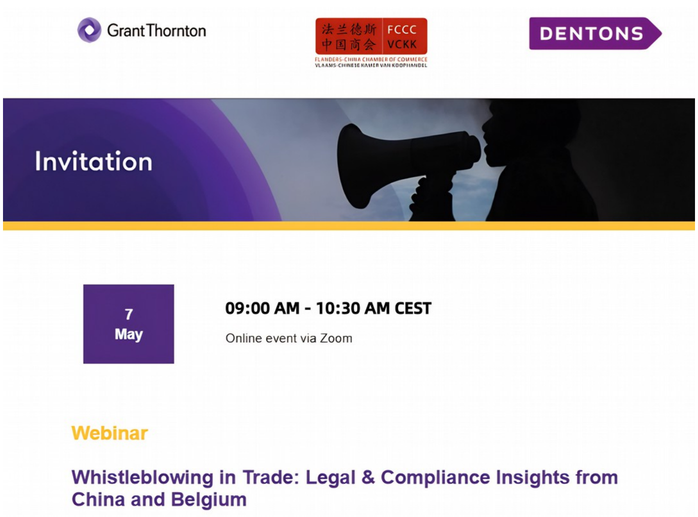
China Business Weekly

6 May 2025

法兰德斯中国商会 FCCC VCKK
FLANDERS-CHINA CHAMBER OF COMMERCE
VLAAMS-CHINESE KAMER VAN KOOPHANDEL

FCCC/EUCBA ACTIVITIES

Webinar: Whistleblowing in Trade: Legal & Compliance Insights from China and Belgium – 7 May 2025, 09:00 AM – 10:30 AM CEST



The Flanders-China Chamber of Commerce, Grant Thornton Belgium, **Grant Thornton China**, and **Dentons** are organizing a collaborative webinar on **7 May 2025, from 9:00 AM to 10:30 AM CEST**. The webinar will cover the **EU Whistleblowing Directive**, focusing on **cross-border operations** between **China and Belgium**, including handling reports and practical implementation of the directive.

Programme

09:00 Introduction by Gwenn Sonck, Executive Director, Flanders-China Chamber of Commerce

09:15 Insights on Chinese and Belgian Companies and the trade and legal challenges they face by Tang Xiaoyi from Dentons

09:45 Discussion on Chinese and Belgian Legislation and the impact of whistleblowing on trade limitations by Tim Klatte from Grant Thornton China and Maarten Van Knippenberg from Grant Thornton Belgium

10:15 Q&A Session

Participation in this webinar is **free**. Please confirm your attendance by 2 May – 18h00.

To help us prepare, we kindly ask you to **submit any question** you may have for our speakers in advance. This will allow us to address your queries more effectively during the webinar.

We look forward to your participation in what promises to be an insightful and engaging event.

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Webinar: “China – Supply Chain Management: Challenges and Opportunities”
13 May 2025 – 11h00 CEST

The Flanders-China Chamber of Commerce is organizing a webinar focused on **the challenges and opportunities in the supply chain for European businesses**. This will take place on **13 May at 11h00 CEST**.

China remains a critical hub in global supply chains, yet recent developments—from geopolitical tensions to evolving trade and regulatory environments—have prompted a reevaluation of existing strategies. At the same time, the country continues to present significant opportunities through advances in technology, infrastructure, and logistics capabilities.

This webinar will explore the current landscape of supply chain management in China, focusing on the emerging challenges and the strategies organizations can adopt to build more resilient and efficient operations.

The programme is as follows:

10:00-10:05: Introduction by **Gwenn Sonck**, Executive Director, Flanders-China Chamber of Commerce

10:05-10:20: “Navigating the Waves: The Impact of Geopolitical Shifts and Shipping Orders on Transportation Costs related to China" by **Didier Duponselle**, Business Development Director Consumer, Ahlers

10:20-10:35: Speech by **Giovanni Gijsels**, Partner Customs & International Trade, PwC

10:35-10-45: Presentation of the Supply Chain Expo by **Zhao Feng**, Deputy Director, CCPIT

10h45-11h00: Question and answer session

Participation fee for members: free of charge.

