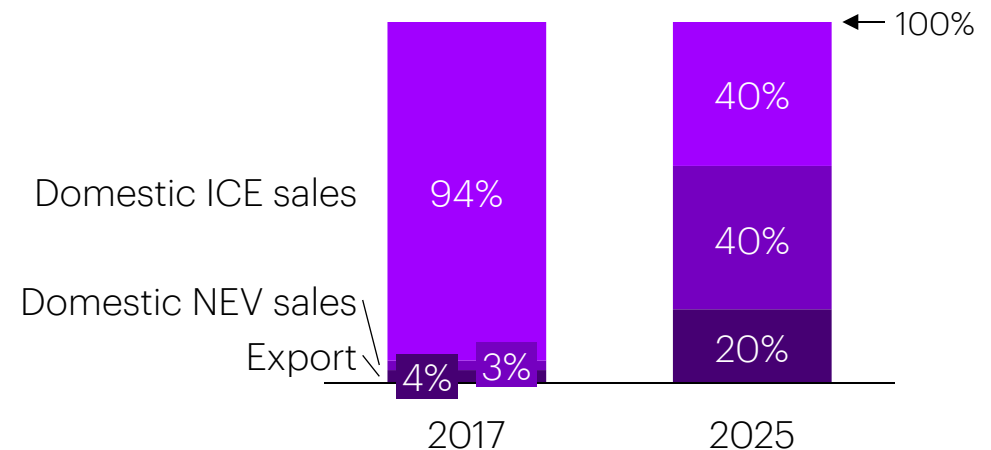


of global EV
production

**China auto shipments
[2017-2025, in million units]**



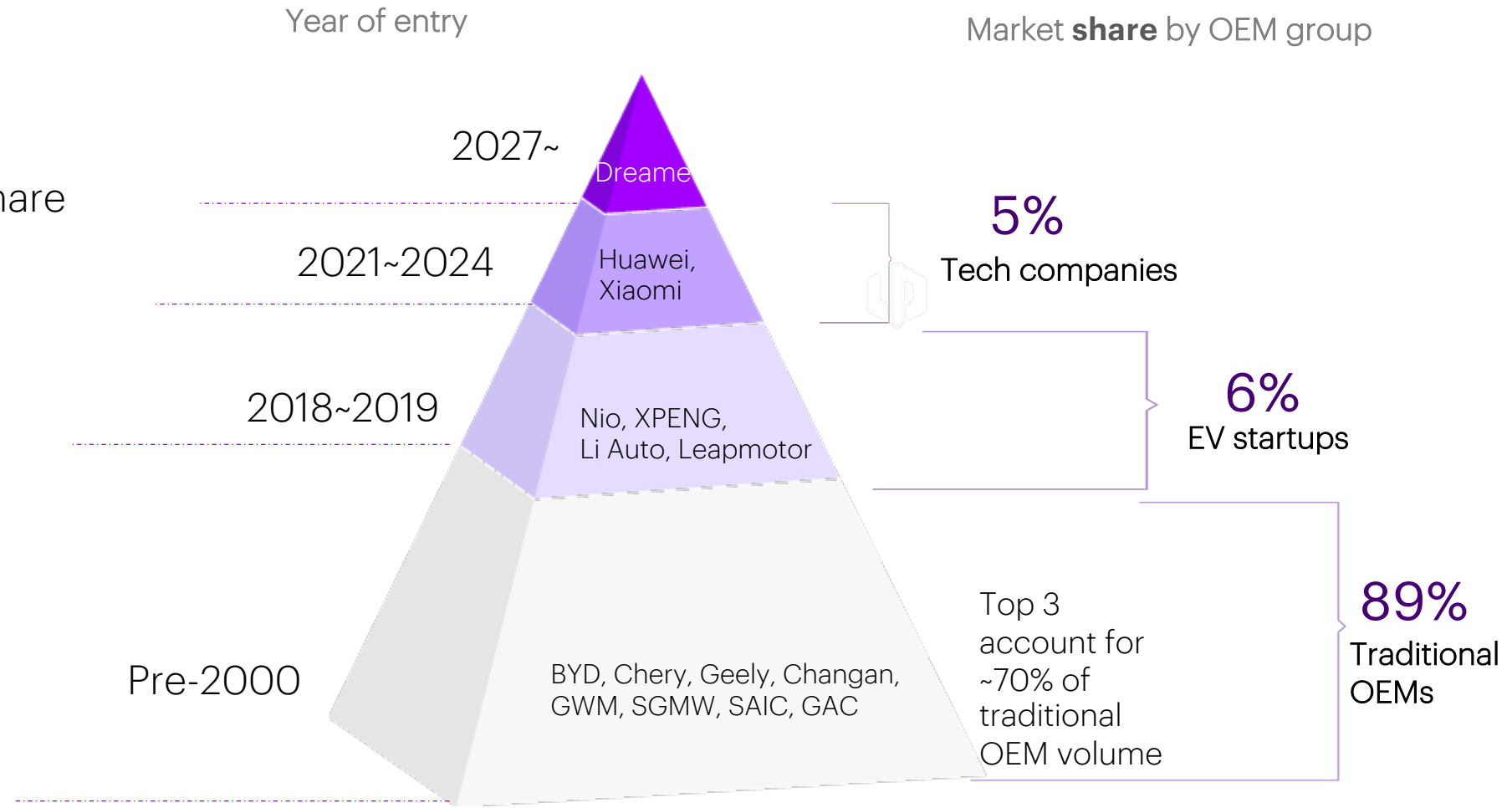
**Peak-to-peak shipment by sector
[2017 vs. 2025]**



