

CHINA'S CIVIL AVIATION INDUSTRY TAKING OFF

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Executive Summary

1. The establishment of the Commercial Aircraft Corporation of China (COMAC) in 2008 marked the separation of China's civil aviation industry from the national defense industry.
2. China's civil aviation industry comes under the Ministry of Industry and Information Technology, the Ministry of Science and Technology, the National Development and Reform Commission, the State-owned Assets Supervision and Administration Commission, and the Civil Aviation Administration of China. The areas of jurisdiction and responsibilities of these agencies are unclear and sometimes conflicting.
3. The large passenger plane program launched in 2008 has changed China's aviation industrial layout, and new aviation industrial parks have been established in many provinces. Major civil aviation industrial bases include Shanghai, Tianjin, Xi'an (of Shaanxi Province), Jinan (of Shandong Province), Zhuhai (of Guangdong Province), and Nanchang (of Jiangxi Province).
4. Shanghai is the base for the large airplane, while Tianjin has established the assembly line for Airbus A320 series and an industrial base for helicopter. Xi'an has built a national aviation high-tech industrial base in Yanliang District, covering airplane components manufacturing, modification and maintenance, and aviation education and training.
5. The Aviation Industry Corporation of China (AVIC) and COMAC, super-large centrally administered enterprises, dominate the development, manufacturing, and subcontracting of aircraft and aero-engines in China. COMAC designs, assembles, sells and provides customer service of the civilian airplanes, while

the manufacturing of various components of the aircraft is subcontracted to the subsidiaries of AVIC.

6. China's aviation industry is still relatively underdeveloped with only a few models and a small number of aircraft. China's commercial aviation industry produces largely large jetliner C919 in development, regional jets, transporter aircraft, helicopters, and fixed-wing general aviation aircraft.
7. Regional jets include the ARJ21-700 and MA60 series in development, while the major transporter aircraft in service is Y-8. The number of general aviation aircraft, including helicopters and fixed-wing general aviation aircraft, is very small compared to that of the US and Brazil. Major helicopter types are EC120 Colibri, Z-8, Z-9 and Z-12, while Y-5 and Y-12 are fixed-wing general aviation aircraft in service.