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PAST EVENTS

Webinar: “How Trump is Making Europe Great Again” – 29 April 2025

The Flanders-China Chamber of Commerce organized a **webinar** on **29 April 2025.**. During this webinar, **Mr. Koen De Leus**, Chief Economist – Economic Research at BNP Paribas Fortis, spoke about: **“How Trump is Making Europe Great Again”.**

A detailed report will follow next week.

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MACRO-ECONOMY

China adopts law on the promotion of the private economy

China’s national lawmakers voted to adopt the country’s first fundamental law specifically focusing on promoting the private economy, marking a significant step in revitalizing a sector that is key to growth and greatly boosting entrepreneurs’ confidence and expectations. The move has sent a strong signal that China places great emphasis on supporting the healthy and high-quality development of the private sector through legislation, in order to create a fairer, more dynamic business environment and address the pressing concerns of private enterprises, according to experts and company executives. After more than a year in the legislative process, the **Private Economy Promotion Law**, passed at a session of the Standing Committee of the National People’s Congress (NPC), the country’s top legislature, will take effect on May 20.

The law, which comprises 78 articles in nine chapters, covers areas such as fair competition, investment and financing, scientific and technological innovation, regulatory guidance, service support, protection of rights and interests, and legal liabilities. For the first time, “unswervingly consolidating and developing the public sector and unswervingly encouraging, supporting and guiding the development of the non-public sector" and "facilitating the healthy development of the non-public sector and those working in it" are written into the law. The law explicitly outlines the legal status of the private economy for the first time, with a clear stipulation that **promoting the sustained, healthy and high-quality development of the private economy is a significant long-term policy of China**.

The NPC Standing Committee's Legislative Affairs Commission said that China's private economy plays a pivotal role in propelling the country's economic development, fostering innovation, boosting employment and enhancing people's well-being. It stressed the necessity to promulgate the law to strengthen legal safeguards for the development of the private economy. **The introduction of the law is a milestone** and shows that the country's emphasis on the private sector has been lifted to a new height, said Hong Yong, Associate Research Fellow at the Chinese Academy of International Trade and Economic Cooperation. "The law not only consolidates the vital position of the private sector in China's socialist market economy, but also provides private enterprises and entrepreneurs with stable expectations and solid legal guarantees, which will help shore up their confidence and stimulate their enthusiasm for investment and innovation," Hong said. Implementation of the law will create a fairer, more transparent and more predictable business environment for private enterprises, which will more equally be able to obtain resources and participate in market competition, Hong added. Furthermore, legislative support will enhance the core competitiveness of private enterprises and bolster their sustainable, high-quality development, Hong said.

Private companies have become a key force behind China's economic ascent over the past decades. They contribute more than 60% of GDP, 70% of technological innovation and 80% of urban employment, official data shows. Liu Dian, Researcher at Fudan University's China Institute, said: "The law marks a key step in improving China's market economy system and promoting diversified development. With the implementation of the law, we expect that it will effectively stimulate the vitality of private enterprises and encourage their broader participation in competition and cooperation, thereby contributing to overall economic growth and social progress. "As an indispensable force in China's economic and social development, **the private economy** plays a vital role that should not be underestimated," he added. "It **is not only a major source of employment and a key driver of technological innovation, but also a critical pillar in ensuring the stability of industrial and supply chains.**"

Liu pointed out that the private sector still faces challenges, including financing difficulties and market access barriers. He said that the authorities should focus on deepening financial system reforms, in order to broaden financing channels for private enterprises, and intensify tax and fee reductions to ease their burden. Qi Xiangdong, Chairman of Chinese cybersecurity company Qi-Anxin Technology Group, said he was very inspired by the adoption of the law on promoting the private economy, and he expressed strong confidence in the future growth of the private economy. "As we are a technology enterprise with high R&D investment, this law has significantly boosted our confidence, enabling us to focus more on leading in technological innovation, playing a prominent role in driving industrial upgrade and demonstrating our strength in international competition," Qi said, as reported by the China Daily.