Entrants and speed reshape the landscape

2x

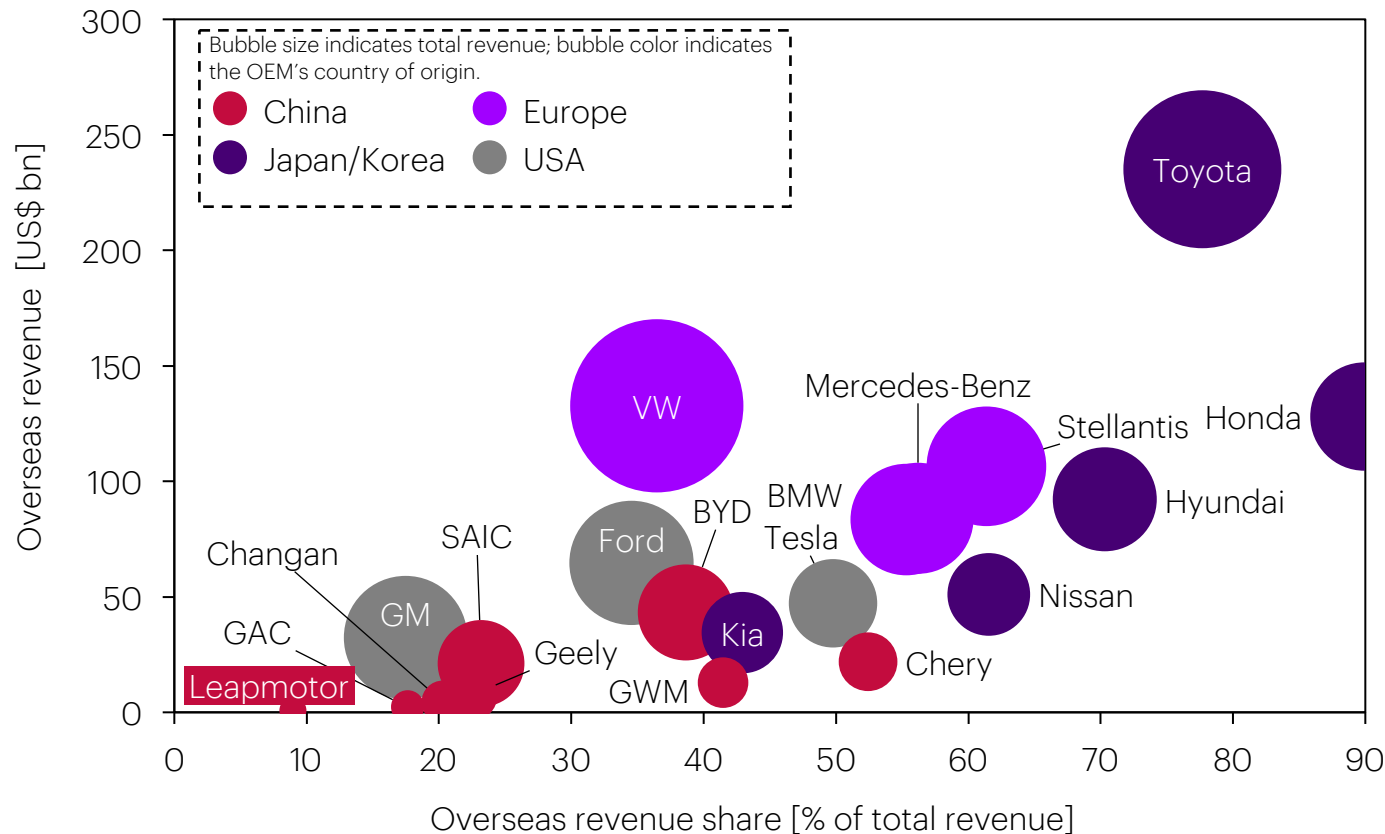
Tech entrants reached 5% share in 4 years vs. 8 years for EV startups



