

China Business Weekly

15 July 2025



FCCC/EUCBA ACTIVITIES

Webinar: Cybersecurity and AI Compliance in Europe – Burden, or Opportunity?
19 August 2025



The Flanders-China Chamber of Commerce is organizing an exclusive webinar focused on **Cybersecurity and AI Compliance in Europe – Burden, or Opportunity?** This event will take place on **19 August at 10:00 AM CEST**.

For many companies, Europe's digital compliance landscape is a maze of complexity. The stringent requirements of cybersecurity frameworks, comprehensive privacy laws like the GDPR, and the groundbreaking AI Act are often perceived as significant hurdles, demanding substantial investment and adaptation for any organization operating or planning to operate within Europe.

This webinar offers a crucial exploration of how a proactive and integrated approach to European compliance can transform these perceived burdens into genuine strategic opportunities. We'll delve into how adhering to these high standards can not only mitigate risks but also foster a robust competitive edge, build profound trust with European customers and partners, and even unlock pathways to innovative business models. Discover how your organization can leverage compliance as a powerful catalyst for growth and sustained value in Europe's dynamic digital economy.

About the speaker:

Koert Van Espen is **Managing Partner of Apogado**, an independent consultancy guiding organisations toward compliance in cybersecurity, privacy, and AI, combining both legal and technical expertise. Koert holds MSc in Engineering and MBA degrees, he graduated as one of the first security experts from the University of Leuven (Faculty of Engineering Science). For over 30 years he has been involved in and fascinated by new possibilities of digitalisation and its consequences on information security and privacy. Koert held various functions ranging from research to management and strategic or technical consulting, and was cabinet member for the state secretary for privacy.

The programme is as follows:

10h00-10h05: Introduction by **Ms Gwenn Sonck, Executive Director, Flanders-China Chamber of Commerce**

10h05-10h30: How companies can turn EU cybersecurity, privacy, and AI compliance into strategic business opportunities by **Mr Koert Van Espen, Managing Partner of Apogado**

10h30-10h45: Testimonial from (speaker to be decided) who will provide valuable first-hand insights based on his experience.

10h45-11h00: Q&A

Practical information:

Date: 9 August 2025

Time: 10 AM - CEST

Location: Online

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ACTIVITIES SUPPORTED BY FCCC

EARLY BIRD RATE TILL 17 JULY: 5th Innovation Fair – Nanjing – September 16-18, 2025



The **EU-China Business Association (EUCBA)** is proud to be a supporting organization of the **5th Innovation Fair in Nanjing**.

- **Standard Rate:** €980 (till 17 July)

Building on the success of previous editions, the 5th Innovation Fair is scheduled to take place from 16-18th September 2025. The fair promotes international business development, uncovers sourcing opportunities, and provides access to the Chinese market while allowing for opportunities for representation and distribution of Chinese businesses in Europe. Based on your specific requirements, our team in China will book relevant counterpart meetings for you.

This initiative is designed for companies and research institutes from Europe looking to develop business activities in China.

Industries include, but are not limited to:

- Advanced Manufacturing
- New Energy
- Artificial Intelligence

- Low Altitude Flight Technology
- Environmental Technology
- Fintech
- Pharma & Medtech
- Food & Beverage
- Fashion & Beauty Products
- Innovation Services

If your organization operates in any of these sectors and seeks partnerships or market entry in China, this event offers a tailored platform to connect and grow.

Based on your specific business interests, our team in China will arrange targeted B2B meetings with relevant counterparts to ensure a valuable and productive experience.

Benefits & Cost of Participation

Covered Costs

- 1x Economy Class Roundtrip Ticket
- Hotel and meals throughout the event

Services Provided

- Matchmaking Space (Booth)
- Speaking Opportunity
- Personalized Matchmaking Service

Registration Fees per Participant

- **Standard Rate:** €980 (till 17 July)
- **Late Registration:** €1280 (from 18 July to 18 August)

Payment instructions will be sent via email after we confirm your registration.

If you are interested in taking part in the Innovation Fair then email us at: gwenn.sonck@flanders-china.be

Introduction to the ICBC booth at the 8th China International Import Expo (CIIE) November 5-10, 2025 – Shanghai



Join us at the **8th China International Import Expo on November 5 – 10, 2025 – Shanghai, China** where ICBC will showcase its **Signature Booth**, organized under a financial institution-led exhibition model.

ICBC has a pleasure to offer a **Free Booth for FCCC members at the Expo**.

Exhibition Area: **Food and Agricultural Products**

Since 2021, ICBC's booth has welcomed over **430 international** exhibitor participation from **60+ countries**, hosted **50+ matchmaking events**, and supported **60+ product launches**, playing a key role in advancing global trade cooperation.

This year's ICBC booth will feature a 1,200 m² space including:

- Product Display Area
- Business Negotiation Area
- Event & Financial Services Zones
- VIP Lounge
- Live Streaming Area
- Newly added Buyers' Corridor and Key Buyers' Product Selection Area

The Buyers' Corridor will host direct matchmaking opportunities with leading enterprises such as **JD.com**, **Suning.com**, **Bright Food Supply Chain**, and **Greenland Zhongxuan**, all of whom will have dedicated spaces and onsite purchasing representatives.

Exhibitor Invitation Criteria

Our chamber can recommend 5 qualified international food and agricultural enterprises.