The South China Morning Post adds that observers and entrepreneurs are closely following the implementation of the Private Economy Promotion Law to determine whether the measure has teeth. **Of particular interest is how the law will impact the ability of firms to take local-level governments to court**, and how it will protect the private sector from fines that have long been considered arbitrary and profit-driven.

TAXATION

Foreign tourists enjoy more convenient tax refunds when buying goods in certain stores

Foreign tourists can now immediately receive a tax refund on purchases at certain stores without the need to fill out complicated forms at airport customs offices just before departure. On April 8, China launched a new tax refund policy for international tourists, replacing the traditional refund-upon-departure model with a more streamlined refund-upon-purchase one. Earlier, the policy was piloted in several cities. The new model allows tourists to receive tax refunds instantly, rather than having to wait until they leave the country. "Providing overseas travelers with a greater variety of shopping options and improved, more convenient tax refund services will help stimulate inbound consumption and support high-standard opening-up and economic growth," said Chen Binkai, Vice President of the Central University of Finance and Economics.

The new tax measures include **lowering the minimum purchase amount for refunds from CNY500 to CNY200**, effective immediately, and **doubling the upper limit for cash refunds from CNY10,000 to CNY20,000**. Adjustment of the lower purchase limit for refunds to CNY200 is expected to enable more specialty stores, souvenir and gift shops to join the tax refund program. The government circular also outlines steps to expand the number of departure tax refund stores, increase the supply of merchandise and improve related services. More departure tax refund stores will be set up in major shopping areas, pedestrian streets, tourist sites, resorts, cultural venues, airports, and hotels. Departure tax refund stores are also being encouraged to broaden product offerings to include time-honored brands, renowned Chinese consumer goods, smart devices, intangible cultural heritage items, crafts and specialty products. “The enhanced shopping experience will help draw more overseas tourists to China and drive an increase in shopping,” said Wang Peng, Associate Researcher at the Beijing Academy of Social Sciences, adding that it will also inject more vitality into the market.

Sheng Qiuping, Vice Minister of Commerce, said at a news conference in Beijing, that the Ministry is encouraging “relevant institutions to provide tax refund services through various means such as mobile payments, bank cards and cash, and better meet the diverse payment service needs of overseas travelers”. Under the new refund-upon-purchase model, tourists can claim value-added tax (VAT) rebates at designated retail stores right after shopping, which means an instant discount and free cash or digital renminbi. For instance, if a foreign tourist buys a Huawei Mate XT at the original price of CNY23,999 including tax,he or she can receive an in-store refund of about USD360. The amount is enough for someone to take a high-speed train from Beijing to Shanghai, plus a one-night luxury hotel stay. To get the immediate tax refund, a foreign tourist must buy eligible goods at stores displaying “Buy and Refund” signs, then present the VAT invoice, tax refund application form, and their passports at the store’s refund counter. The process can be as short as a few minutes. When departing the country the visitor needs to submit the original tax refund form to customs officials for stamping, and then present their receipts to the tax refund counter.

Since being piloted in Shanghai, Beijing, and other places, the new mechanism has been well received by a large number of overseas travelers, with a significant boost to consumption, experts said. The scale of tax refunds processed through the refund-upon-purchase tax policy in 10 pilot areas increased 22-fold year-on-year in 2024, said Xie Wen, an official with the State Taxation Administration. The increase in the pilot areas is 18 times the national average growth rate of outbound tax refunds, Xie added. In Beijing, the list of stores offering instant tax refunds to foreign tourists is not restricted to large shopping centers like Beijing SKP. To date, **there are 16 stores in the capital offering refund-upon-purchase services**, with many of them also equipped with AI intelligent translation screens. Among them are well-known time-honored brands such as the TCM pharmacy Tongrentang and the silk and cloth store Ruifuxiang.