China goes global: from vehicles to technologies

Overseas markets have become a revenue engine for Chinese OEMs, and the expansion playbook is taking shape.

Overseas revenue share (Chinese OEMs vs. global players, FY25)



1 Enter

Leapmotor's partnership with Stellantis (2024) helped it reach profitability within two years — proving a new global expansion model.

2 Scale

Chinese OEMs are localizing production and supply chains across ASEAN, South America, and Europe.

3 Enable

XPeng co-developed VW's new China Electronic Architecture (CEA), now extending across EV, ICE, and PHEV platforms. Chery will support JSW Group in launching a new energy vehicle brand in India by 2027.

Sources: S&P Capital IQ, company annual reports

Note: (1) Company size and overseas revenue are based on the latest fiscal year: FY2025 (ended Dec 2025) for Chinese, U.S., European, and Korean OEMs; FY2025 (ended Mar 2025) for Japanese OEMs.

(2) For European automakers, overseas revenue refers to revenue generated in markets outside Europe.

Agenda

01 China auto's structural reset

02 The global pace setter

03 The advantage stack

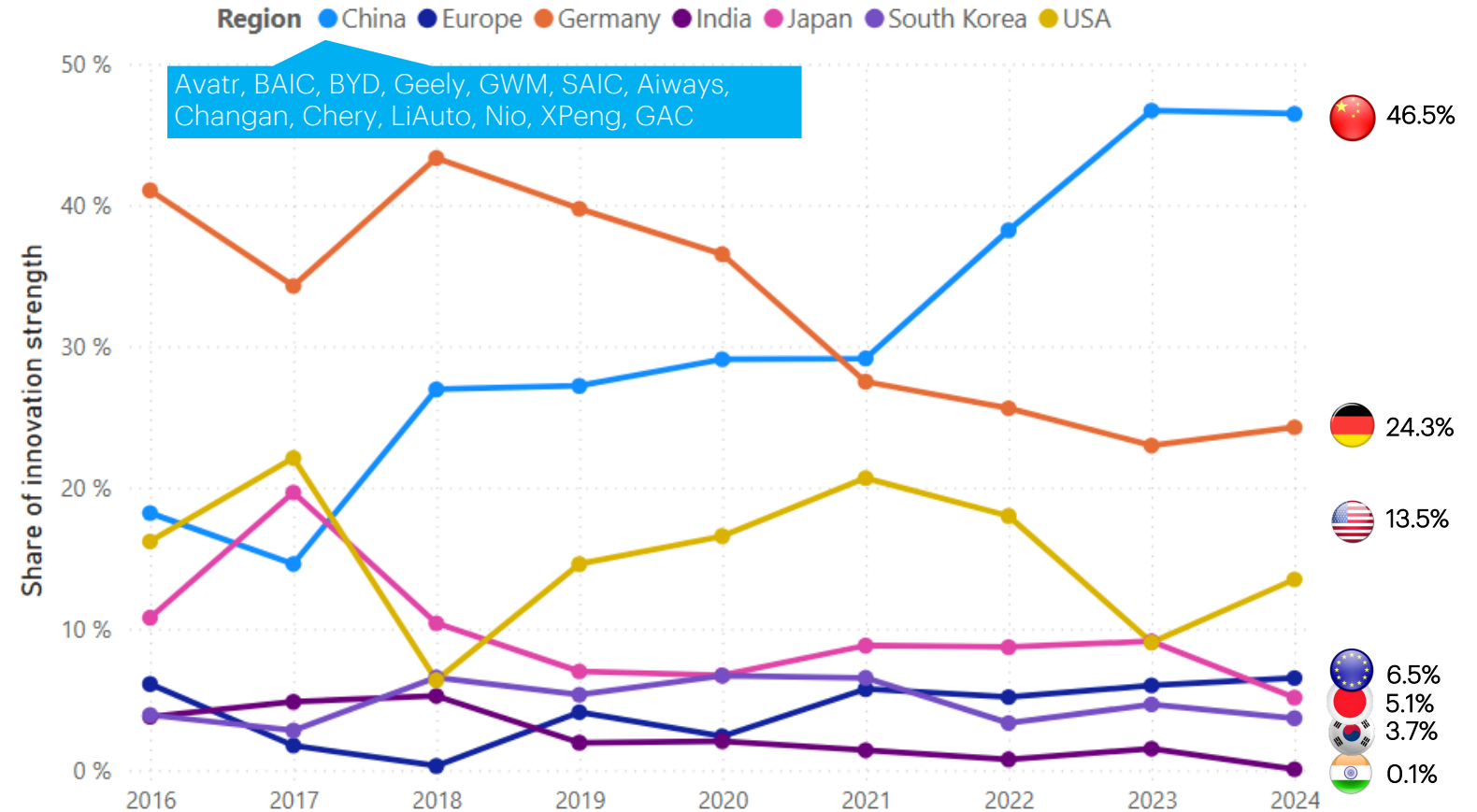


China becomes the center of innovation

46%

of global automotive
innovation strength now
comes from China

Share of innovation strength by countries/regions (2016–2024, in %)



Source: The Software-Defined Future: Racing Toward the AI-Driven Vehicle, 2026, CAM, Accenture

China leads in software-defined vehicles

77%

Intelligent cockpit penetration

60%

L2+ ADAS penetration

What Chinese players do differently?



Speed as a Decisive Competitive Advantage



Software First



Radical Simplification & Scaling



Integrated Data & Toolchains



Ecosystem & Cluster Strategy



Agile Governance & Rapid Decision-Making

Market examples



Chinese and new tech players reach up to 6x higher OTA cycles



Full stack R&D control with SW-defined customer experience



One global EV platform with centralized electrical architecture



Integrated toolchain for ADAS/AD development and testing



Cross-OEM collaboration, offering a unified smart stack



Top-down decision-making with vertically integrated execution

Next frontier: AI-driven vehicles and robots

“Autonomous driving is the first phase of embodied intelligence; humanoid robots will define the next.”
— Li Xiang, CEO, Li Auto

>8

Chinese OEMs investing in
proprietary automotive chips

>10

OEMs displaying robotics
technologies at Auto China
2026



XPeng showcased its humanoid robot “IRON” and flying car “Land Aircraft Carrier” at Auto China 2026.