- Booth space and design coordinated by ICBC
- Promotional activities (≤50 attendees) may be arranged with advance notice
- All travel and logistics costs are the responsibility of the exhibitors

For registration and further details, please contact: gwenn.sonck@flanders-china.be

PAST EVENTS

Webinar: Financial Incentives for Doing Business with China – 9 July 2025



The Flanders-China Chamber of Commerce organized a webinar focused on **Financial Incentives for Doing Business with China** on **9 July 2025**.

Ms Gwenn Sonck, Executive Director, Flanders-China Chamber of Commerce, welcomed the speakers and participants, and introduced the topic. As we all know, doing business with China has become more complex. Many companies are in China, not only to serve the local market – so in China for China – but also to be part of a globally competitive innovation ecosystem. In 2024, China ranked on the 11th place of the Global Innovation Index published by the World Intellectual Property Organization, while in 2010, China was on the 43rd place. So the speed of innovation in China is really remarkable. That is also why so many of our companies are in China for its innovation drive. So if our companies want to keep up with the technology of the future, then they really must continue to invest in China.

Mr. Rik Daems, former Belgian Minister and Vice Chairman of the China-Belgium Direct Equity Investment Fund (CBDEIF), introduced the Fund. The story of the China-Belgium Direct Equity Investment Fund starts more than 40 years ago. Belgium and China have a long-lasting relationship. In the early 80s, the Belgian state invested in a joint venture in Shanghai, the well-known Shanghai Bell, which is quite famous in China. So **it is more than 40 years ago that Belgium already invested in China in order to help the Chinese economy to develop**. When I was Minister of Telecom, I had

this in my portfolio. They didn't pay us any dividend. We hadn't anyone on the board. So we said, what the hell are we doing there? So we sold off our shares in Shanghai Bell. On my staff, I had a Chinese person who told me to watch out because if you're going to sell off and you take your money back to Belgium, you will hurt the concept of friendship. So this was the first time that I heard about friendship. So I understood that if you want to have a good relationship, this is something that you have to take into account fully all the time. I sold off these shares estimated at 600 million Belgian francs for 3.4 billion, which was quite amazing. In the Council of Ministers, I asked my colleagues to leave 10% to continue to be friends with China, and they allowed it. 340 million Belgian francs is €8.5 million. This is the capital that we put into this new fund. It's a bit of a strange number, because in Europe, you would say it'll be five or 10. In China, you would say it would be 8.8 or something like that, but 8.5 simply comes from the 10% of the sale of Shanghai Bell.

We contacted China, and instead of making a one-shot investment, we asked ourselves whether we could do more? So we found a partner in the Ministry of Finance and came up with the concept of a private equity fund, which did not exist at that time. This is the reason why **the China-Belgium Fund** is not a private equity company or fund, it is a **cooperation agreement under the Council of Ministers**. My counterpart as Vice Chairman of this fund is the Vice Minister of Finance. **This fund** is not only an economic vehicle, but also a diplomatic vehicle, because it **connects two countries at the highest level**. So the Fund is not a private equity fund as such, but is a cooperation agreement. The MOU was signed in March 2002, the Council of Ministers approved it in 2003, and we got started in 2004. It was Premier Wen Jiabao himself who came to sign it, just to explain the level of cooperation. The Fund has a capital of CNY1 billion and we added CNY1 billion, because we made a lot of profits and we kept it as working capital, not as equity. The Fund is basically a corporation, but there is no space for us anywhere in Chinese law. The duration is 28 years, so we celebrated our 20 years. Mr. Daems has been there from the very beginning and went to China over 100 times. The objective was to make an evergreen fund, but the bank opposed to it due to compliance and Basel III issues.

The investment scope is SMEs, quite big in Belgian terms, but small in Chinese terms. We have sponsors and partners. The sponsor is the Chinese state through the Minister of Finance and the Belgian state through SFPI, which is the Belgian sovereign wealth fund. Those are the two basic partners. There are two partners who set up the fund manager, Haitong Securities Co and Fortis Bank, which was bought by BNP Paribas. These are the four main partners, and then there are five additional ones, four public and one private. The private one is Guangdong Strong Group, which makes candy. The other partners are the National Council for Social Security Fund, which has many investment funds, the China Development Bank Capital Co., the State Development and Investment Corp, and the China Banknote Printing and Minting Corp. Our custodian bank is the Shanghai Pudong Development Bank and the fund manager is a joint venture between Haitong and BNP Paribas.

What is the objective of CBDEIF? Bilateral economic and trade cooperation, but also diplomatic. We have to perform even better economically because we've got this diplomatic element. The Articles of Association stipulate that we have to only aim at SMEs, but it has to be in advanced technology and management practices. So we cannot just go for the money, we need to have an angle of helping the economy develop. The fund can only invest in mainland China. The Fund has invested close to CNY 4 billion in 119 companies in manufacturing and strategic emerging industries, quite evenly distributed between the new generation of IT, new energies and electrical vehicles, new materials, and high end equipment. The exit ratio is 64%, which is normal. You get in for five to seven years, sometimes you stay in longer, sometimes you can get out earlier, 36% is still under management, but we are reinvesting all the time and making new investments. The IPO ratio is 31%, which is amazing. The average investment is like €4 million to €5 million. The Fund also invested over €25 million in five Belgian companies. **The Fund became a bridge for China and Belgium at the highest level:** the King of Belgium went to China and we had access to Li Keqiang, Xi Jinping, Wen Jiabao, and Hu Jintao. When you've got this kind of a relationship at the political level, the *guanxi* is quite important.