China introduced the departure tax refund policy for overseas travelers in 2015. Last year, sales of eligible goods rose 120% year-on-year, while the total amount of tax refunded increased by 130%. Inbound tourists spent a total of USD94.2 billion last year, up 77.8% from a year earlier. At the MixC malls in Shenzhen, Guangdong province, prominent signs and clear instructions for overseas shoppers seeking departure tax refunds are now a common sight in stores like Sundan and DJI. The number of stores offering departure tax refunds at Shenzhen’s MixC malls has risen by 30% year-on-year in 2025. Shenzhen launched a new pilot program featuring a “one order, one bag” model at three designated malls. Under the scheme, purchases and departure tax refund forms are packed together in sealed bags, enabling customs officials to quickly verify the packaging’s authenticity and cut inspection time by more than 50%, the China Daily reports.

AUTOMOTIVE

Chinese car brands lead in vehicle intelligence at Auto Shanghai 2025, as foreign competitors rush to integrate their technologies

The 21st Shanghai International Automobile Industry Exhibition (Auto Shanghai 2025) has drawn nearly 1,000 companies from 26 countries and regions and has quickly become the focal point of the global auto market. Automakers seized the stage with their latest innovations, underscoring a clear trend – the rise of smarter, more globally oriented vehicles. With 97 new models debuting, Chinese brands led the charge in vehicle intelligence, according to a report by Kaiyuan Securities. Notably, advanced driver assistance systems have become a key differentiator, and Huawei is among the standout players. Models from Huawei’s Harmony Intelligent Mobility Alliance, such as AITO M8, Stelato S9 and Maextro S800, drew big crowds at this year’s event, showcasing **smart features that turn cars into fully featured terminals**.

From adaptive driver assistance and intelligent cockpits to smart keys and customizable welcome-light displays, these models reflect the latest evolution of the car into a connected tech hub on wheels. Huawei's tech support has injected new momentum into traditional original equipment manufacturers (OEMs), such as Seres behind AITO and BAIC behind Stelato. At this year's Auto Shanghai, running from April 23 to May 2, Huawei Executive Director Yu Chengdong and SAIC Motor President Jia Jianxu unveiled a new HIMA brand, pledging deeper collaboration in connected vehicles, electric drive-trains, smart vehicle controls and full-scenario mobility solutions. Established in 2023, HIMA is a dynamic ecosystem alliance focusing on intelligent vehicle technologies. Rather than building cars itself, Huawei plays a pivotal role within the alliance by shaping product planning, design and marketing, enhancing user experience and quality control, and supplying cutting-edge software and hardware solutions to traditional automakers. The alliance's momentum is already considerable. As of mid-April, more than 700,000 vehicles had been delivered under HIMA. Huawei's smart automotive solutions business raked in CNY26.35 billion in revenue in 2024, up 474.4% from CNY4.58 billion in 2023.

Riding the wave of China's tech momentum, many foreign automakers are deepening local partnerships to supercharge their smart technology and electrification efforts. Oliver Zipse, Chairman of the Board of Management of BMW, said that **China is pivotal in driving technological innovation for BMW's next-generation intelligent vehicles**, and BMW will begin integrating AI technology from Chinese tech startup DeepSeek into its latest models in China later this year. Earlier this month, BMW announced plans to deepen its collaboration with ByteDance, owner of Douyin, the Chinese version of TikTok, to enhance artificial intelligence (AI) applications in marketing and customer service. In March, the automaker teamed up with Alibaba to integrate a large language model AI into its next-generation vehicles, and it partnered with Huawei to develop a smart in-car digital ecosystem tailored to the Chinese market. "This country is so innovative that we really enjoy putting all the technology into the cars for China," Zipse said, adding that the first Neue Klasse models will roll off the line at the company's Shenyang plant in Liaoning province in 2026.

Volkswagen Group is also sharpening its focus on "the world's most innovative automotive market". Just ahead of the Shanghai Auto Show, the company **unveiled a highly automated, AI-powered driver-assistance system** developed by Carizon, its R&D joint venture in China. This year, the automaker will roll out the first model featuring the new technology, and from 2026, the system will be standard on its next-generation, fully-connected compact-class vehicles. **"China is the technological pacemaker of global transformation," said Oliver Blume, CEO of Volkswagen Group**. "At Auto Shanghai, we are now shifting into 'delivery mode'. With a new generation of intelligent, fully-connected vehicles, we are focusing entirely on the digital, smart world in which our Chinese customers live."