Case: A Chinese motorcycle, built from scratch, beat Ducati and Yamaha on the global stage



In March 2026, the brand new Zhangxue Motorcycle (ZXMOTO), won two races at the World Superbike Championship in Portugal — beating Ducati and Yamaha by four seconds.

It was built on China's industrial ecosystem — strong supply chains, fast prototyping, and tightly integrated R&D and manufacturing.

This pattern is repeating across industries: China is producing world-class outcomes by combining entrepreneurial drive with a continuously upgrading industrial system.

Agenda

01 China auto's structural reset

02 The global pace setter

03 The advantage stack



01 A world-leading EV supply chain underpins cost and scale competitiveness

70% of global EV batteries are produced in China
>50% of global lithium, cobalt, graphite refining capacity is in China



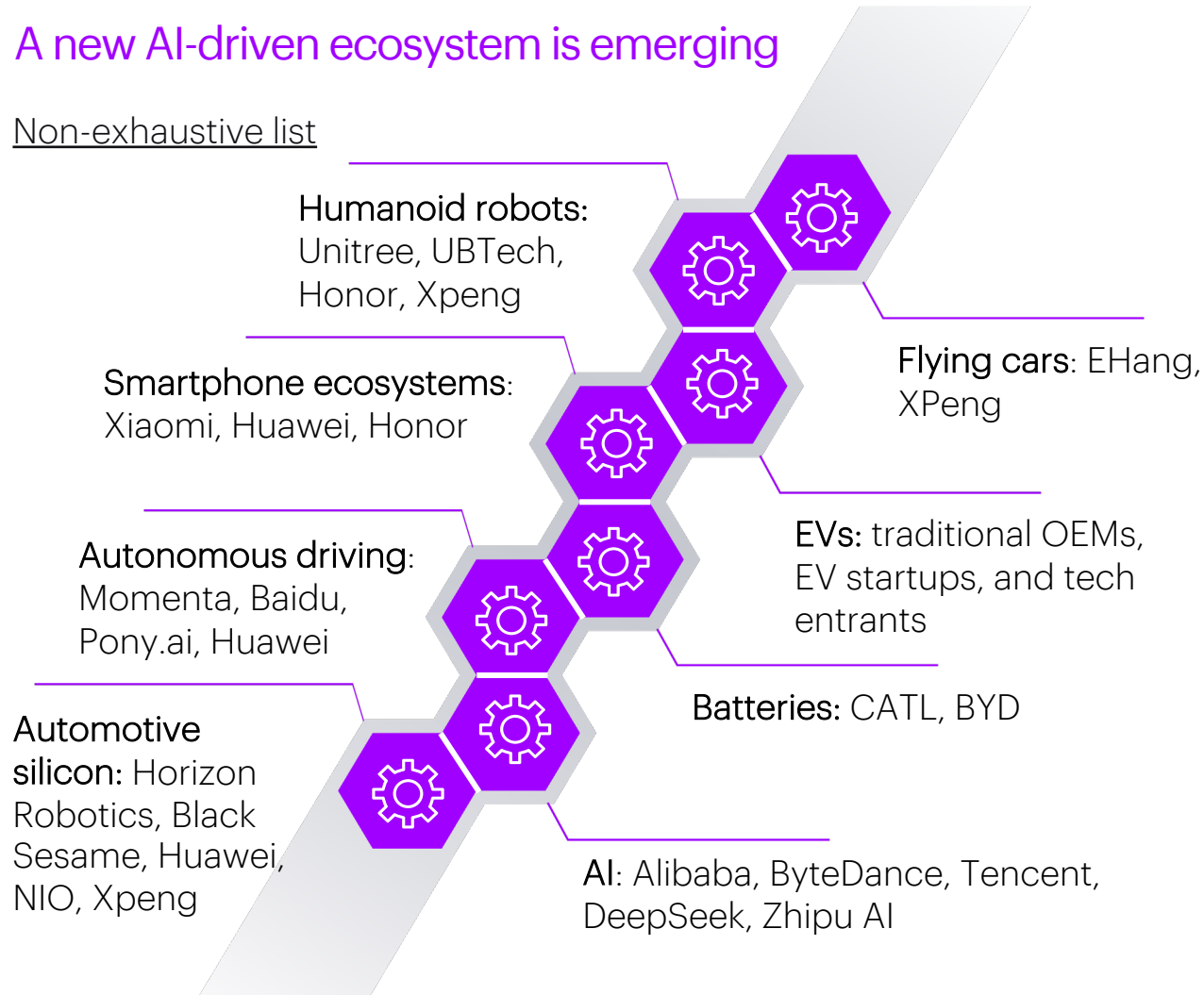
75% of components are produced in-house (BYD)