One euro put in brought you already more than four euro in dividend. The Belgian state already received more than €40 million euro. The total value on paid in is over six, which is quite amazing. The internal rate of return (IRR) is 34% on average over 20 years. The fund manager is a joint venture between Haitong Capital and BNP Paribas. Recently Haitong Capital has been merged with Guotai, the second largest securities company in China. Guotai-Haitong is now the largest securities company in China, with over €200 billion, compared to SFPI, the sovereign wealth fund in Belgium, with about €25 billion. The Belgian companies the Fund has invested in are Eden Chocolates, Shandong Huiyin New Energy, Nanjing Raychem Laser Group, Innoscience (Suzhou) Technology, and Jiangsu Leuven Instruments Co.

Mr Steven Levecke, Partner, Capricorn Partners, introduced the Capricorn Fusion China Fund, a fund managed by Capricorn Partners, which manages in total now over €500 million, split over 10 different investment funds, of which the Fusion Fund is one. Capricorn Partners itself was founded in 1993, investing both in stock-listed companies, as well as in private companies. The target companies are typically SMEs, which are either headquartered in Europe or in Asia. The Fund prefers to invest in companies that already have a strong management on board, and still have strong growth ambitions, and a positive EBDA, so a positive profit margin. The Fusion Fund is sector agnostic with the three pillars of health-tech, clean-tech and software. **The typical deal structure is investing in equity, so becoming shareholder of the company, investing up to €5 million**, sometimes in a consortium with other investors. The Fund can do primary or secondary deals. A primary deal is participation in a capital increase and a secondary deal is buying out existing shareholders.

The Fund can only do minority positions, so will never have a controlling stake in the company. We are not speculative investing, but at some point, we need to exit and return the money to our investors, so our typical investment horizon is somewhere up to six years, Mr. Levecke explained. What we try to do is really support the management teams of our

portfolio companies in achieving their growth ambitions. We have a portfolio now of over 50 private companies and about 25 public companies, so we do have quite a lot of best practices on strategies, business development, doing add-on acquisitions, the international strategy, and getting companies ready for exit. With the 10 funds that we are currently managing, we of course also have a good network of investors in our funds, which are typically institutional investors. We've been doing business in China with our portfolio companies for close to 20 years, so we have built up quite a decent network in China with some industrial companies in health-tech and clean-tech, Currently four people are working on the Fusion Fund.

We had a very nice success story with Punch Power Train, a Belgian company developing transmissions for passenger cars, which six years after the investment was sold to a Chinese conglomerate for a very decent multiple. The portfolio companies the Fund has include Xian Thiebaut Pharmaceutical Packaging, making collapsible aluminum tubes; Xenomatix, developing LiDAR sensors; Spectricity, developing a hyperspectral sensor; Fruitcore Robotics, an industrial robot manufacturer based in Germany; and Finquest, a big data and AI company. The Fund is still open to make some additional investments, so if there is any company that could fall within the criteria and is looking for capital, you can contact Mr. Levecke.

Mrs. Caroline Steensels, Team Leader Financial Support, Flanders Investment and Trade, presented "Financial Support by Flanders Investment and Trade", focusing on subsidies and grants, whereas the two previous speakers focused more on investment funds. Flanders Investment and Trade (FIT) has a dual mission, on the one hand trying to assist Flemish companies realizing their export strategies, and on the other hand, trying to attract or stimulate investments into Flanders and Belgium. FIT is a governmental agency directly under the Prime Minister, with a network of employees working in Flanders and abroad. For the domestic network, it is active in each of the regions in Flanders and headquartered in Brussels, and has a very elaborate network of offices abroad. Some of the offices have a very clear geographical focus, and others have a more thematic focus, for example, life sciences, clean-tech, deep-tech and AI. **FIT has four offices in the greater China area** in Beijing, Shanghai, Taipei, and Hong Kong. For any question that arises, just feel free to contact them, such as address lists of potential business partners in China, information on trade regulations or trade legislation, reaching out to potential B2B partners, or looking for potential contacts in China. FIT provides advice on going into markets, organizes booths at different trade fairs all over the world, offers market information, and last but not least, financial support.

Receiving financial support in the form of a subsidy is not the main purpose of FIT, but it is a way to assist us in reaching our goals. The subsidies that FIT provides are for projects that stimulate exports from Flanders to the rest of the world. Sourcing, looking for companies to produce in China, does not fall into its framework. We have a focus on Flemish SMEs based on the European definition of what an SME is. A Flemish SME, you can be based in Brussels, but you also need an exploitation address in Flanders to qualify.

You have to apply for a subsidy at the latest seven days before your trip starts. The maximum amount of funding is limited, intended to help you in realizing very specific goals and activities. FIT has a subsidy for digital commercial communication, you want to be found and you want to be found in the proper language. Secondly, you're interested in doing business abroad and you want to check whether or not there is demand for your project. You can ask for the subsidy to attend international trade fairs or events. If you want to explore the potential of your markets, then you start to organize individual B2B meetings or a prospection trip outside of Europe. The prospection office is when you really want to establish a long term presence in your new market abroad, and the custom made subsidy is when you have a project that does not fit in any of the other categories. You can ask for up to a maximum of four projects per year to be funded, but you can choose freely from any of the categories above except for the custom made. There is a sixth subsidy for starting exporters that haven't received funding from FIT yet, but the Chinese market is not ideal to start as a first time business.