While global players double down on China, Chinese automakers are setting their sights abroad with a renewed sense of confidence. XPeng Motors announced plans to enter 60 overseas markets by 2025. The company reported stronger-than-expected overseas preorders for its newly launched X9 model, boosting its global ambitions. "We're not just bringing the X9 to Europe," said an XPeng representative. "We're also planning to revamp our entire product lineup around a global vehicle concept tailored to international market needs." Nio Founder William Li announced that the company's Firefly brand, focusing on compact smart EVs for urban mobility, will enter 16 offshore markets this year, including the Netherlands, Norway and Costa Rica, using a hybrid sales model combining local dealership networks with NIO's service standards. The Firefly brand will adopt tailored pricing and sales strategies across European markets. Meanwhile, China FAW Group announced an ambitious development plan for its car brand Hongqi, targeting operations in over 100 countries and regions with 1,000 sales and service outlets in five years, the China Daily reports.

CHINA NEWS ROUND-UP

President Xi calls on Shanghai to be at the forefront of AI development

Chinese President Xi Jinping has called on Shanghai to accelerate efforts to build itself into a pacesetter for scientific and technological innovation, saying that the municipality should strive to be at the forefront of artificial intelligence (AI) development. He made the remarks during a fact-finding trip to the city days after he emphasized the need for the country to promote self-reliance and strength in AI development during a group study session of the Political Bureau of the Communist Party fo China (CPC). During a visit to the Shanghai Foundation Model Innovation Center, an incubator for AI startups, Xi said that as AI technologies are rapidly evolving with explosive growth, it is important for Shanghai to summarize its successful experiences and expand the exploration of AI to set an example for AI development and governance.

As **Shanghai is** establishing itself as a global hub for AI and **building the world's largest AI incubator**, the market scale of the city's AI industry surpassed CNY450 billion according to the municipal government. The Shanghai Foundation Model Innovation Center, established in 2023 as China's first specialized incubator for AI foundation models, has attracted more than 100 enterprises, leading to the clustering of nearly 400 enterprises in the AI sector to Shanghai's Xuhui district. Xi also walked into an AI product experience store, where he learned about the features and sales of various innovative products and tried on a pair of smart glasses. Noting that China has abundant data resources, a complete industrial system and a huge market and broad prospects for AI development, Xi called for efforts to roll out more supportive policies, cultivate more talented people, and strive to develop more safe, reliable and high-quality products. Xi emphasized that technological development should truly serve society, improve people's livelihood and achieve a safer and fairer future.

Dai Guohao, Professor at Shanghai Jiao Tong University's School of Artificial Intelligence, said that President Xi's inspection of AI enterprises in Shanghai and his focus on technological applications highlighted the importance of deep integration of academia, industry and research. "As educators, we should concentrate on basic research, attempting to make breakthroughs in frontier challenges," Dai said. "Meanwhile, we should align with national strategic demands to drive the deep empowerment of AI in fields such as healthcare, manufacturing and finance," he added, as reported by the China Daily.

China is evaluating U.S. proposals to start negotiations on import tariffs

Chinese authorities said they were evaluating U.S. proposals to start trade talks on import tariffs. But industry experts said that China's latest remarks did not signal a softening in its position that the U.S. should first retract the tariffs before starting talks. Senior U.S. officials have reached out multiple times in recent days through relevant parties in the hope of starting negotiations with China on tariffs, a spokesperson from the Ministry of Commerce (MOFTEC) said, which does not mean – as President Trump stated – that negotiations are already ongoing. "China is currently assessing the situation, but our position has always been clear," a spokesperson said. "If it's a fight, we'll fight to the end. If it's a talk, the door is wide open."