02 A vast tech ecosystem fuels collaborative innovation

A new AI-driven ecosystem is emerging

Non-exhaustive list



OEMs, smartphone makers, AI firms, chipmakers, and robotics companies increasingly co-develop technologies and expand into adjacent sectors.

Examples:

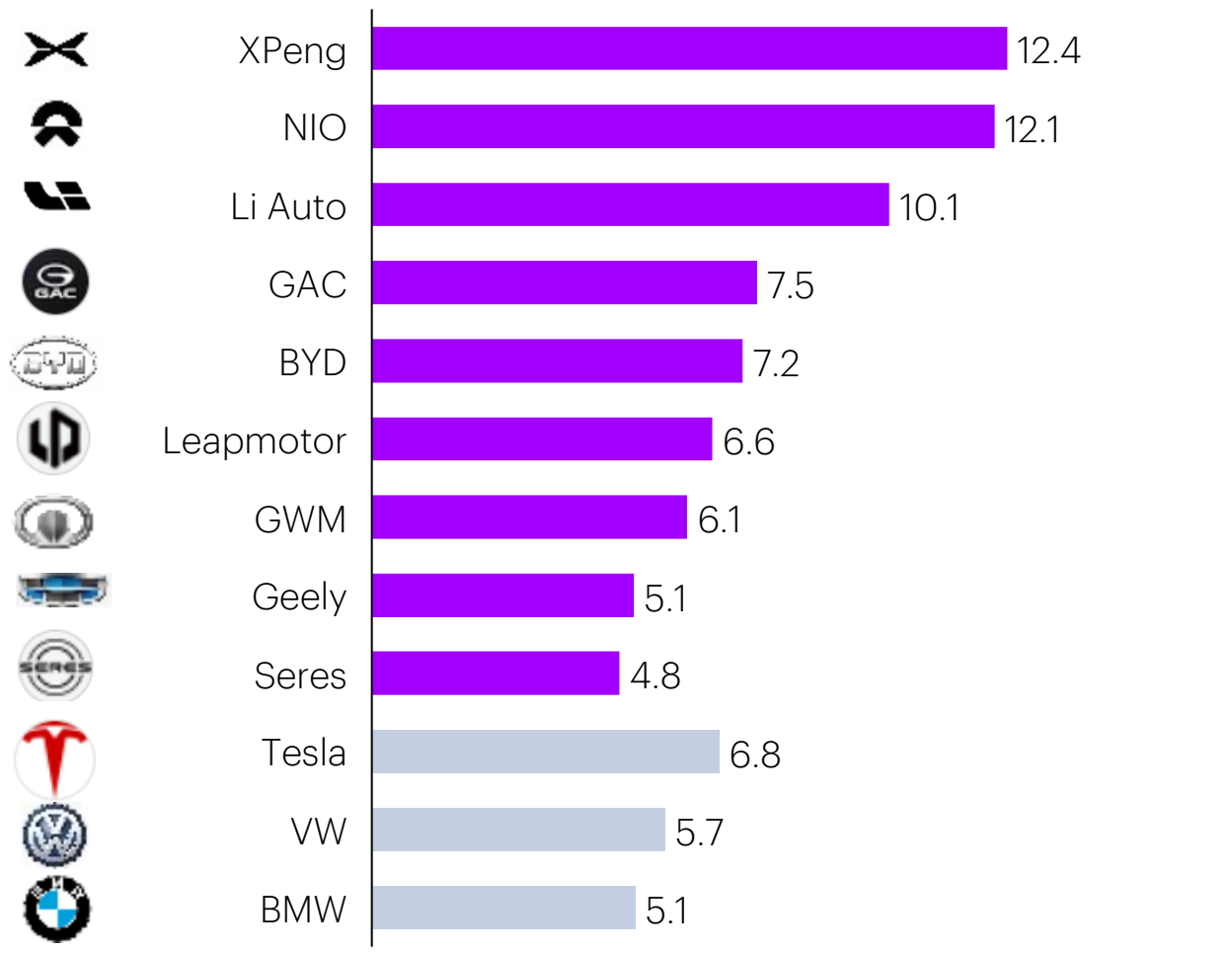
- Xiaomi/Huawei: consumer electronics, smartphones -> EVs
- Baidu: search engine, AI -> autonomous driving, robotaxi
- Auto OEMs: vehicles -> chips, robotics