A Q&A session concluded the webinar.

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SCIENCE & TECHNOLOGY

China focussing on “future industries” to lead the world in next-gen technologies



As the dust barely settles on “Made in China 2025”, China is intensifying its quest for technological supremacy with a focus on “future industries” amid its escalating rivalry with the United States. Authorities are pushing boundaries in their pursuit of a new growth model centered on technological breakthroughs and industrial upgrades. **First introduced by President Xi Jinping in 2020, the term “future industries” refers to sectors with foundational technologies still in their infancy but expected to possess enormous potential.** The 2021-25 Five Year Plan highlighted brain-inspired intelligence, quantum information, gene technology, future networks, deep-sea and aerospace development, and hydrogen energy and storage as areas where China aims to secure an early lead. That list is now expanding, as the government gradually adds new priority sectors.

In 2024, the Ministry of Industry and Information Technology (MIIT) released guidelines identifying target areas, including humanoid robots, 6G network equipment, brain-computer interfaces, large-scale AI data centers and next-generation large aircraft. What progress has been made so far? **Hangzhou, the capital of Zhejiang province, has been touted as China’s newest “Silicon Valley”** – and local tech start-ups have attracted global attention. Among these are six stand-out companies, nicknamed the “Six Little Dragons”: DeepSeek; Game Science, the developer behind Black Myth: Wukong; robotics firms Unitree and Deep Robotics; BrainCo, a company inspired by Neuralink; and Manycore, specializing in spatial intelligence. China now hosts 56% of the world’s publicly traded humanoid companies and 45% of humanoid system integrators, according to Morgan Stanley.

Meanwhile, **China’s biotech sector is undergoing rapid growth.** As of March 2025, the country had approved five Chimeric Antigen Receptor (CAR) T-cell therapies – mainly for hematological cancers – ranking second only to the U.S., which has six. Domestic biotech companies like WuXi AppTec have grown into global leaders. A U.S. congressional commission dubbed the firm the “Huawei equivalent for biotechnology”, warning it could enable the Chinese government to “control a global supply chain”.

What’s next? Beijing is pouring unprecedented resources into future industries – from funding to talent cultivation –

recognizing their strategic value for sustainable growth. To promote breakthroughs, MIIT introduced a new innovation model in 2023 under which specific challenges are posted publicly. Companies or research teams that solve them within two years receive priority access to support and funding. **This year, the government is targeting breakthroughs in quantum technology, atomic-level manufacturing and clean hydrogen.** Despite a generally bleak job market, cutting-edge tech companies – such as those in the humanoid robotics sector – report a shortage of skilled talent, prompting them to offer salaries of up to four times the national urban average to attract experienced engineers and developers.

To facilitate financing for tech companies, **China plans to resume listings of unprofitable start-ups on its technology boards**, according to Wu Qing, Director of the China Securities Regulatory Commission (CSRC), at the Lujiazui Forum in June. At the same forum, Pan Gongsheng, Governor of the People’s Bank of China (PBOC) announced that Shanghai would pioneer new financial tools, including blockchain-based trade finance and innovation bonds. These will feature risk-sharing mechanisms and support for private equity firms issuing tech innovation bonds, the South China Morning Post reports.

China is also narrowing the gap with the U.S. in space exploration. It aims to build a permanent base called the International Lunar Research Station (ILRS) near the moon’s south pole by 2035, and the planning is already under way. In 2023, more than 100 researchers from universities, laboratories, and space companies gathered in Wuhan for the first major planning meeting. Since then, a team has worked out how to bake lunar bricks using simulated soil and sent them to China’s Tiangong space station for testing under extreme space conditions. China hopes to make its first real brick on the moon in 2028, during the Chang’e-8 mission. A team in the central province of Anhui has built a 3D printer that uses concentrated sunlight to melt lunar soil into bricks that are strong enough for roads and buildings. They have also developed a prototype to extract water from ice, using a bundle of tiny drill needles to heat the lunar soil, release vapor and collect it.

China also plans to beat the U.S. in bringing back rocks from Mars. China’s Tianwen-3 mission, now in development, aims to collect and return at least 500 grams of Martian soil samples by 2031. There is also a real possibility that China could overtake the U.S. in solar system exploration. Nasa’s science program is facing deep budget cuts, putting missions to Venus, Jupiter, near-earth asteroids, and even the distant Kuiper Belt at risk – including some that are already in space. China, meanwhile, is forging ahead. It recently launched Tianwen-2, a mission to collect samples from a near-earth asteroid, and is planning Tianwen-4, which will target Jupiter and Uranus for a rare leap into the outer solar system.