Tu Xinquan, Director at the University of International Business and Economics' China Institute for WTO Studies, said: "China's remarks reflect a flexible posture rather than a softened stance. It is a measured stance based on a full assessment of both domestic and international conditions. The ultimate goal for the world's two largest economies is to return to the negotiating table, as long as the U.S. demonstrates sincerity, such as removing its unilateral tariffs. Otherwise, China is fully prepared to continue dealing with a prolonged trade war," he said.

The spokesman from the Commerce Ministry also stressed that the tariff war was launched unilaterally by the U.S. and that any return to the negotiating table must be met with "genuine sincerity" from Washington. That includes correcting past missteps and rolling back the unilateral tariffs imposed on Chinese goods. "Saying one thing and doing another – or even trying to use talks as a cover for coercion and blackmail – won't work with China," the spokesman added.

Xing Ziqiang, Chief Economist at Morgan Stanley China, predicted that the weighted average tariff imposed by the U.S. on Chinese goods may be reduced to a certain extent by the end of the second quarter, and broader tariff reductions are more likely to occur in the second half of the year, especially toward the end of the fourth quarter. According to him, the signals also reflect a global dynamic at play, as most countries have adopted a wait-it-out, delay, or stonewalling strategy. "The U.S. also hopes to disrupt this balance by portraying China as already negotiating, to weaken the resolve of China and other WTO members, shaking the confidence of third parties, and thereby creating opportunities to apply pressure on China," he said.

At home, Washington is facing mounting pressure to rethink its tariff strategy. According to Reuters, **U.S. consumer confidence fell in April to an almost five-year low** on growing pessimism about prospects of the economy and labor market due to tariffs. Former Treasury Secretary Janet Yellen warned that Trump's tariff policies have had a "tremendously adverse" impact on the U.S. economy. She cautioned that these measures risk "hobbling" U.S. firms, especially those reliant on critical mineral imports from China, the China Daily reports.

The South China Morning Post adds that **the best way to proceed would be for both sides to appoint special negotiators**. The Trump Administration has given Beijing a handful of names of Chinese officials it deems suitable to meet with the U.S. National Security Adviser to improving communication. All are thought to be members of China's elite Politburo Standing Committee (PSC). But China has so far balked, preferring to route any talks through Foreign Minister Wang Yi. One of those on the list of preferred U.S. interlocutors is Cai Qi, analysts said, seen as Xi's de facto Chief of Staff and a Politburo Standing Committee member, whom the White House views as closer to Xi than Wang Yi.

U.S. tariffs could endanger 16 million jobs in China, says Goldman Sachs

U.S. tariffs on Chinese imports could put as many as 16 million jobs at risk in China, especially in the manufacturing of goods for retail and wholesale, said analysts at the U.S. investment bank Goldman Sachs. "If high U.S.-China tariffs were to persist and Chinese exports were to fall precipitously, labor markets would surely feel the pressure," the bank said in a research report, adding the 16 million jobs are involved in the production of exports to the U.S. and nearly one-quarter would be in the wholesale and retail spaces. Goldman Sachs called communication equipment, apparel and chemical products "more vulnerable" than other manufactured goods due to their "high share in U.S.-bound exports from China". U.S. President Donald Trump, to ameliorate trade deficits and boost domestic production, has imposed tariffs totaling

145% on Chinese imports so far this year, bringing the effective tariff rate to about 156%. According to a fact sheet released by the White House, China now faces tariffs of up to 245% on certain goods. In response, Beijing has applied tariffs of 125% – with some exceptions – on top of earlier duties.

The U.S. elimination of tariff exemptions for shipments below USD800 – the so-called de minimis rule – are also “exerting employment pressure” on China’s retail and wholesale sectors, the researchers said. Trump’s tariff hikes are most likely to impact China’s coastal provinces, said S&P Global Ratings, naming Guangdong, Jiangsu, Shandong and Zhejiang as well as Shanghai. Tariffs will strain the economies and budget revenues for these areas, which together account for about 40% of gross domestic product (GDP). “Recent tariff hikes at their current levels could have a long-lasting impact on China’s regional economies that trade most actively with the U.S.,” said S&P Credit Analyst Christopher Yip. “This comes at a time when local government debt burdens have markedly risen due to a prolonged property downturn, large-scale infrastructure spending and tepid tax revenue growth.”