03 High R&D intensity drives innovation advantage

14% growth in R&D investment, 2024–2025*

30% of R&D spending goes to AI

Auto OEMs R&D expense (% revenue, 2025)



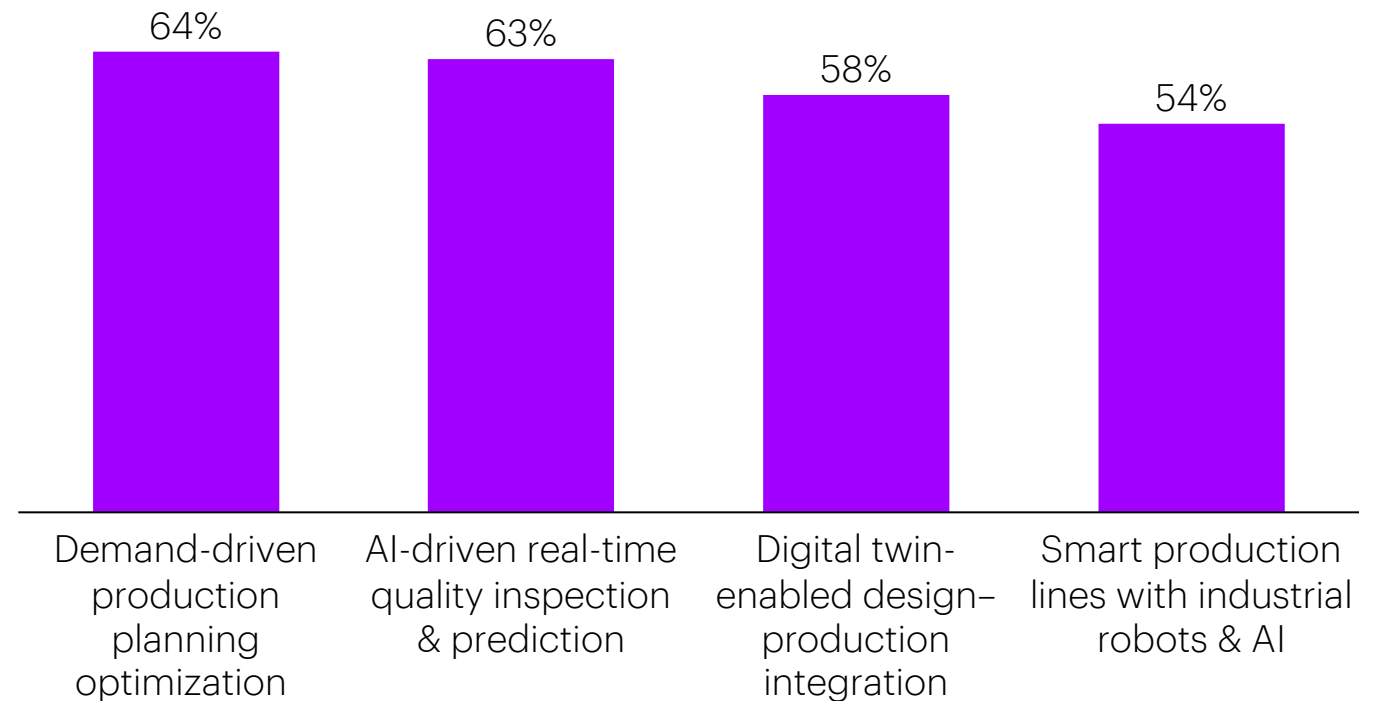
04 Smart manufacturing reduces cost and improves speed