ENVIRONMENT

High-speed rail seen as vital tool in reducing carbon dioxide emissions



As the world confronts the growing urgency of climate change, a centuries-old innovation is offering a distinctly modern solution. **High-speed rail**, once praised mainly for its expediency and convenience, **is now seen as a vital tool in reducing emissions. Leading that transformation, both in scale and ambition, is China.** Railway industry leaders have underscored that message last week at the **12th World Congress on High-Speed Rail** in Beijing, a flagship event co-hosted by China State Railway Group and the International Union of Railways (UIC, short for Union internationale des chemins de fer). The gathering featured technical forums, roundtable discussions and an international railway technology exhibition. “High-speed rail is one of the most powerful tools we have to reduce transport emissions,” said Alan Beroud, IUR’s Chairman. “It produces up to 90% less carbon dioxide than air travel and can help shift millions of passengers from road and air to rail.”

In the context of global climate goals, he added, “this is a huge opportunity. If countries are serious about meeting their Paris Agreement targets, high-speed rail must be part of the solution.” The world’s high-speed rail network now spans 65,000 kilometers across 22 countries, according to UIC data. Thousands of bullet trains operate daily, linking cities, cutting travel times, and supporting regional and social development. The roots of this transportation revolution stretch back nearly 200 years to September 27, 1825, when Locomotive No.1 became the world’s first steam locomotive to carry passengers on a public railway in England, traveling at 24 kilometers per hour. Since then, rail has evolved from a mechanical marvel into what advocates say is a climate savior.

In the past, high-speed rail was mostly about getting people from city to city faster, said Bertrand Minary, UIC’s Passenger Director and Regional Coordinator for Latin America and the Middle East. “But that has changed,” he said. “Today, with the growing demand for green mobility and the urgency of climate change, **high-speed rail is increasingly seen as one of the most effective tools for a sustainable future. It’s faster, greener and smarter.**” Minary noted that more countries are shifting their focus toward high-speed rail as a climate necessity.

“I was in Latin America just a few weeks ago,” he said.

“They want to replace short-haul flights and connect cities through low-carbon infrastructure. That simply wasn’t the case before.” “Over the next decade, high-speed rail will continue to expand with dozens of new lines planned and constructed around the world,” Beroud said. **“China, with over two-thirds of the world’s operational high-speed network, is a global leader and a source of inspiration.”** In less than two decades, China has built the world’s largest high-speed rail system, reshaping mobility and regional development. By the end of last year, China’s high-speed network spanned 48,000 km, accounting for more than 70% of the global total. “We’ve moved from the ‘Four Vertical and Four Horizontal’ framework to a more extensive ‘Eight Vertical and Eight Horizontal’ grid and continue to push for high-quality development,” said Wang Lixin, Vice President of China State Railway Group.

China’s ambitious projects include the 1,318-km Beijing-Shanghai line, which operates at speeds of up to 350 km/h, and the Harbin-Dalian line, which runs through regions with seasonal permafrost and temperature fluctuations exceeding 70°C. Other projects include the Lanzhou-Urumqi line, crossing more than 1,000 km of Gobi Desert at elevations above 3,600 meters, and the Beijing-Zhangjiakou line, known for its smart rail technologies. The Hainan Island Loop High-Speed Railway in the country’s tropical south demonstrates the country’s environmental versatility.

China’s self-developed Fuxing train family now operates on 17 routes covering over 8,100 km. “They **run at the world’s highest commercial speed, up to 350 km/h**, and are adapted to extreme climates, including snow, desert winds and high altitudes,” Wang said. Beyond physical infrastructure, China has built the world’s largest real-time railway ticketing system. The system can process up to 26 million tickets a day, with daily ridership exceeding 16 million, Wang said.

While leading the way in rail development, China is also sharing its expertise, partnering with more than 40 countries and regions on railway projects, from Southeast Asia to Eastern Europe. The Jakarta-Bandung high-speed line in Indonesia has cut travel time from more than three hours to 46 minutes. In Southeast Asia, the China-Laos Railway linking Kunming and Vientiane has become a model for cross-border connectivity. In Europe, the Hungary-Serbia Railway represents a milestone in aligning Chinese and European Union rail standards.

“Several concrete takeaways can be drawn from China’s high-speed rail experience, both in construction and operation,” Beroud said. “Its long-term planning has been essential, and the integration of rail infrastructure into broader national development strategies is a model worth learning from.” Minary echoed the sentiment. “Every country’s rail model may be different, but the idea of bringing together the best technicians to build the smartest product is a shared goal,” he said, as reported by the China Daily.

AUTOMOTIVE

Brain of the future car will come from China, says F. Dudenhöffer, Director of the German Center for Automotive Research



The 'super brain' of the car of the future will come from China, Ferdinand Dudenhöffer, Director of the Center for Automotive Research in Gelsenkirchen, Germany, argues in an opinion piece in the China Daily of July 14. China has made great strides in the automotive industry in recent years. The lithium-ion battery has its home and is developing its greatest advantages in China. Companies such as CATL, BYD, Gotion and Sunwoda have achieved leading positions in power batteries, partly because of innovations and continuous R&D in cells and packs, and partly because of scaling. Moreover, China is by far the world's largest car market, especially electric vehicle (EV) market. **Tesla has become boring compared with BYD, XPeng, NIO and Xiaomi. The home of EVs is now China.** Collaboration with car manufacturers and suppliers in the West is exciting. German car manufacturers such as BMW and Porsche have their competitive advantages in driving performance, and Mercedes-Benz is positioned as a luxury brand with a magic carpet feel, design, materials and driving characteristics.