Goldman Sachs said that, in the past, China’s central bank has tended to cut policy rates when facing a weak labor market. The bank said Chinese manufacturers might shift production to third countries and ship goods from there to the U.S. without paying the exorbitant duties – though Trump’s temporarily delayed “Liberation Day” tariff package targeted many potential bypass points. “Since most other countries are not subject to nearly as high tariffs as China, Chinese exporters may try to re-route goods through other countries,” Goldman Sachs said. “Re-routing, together with strong price competitiveness, is likely to maintain Chinese exports to other countries at solid levels,” he said, as reported by the South China Morning Post.

Almost half of China's foreign trade companies scale back their trade with the U.S.

A survey conducted recently by the China Council for the Promotion of International Trade (CCPIT) covering more than 1,100 Chinese foreign trade companies found that nearly 50% of respondents will scale back their business activities with the United States amid the tariff hikes. The survey results also showed that 75.3% of the surveyed companies are seeking to expand into emerging markets to compensate for the reduction in exports to the U.S. Zhao Ping, CCPIT Spokeswoman, said at a monthly news conference in Beijing that the frequent changes in U.S. tariff policies have significantly increased uncertainty, making it difficult for Chinese manufacturers to plan for the long term. Chinese exporters are exploring new markets, boosting domestic sales, strengthening supply chains and adapting to changes, in order to overcome the current challenges, she added.

Zhang Sihong, Deputy Director of the China Foreign Trade Center, one of the organizers of the Canton Fair in Guangzhou, said these moves are part of a broader strategy by Chinese manufacturers to diversify their markets and enhance supply chain resilience. “Overseas companies are also seeking to strengthen cooperation with Chinese exporters to mitigate the impact of unilateralism on their businesses,” said Zhang. For instance, the second phase of the 137th Canton Fair attracted more than 224,000 buyers from 219 countries and regions, the highest number recorded for the same phase in the fair’s history. Wang Li, Researcher specializing in foreign trade at the Beijing-based Chinese Academy of International Trade and Economic Cooperation, said that Chinese companies, faced with mounting external pressures, are eager to reduce reliance on a single market and build more adaptable, risk-resistant business models to maintain steady growth in the long run.

One such company is Shandong Lingong Construction Machinery Co, a manufacturer of wheel loaders and excavators based in Linyi, Shandong province. The value of the company’s exports to economies participating in the Belt and Road Initiative (BRI) exceeded CNY600 million in the first quarter of 2025, accounting for more than 70% of its total export value, according to Qingdao Customs data. “To mitigate risks arising from protectionism in recent years, we have been actively expanding our sales network in emerging markets and establishing partnerships in regions and countries such as Central Asia, Latin America, South Africa and Indonesia,” said Zhang Chengwei, Manager of Shandong Lingong’s excavator unit.

Meanwhile, Ningbo Careline Electric Appliance Co, a home appliance exporter based in Zhejiang province, said it has seen strong domestic demand for its newly launched smart air fryer after shifting its focus to the local market earlier this year. “Amid this year’s complex and volatile international trade environment, we responded swiftly to market trends and seized opportunities in the domestic market to expand our sales network,” said Yu Xiongwei, the company’s President, as reported by the China Daily.

EU certification for China's C919 passenger plane could still take three to six years

As China continues to promote its home-grown C919 passenger plane to overseas markets, it could take longer than expected for the aircraft to receive a coveted endorsement from the European Union’s safety regulator. Florian Guillermet, Executive Director of the European Union Aviation Safety Agency (EASA), said certification for the narrow-body C919 will not be granted this year. “As we informed them officially, the C919 cannot be certified in 2025. We should be certifying the C919 within three to six years,” Guillermet said. “The C919’s reliability and safety have to be proven by more flights, and it is definitely normal for the regulator to have a skeptical and scrutinizing attitude,” Aviation Analyst Li Hanming said.