China hosts over **40%** of lighthouse factories globally

And **>50%** of the world's newly installed industrial robots



Core digital capabilities in smart manufacturing (China, % of respondents, 2026)



Question: Which core digital capabilities does your company currently have in the field of smart production? (Select all that apply)

Source: Accenture China Digital Transformation CxO survey 2026 (N=160)

05 A strong education system and engineering talent pool support a competitive workforce

Talent pool of

3.5 million

STEM graduates annually in China...



Average years of schooling (ages 16-59)

11.3 years

06 China drives **agility with speed** in decision-making and execution



Rapid decisions

Bold, top-down leadership with clear targets drives execution downward, compressing decisions from weeks to days



Lean processes

Minimal bureaucracy and streamlined hand-offs ensure escalations are resolved within hours or days



Risk and failure tolerance

Accelerated pilots and trials accept setbacks as part of innovation, while investment is redirected to proven solutions

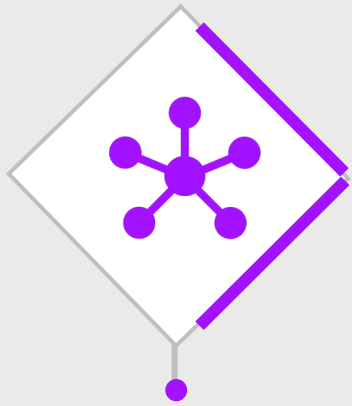


Pragmatic R&D approach

Time-to-market as a priority with short refresh cycles & OTA updates ("launch fast, improve later")

In China, an idea on Monday can be a pilot by Friday.

What South Africa can learn from China



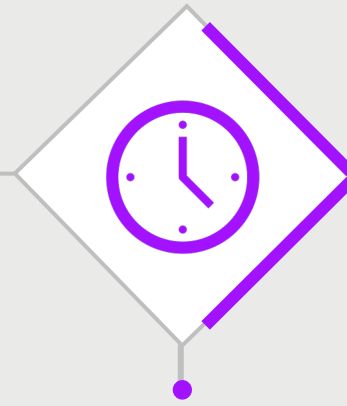
Win as an ecosystem

China won through connected clusters, not lone champions. The edge lies in a tighter, co-developing local manufacturing ecosystem.



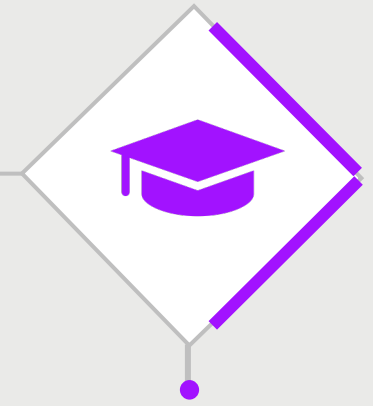
Capture capability

EVs have lowered entry barriers. Chinese OEMs arrive with technology, not just cars. The real opportunity lies in building local capabilities.



Make speed a policy choice

China compressed decisions from weeks to days. In fast-moving industries, speed can be a lever as important as cost.



Build talent & supply early

Supply depth and engineering talent were deliberate bets. Early investment in EV skills and local content builds Africa's NEV gateway.

Thank you