But Mercedes-Benz and BMW are leveraging the extensive battery expertise and Chinese cost advantages through scale. BMW's new model generation, called the Neue Klasse, is sharpening its competitive edge with round cells. And the sixth-generation lithium-ion cells – called Gen6 – are built in battery factories run by CATL and EVE. The same applies to suppliers. This is to say that collaboration between Chinese tech champions and German automakers with strong brands can become a win-win relationship. China's "Go West" initiative promotes mutual benefit and inclusive growth. As the industry expands rapidly, maintaining fair and healthy competition is essential. Companies should balance scale with brand value, ensuring pricing strategies that reflect quality and support long-term consumer trust.

This brings us to the second important characteristic of the car of tomorrow. First, **the car of the future will be a zero-emissions vehicle**, that is, an electric vehicle. Second, **it will be an intelligent vehicle** – intelligence here refers to two areas: automated driving, with fully autonomous driving at its peak; and a "smart cockpit", that is, the ability of drivers and passengers to engage in meaningful, intelligent, conversations while driving. Head-up displays, voice control, navigation on autopilot and other features, as well as a relaxed, quiet and high-quality design-driven interior atmosphere will characterize the car of tomorrow.

The focus is on a car's ability to sense its environment (through sensors such as LiDAR), and the car's brain (semiconductors that transform the sensor information into a complete picture). The car of tomorrow should be better than humans of understanding traffic conditions and reacting correctly, saving lives.

Dudenhöffer writes that two months ago he was in Wuhan, Hubei province, and rode a **Baidu "Apollo Robotaxi"** with his colleagues. **It was like being in another world.** It's the future; and today, Baidu Apollo, and Pony.ai have impressive things to offer. Making the robotaxi system marketable requires large volumes and scale. And that's exactly what you find in China's major cities such as Beijing, Shanghai, Shenzhen and Wuhan. All of this shows that China and "China speed" can play an important role in the future car brain – semiconductors. Huawei's digital ecosystem spans a driver's entire living space with systems like "Harmony". China has developed into a technology-driven economy, and companies such as Huawei, Horizon Robotics, Black Sesame, RoboSense and Tencent show China is home to world champion companies in fields such as lithium-ion batteries. NVIDIA, Qualcomm, Samsung and Taiwan Semiconductor Manufacturing Co (TSMC) still have a lead in certain semiconductors. But the gap is shrinking – not only in semiconductors which will shape the car of the future, but also in sensors. China is now the market leader in LiDAR sensors. Without data, and that's what sensors capture, a chip can't do anything.

China is on its way to developing an "intelligent vehicle" just as it did with batteries – with chips and sensors. The collaboration between the German auto industry and Chinese enterprises would be win-win. The car of the future and its masterminds both will come from China, concludes Ferdinand Dudenhöffer of the German Center for Automotive Research in the China Daily.

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CHINA NEWS ROUND-UP

Six universities jointly launch undergraduate program for the low-altitude sector

Six top universities have jointly launched an undergraduate program in the low-altitude sector, expecting to enroll new undergraduates for the upcoming fall semester. Approved by the Ministry of Education and added to China's national catalog of undergraduate programs in April, the program represents an urgent national effort to cultivate talent for an industry expected to reach CNY1.5 trillion this year. The six institutions are Beihang University, the Beijing Institute of Technology, Beijing University of Posts and Telecommunications, Nanjing University of Aeronautics and Astronautics, South China University of Technology, and Northwestern Polytechnical University. The low-altitude economy refers to activities that take place in airspace below 1,000 meters, including low-altitude flight, air tourism, passenger transportation and general aviation.

"In the future, our daily commutes, package deliveries, or even ordering a cup of coffee will likely be closely linked to the low-altitude airspace economy," said Luo Mingqiang, Vice Dean of Beihang University's School of Aeronautic Science and Engineering. He also noted current applications such as drone-based pesticide spraying, power line inspection and delivery of medical supplies.

The coordinated rollout of the undergraduate major follows the formal inclusion of the low-altitude economy in China's 2024 Government Work Report and the establishment of a dedicated Low-altitude Economy Department at the National Development and Reform Commission (NDRC). The Ministry of Education implemented a new mechanism allowing swift adjustments to the 2025 undergraduate major catalog, and the low-altitude airspace major was included.

The Civil Aviation Administration of China (CAAC) has forecast that the domestic low-altitude economy market will reach CNY1.5 trillion this year, expanding further to CNY3.5 trillion by 2035. The anticipated growth has intensified demand for specialized talent. Vice Dean Luo from Beihang University expects widespread integration of **low-altitude space technologies** into daily routines within two to three years. He said these technologies **could become as commonplace as cars or smartphones around 2035**, driven by infrastructure development and breakthroughs in core technologies like energy and electronics. Beihang's new program emphasizes interdisciplinary collaboration, thereby leveraging the university's strengths in aeronautics, astronautics and artificial intelligence (AI). Dong Leitong, Party Secretary of Beihang University's School of Aeronautic Science and Engineering, said, "We hope to cultivate students who not only understand aircraft, but also their control and operation and, finally, the relevant economics, laws and regulations."