Following its first commercial flight in May 2023, the plane manufactured by Commercial Aircraft Corporation of China (Comac) has been in regular use on several domestic routes, transporting over 1 million passengers as of January 2025. The company received at least 300 firm orders from major Chinese airlines in 2024, with the jet now flying commercial routes in mainland China and Hong Kong. The airliner has also made high-profile appearances at international air shows. The C919’s European certification process started four years ago, including two "very productive" years, according to Guillermet of EASA.

The European agency and the Civil Aviation Administration of China (CAAC) signed the EU-China Bilateral Aviation Safety Agreement in 2019, which reciprocally simplified the approval process for civil aviation aircraft and equipment. That deal should encourage the two regulators to share data on aircraft seeking certification, said Mayur Patel, Asia head at British aviation intelligence firm OAG. European regulators visited Shanghai last July to operate C919 simulators, and gave positive feedback. "Comac is putting a lot of resources, determination and technical means into this certification. I have no doubt the company will succeed," Guillermet said.

Comac is jockeying for position in the global narrow-body aircraft market with Airbus and Boeing. The single-aisle C919, which can fit up to 192 seats, largely matches the Airbus 320 or Boeing 737 aircraft families in terms of technical capability. Its smaller predecessor, the C909, formerly known as the ARJ21, mostly flies regional routes in China and Southeast Asia. While a three-year wait in Europe is normal, six years would be unusually long, said Eric Lin, head of Greater China research at investment bank UBS. He added it would be especially odd to see such a long delay as several airlines outside China, including Irish budget carrier Ryanair, have expressed interest in the C919, the South China Morning Post reports.

China's food and energy supplies secure without U.S. imports

China's food and energy security would not be compromised if the country were to halt purchases of grain and fuel from the United States, said Zhao Chenxin, Deputy Director of the National Development and Reform Commission (NDRC), at a press conference. "The Chinese people's rice bowl is firmly held in their own hands," he said. China is fully capable of ensuring basic self-sufficiency in grain and a stable energy supply, Zhao said, as Beijing reasserted its ability to withstand a confrontation with the U.S. that has seen both sides raise tariffs on each other's imports by more than 120 percentage points in recent weeks. Agricultural products and fuel were among America's largest exports to China before the tariff war effectively brought trade to a standstill, along with hi-tech products such as semiconductors and aircraft. But China has diversified its food and energy imports in recent years to reduce its dependence on the U.S., making the country less vulnerable to a freeze in American imports.

In 2024, imports of sorghum, corn and soybeans from the U.S. only accounted for a "small share" of China's total grain consumption, and most of those imports were for use in animal feed. "These products are highly replaceable and the international market has abundant supplies," Zhao said. "Besides, China has sufficient grain reserves. Even if China stops purchasing feed grain and oilseeds from the U.S., it will not affect China's food supply." Brazil was by far China's largest supplier of soybeans last year, with exports totaling nearly USD36.5 billion, followed by the U.S. at just over USD12 billion, according to Chinese Customs data. The U.S. was China's top source of sorghum imports, with shipments surpassing USD1.7 billion, and the third-largest source of corn imports behind Brazil and Ukraine.

China also only relies on the U.S. for a small share of its energy needs, Zhao added. **"**China has diverse sources of energy imports. The international energy market has sufficient supplies. Chinese companies' reduction or suspension of energy imports from the U.S. will not affect China's domestic energy supply," according to Zhao. In 2024, 5.4% of China's total imports of liquefied natural gas (LNG) came from the U.S., while it relied on the country for about 2% of its imports of coal and crude oil, the South China Morning Post reports.

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Contact
Flanders-China Chamber of Commerce
Office: Ajuinlei 1, B-9000 Gent, Belgium
New telephone and fax numbers:
T ++32/9/269.52.46
F ++32/9/269.52.99
E info@flanders-china.be
W www.flanders-china.be

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The FCCC Newsletters are edited by Michel Lens, who is based in Beijing and can be contacted by e-mail michel.jc.lens@gmail.com
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