Beijing University of Posts and Telecommunications' low-altitude technology and engineering major is an

interdisciplinary program jointly developed by its leading disciplines in information and communication engineering, computer science and technology, control science and engineering, and intelligent science and technology. The program concentrates on integrating theory and practice, particularly emphasizing research and development (R&D) as well as the application of unmanned, networked and intelligent systems in the sector of low-altitude technology, the China Daily reports.

China has 60 drugs under trial for the weight-loss market

When the patent on semaglutide – a crucial ingredient in weight-loss drugs – expires in China next year, up to 20 generic players in China are ready to vie for market share and exert downward pressure on prices. In other markets, the patent will expire in 2031 or 2032. Semaglutide is sold by Novo Nordisk as Ozempic. In addition, over 60 novel GLP-1 drug candidates are undergoing late-stage clinical trials in China, and these would potentially compete directly with semaglutide and rival product tirzepatide developed by U.S.-based Eli Lilly. The two products dominate the global weight loss drug market. In April, Beijing launched a nationwide weight management campaign to address what it said was "a major public health threat".

According to a study commissioned by the National Health Commission (NHC), some 34.3% of adults were overweight while another 16.4% were obese in 2018, up from 22.8% and 7.1% in 2002, respectively. Just over 70% of the population would be overweight or obese by 2030, and if the problem was not addressed effectively, it would consume 22% of the nation's total healthcare budget, according to the Commission. The U.S. Food and Drug Administration (FDA) approved semaglutide for type 2 diabetes in 2017 and extended approval for obesity and related diseases in 2021.

Semaglutide was the world's second bestselling drug last year, generating USD20.8 billion in sales from two formulations for diabetes and USD8.4 billion from a formulation for chronic weight management, after Merck's cancer drug Keytruda that raked in USD29.5 billion, according to the pharmaceutical publication Drug Discovery & Development. Eli Lilly's tirzepatide recorded sales of USD11.5 billion from diabetes prescriptions and USD4.9 billion from weight loss use. Eli Lilly and Novo Nordisk were No.9 and No.11, respectively, in terms of global pharmaceutical revenues last year.

Industry estimates for the global anti-obesity drugs market range from USD100 billion to USD150 billion by 2035. Sales last year were around USD30 billion. China's weight loss drugs market could grow to CNY40 billion in 2035 from a low base. Sales are primarily driven by Novo Nordisk, which reported USD285 million in GLP-1 drug sales for diabetes in China in the first quarter, and USD11 million in sales for weight loss applications, the South China Morning Post reports.

Maglev train that can travel at speeds of 600 km/h unveiled at 17th Modern Railways Expo

A Chinese-built maglev train that will be the nation's fastest-ever ground transport vehicle **has made its public debut in Beijing**, an ambitious project that is expected to drastically reduce travel times and cement China's reputation as a world leader in high-speed rail networks. The train, which **can reach speeds of 600 km/h**, was unveiled at the 17th Modern Railways exhibition, offering a futuristic glimpse of China's rail transport aspirations. Developed by the China Railway Rolling Stock Corporation (CRRC), the train features a sleek, aerodynamic shape with a pointed nose to reduce drag from air moving past. Video CCTV showed a large video screen inside a futuristic interior. Representatives said the first phase of engineering was completed in July last year. More route and safety tests and engineering viability assessments will be carried out before the train can go into commercial service. The train will serve as a "point-to-point transport tool" between major cities as an addition to the existing railway network. At the top speed of 600 km/h, **the maglev could slash traveling time between Beijing and Shanghai of 5½ hours by high-speed rail to as little as 2½ hours.**

Senior CRRC Engineer Shao said that they expected to "fill the speed gap between high-speed rail and aviation within 2,000 km", combining the punctuality and safety of rail transport with the speed of air travel. The superconducting electric high-speed magnetic levitation technology promises more environmentally friendly transport and energy efficiency. The benefits include higher speed, lower operating noise and no emissions. There is also lower long-term maintenance due to the non-contact system reducing friction and mechanical wear. Magnetic levitation uses electromagnetic induction between the onboard superconducting magnet and the track, which takes over after reaching 150 km/h, enabling the train to hover. Before that threshold, rubber wheels carry the train.

"This model is equipped with a fully automated driving function, which requires integrating a variety of technologies such as 5G communication, AI video capture, acoustic sensing, and the deployment of various types of sensors along the line," Shao said.

China's first maglev line opened in 2003 with a German-built link connecting Shanghai Pudong International Airport with the city. Last year, China conducted a milestone test run of its maglev hyperloop project, designed to reach a top speed of 1,000 km/h, verifying key technologies. Hyperloop technology – still in the experimental phase – uses low-pressure vacuum tubes with magnetic propulsion systems to move trains at extreme speeds, the South China Morning Post reports.

U.S. and Chinese Foreign Ministers have "constructive" meeting in Kuala Lumpur

The Chinese and U.S. Foreign Ministers held a meeting on July 11 in Kuala Lumpur on the sidelines of the ASEAN Foreign Ministers Meeting, characterized as "positive, pragmatic and constructive". China and the

United States agreed to strengthen communication and dialogue at all levels and in various fields, including through diplomatic channels. It was the first in-person meeting between the two top diplomats since U.S. Secretary of State Marco Rubio assumed his current post in January. Both were in Kuala Lumpur for a series of meetings on East Asia cooperation. Chinese Foreign Minister Wang Yi emphasized that both sides should translate the important consensus reached by the two heads of state into concrete policies and actions. Rubio commented on the meeting: "I think we left it feeling as though there are some areas we're gonna be able to work together on".

When meeting with Canadian Foreign Minister Anita Anand, Minister Wang said Washington's abuse of tariffs undermines the international economic and trade order and hampers global economic growth. He added that the U.S. even imposes high tariffs on small and poor countries. In May, China and the U.S. agreed to a 90-day pause on additional tariffs imposed on each other following their high-level trade talks in Geneva. The pause is set to expire next month, the China Daily reports.

The South China Morning Post adds that Rubio told reporters **"the odds are high" that Presidents Trump and Xi might meet this year**, but the two sides had to "build the right atmosphere and the right deliverables". "We're going to work hard between now and whatever date that is to make sure that when that visit does happen, it's as productive as possible," Rubio said, adding that his key message to Wang was that there was an opportunity for the two rival powers to achieve some strategic stability and identify areas where they could cooperate and build better communication and trust.

Translation of 146 national standards improves international cooperation

Translations of 146 Chinese national standards were released last week during the 2025 Qingdao Forum on International Standardization, marking a further step in the country's efforts to deepen global cooperation on standardization and international trade. The event was held in Qingdao, Shandong province. Internationally, standards serve as critical technical barometers for science, technology, business cooperation and cross-border commerce. The 146 Chinese national standards were translated into 11 languages including English, Russian, French, German and Japanese, and cover key sectors such as grain, agricultural machinery, firefighting, emergency response and robotics. Sergio Mujica, Secretary General of the International Standardization Organization (ISO), said: "China is the top country in terms of participation in ISO technical committees. About 99% of ISO technical committees include Chinese experts, and China provides leadership in around 10% of them." "China's rising engagement in international standardization has drawn global attention and approximately 5,000 Chinese experts are currently involved in ISO activities, he added. To date, China has published 2,484 foreign language editions of national standards, spanning over 20 sectors in the national economy, from agriculture and metallurgy to aerospace, IT, logistics, healthcare and environmental

protection.

Jo Cops, President of the International Electrotechnical Commission (IEC), also highlighted China's role and contribution, saying: "China is making excellent contributions both in governance and the technical activities of IEC. China is sending many experts to participate in the technical committees and that is very beneficial." "It not only brings the knowledge and the experience of the Chinese experts toward the rest of the organization but also a two-way exchange that benefits the entire ecosystem," he said.

They made the comments during the **2025 Qingdao Forum on International Standardization**, one of China's highest-profile international standardization events that promotes dialogue, technical exchange, and institutional openness. This year's agenda included artificial intelligence (AI), the low-altitude economy, and green energy transition – all among sectors seen as key to fostering China's new quality productive forces and building a modern industrial system. Chinese companies are increasingly aligning industrial growth with global standards development. Zhang He, Chief Information Officer of Hisense Group, said the company has led or participated in 70 international standards, especially in the display industry. Hisense experts have received an IEC award three times and helped drive the development of laser display standards, the China Daily reports.

China's five-year GDP growth exceeds Germany's GDP

China's gross domestic product (GDP) is expected to reach about CNY140 trillion this year, reaffirming the country's role as a major contributor to the world's economic growth, Zheng Shanjie, Chairman of the National Development and Reform Commission (NDRC), said. Going forward, the country is poised to place greater emphasis on unlocking the huge potential of its vast and resilient domestic market to underpin continued economic recovery, with stronger policy support to further boost consumer spending and confidence. Zhang said that **the**

estimated increase in China's GDP during the 14th Five Year Plan (2021-25) period — over CNY35 trillion — is equivalent to the combined economic output of Guangdong, Jiangsu and Shandong provinces, the country's top three provincial economies, and **exceeds the GDP of Germany, the world's third-largest economy**. "China's contribution to world economic growth has stayed at around 30% in recent years, and China has managed to maintain an average growth rate of 5.5% over the past four years despite numerous shocks," Zheng said at a news conference in Beijing.

Yuan Da, Secretary General of the NDRC, highlighted the huge growth potential of China's ultra-large domestic market, saying that "domestic demand has always been the main driver and stabilizer of China's economy". China's domestic demand contributed an average of 86.4% to the country's economic growth during the past four years, with final consumption contributing 56.2%, an increase of 8.6 percentage points compared with the 13th Five Year Plan (2016-20) period. China's consumer prices rose for the first time in five months in June, adding to the latest sign of improving consumer sentiment and stable demand. The country's consumer price index rose 0.1% year-on-year in June, up from a 0.1% drop in May. The core CPI, which excludes volatile food and energy prices and is deemed a better gauge of the supply-demand relationship, increased 0.7% year-on-year in June, according to the National Bureau of Statistics (NBS).

Feng Lin, Executive Director of the Research and Development Department at Golden Credit Rating International, said that with the first-half CPI dropping 0.1% year-on-year, "price levels remain subdued, with still-weak consumer demand being the primary reason. It also leaves ample policy space for further monetary easing and stronger fiscal stimulus in the second half," which "will help cushion the impact of external uncertainties." Ben Simpfendorfer, Partner at consultancy Oliver Wyman, highlighted the importance of ensuring sustained recovery in consumer confidence, calling for more fiscal spending on education and healthcare and building a stronger social safety net, the China Daily reports.

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