

China Business Weekly

29 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

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**.

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

- **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: gwen.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

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EU-CHINA RELATIONS

EU and China agree on mechanism for rare earth exports at summit in Beijing



The EU and China agreed on a new mechanism to help smooth the export of rare earth elements and magnets, European Commission President Ursula von der Leyen said after a summit in Beijing with Chinese President Xi Jinping and Premier Li Qiang. President of the EU Council Antonio Costa also participated in the one-day meeting on July 24.

"We agreed – and this is new – to have an upgraded export supply mechanism. In other words, if there are bottlenecks, this upgraded supply chain support mechanism can immediately check and solve the problem or the issue that

is out there," von der Leyen said. China's chokehold on rare earth exports has become one of the biggest issues in the EU-China relationship and was high the EU's agenda. The tension stems from China's decision to impose licensing requirements on the export of rare earth elements and magnets in April. The move was a response to U.S. tariffs, but European firms were caught in the crossfire, with some production lines grinding to a halt. Von der Leyen acknowledged China's efforts "on fast tracking licenses for the critical raw materials" and said progress was vital to repairing "trust in our trade relationship". "We need a reliable and secure supply of critical raw materials from China. Being seen as a reliable supplier and partner is clearly aligned with China's long-term economic and strategic interests," she said.

Von der Leyen said that "the summit showed that we can find practical solutions". "There will be more transparency about the speed of the export licensing, and speedier delivery of these critical raw materials to the companies," she said. "And if there is a critical delay, we have now established a mechanism where the companies can immediately ask us to mediate, and to find out why there is a delay. So, a very pragmatic step forward."

Von der Leyen warned her Chinese hosts that the European market would not remain open to its goods if Beijing did not act on its industrial imbalances. **Trade ties**

had “reached an inflection point”, she said. “In crucial sectors, like steel, solar panels, electric vehicles, batteries and others, **the subsidized production does not match the domestic demand in China**, and therefore overcapacity produced here goes to other markets,” von der Leyen said. “The Chinese leadership has started to look into this issue under the term ‘involution’, and expressed willingness to support more the consumption and less the production part. This is important. We need to see progress on this issue, because **without progress, it would be very difficult for the European Union to maintain its current level of openness.**” The summit was the 25th between the two sides and held in Beijing to mark the 50th anniversary of diplomatic relations.

The two parties also pledged to work together on global issues such as tackling climate change and preserving biodiversity, signing a joint statement on climate ahead of the Cop30 summit in Brazil later this year. “This sends an important message on our work together, and we encourage China to also propose an ambitious national contribution for Cop30. And China should lead by example, in line with its major global role,” European Council President Antonio Costa said after the summit.

“Climate has long been the lowest common denominator in EU-China relations, but even that baseline appears to be slipping. This latest statement offers few specifics, just vague pledges to do more of the same,” said Byford Tsang, Senior Policy Fellow for Asia at the European Council on Foreign Relations. “It is in stark contrast to the last joint statement back in 2021, when Beijing at least signaled willingness to tackle its coal consumption.”

The build-up to the event was marked by sharp disagreements, particularly on geopolitical issues such as China’s close ties with Russia. Just a week before the summit, the European Union sanctioned two regional Chinese banks over crypto transactions with Russia. Those tensions spilled over into the summit. While both European leaders described their meeting with Xi as “excellent”, they also raised their concerns over Russia’s invasion of Ukraine and Beijing’s relations with Moscow, the South China Morning Post reports.

The China Daily and the Global Times emphasized President **Xi Jinping’s call to provide more stability and certainty for the world through steady and sound China-EU relations**. Xi said over the past 50 years, China and the EU have achieved fruitful results in exchanges and cooperation, delivering mutual success and worldwide benefits. An important understanding and insight is that the two sides should respect each other, seek commonality while reserving differences, uphold openness and cooperation, and pursue mutual benefit. President Xi underscored the importance for China and the EU, both constructive forces for multilateralism and openness and cooperation, to strengthen communication, enhance trust and deepen cooperation in a more challenging and complex international situation. As “big guys” in the international community, China and the EU should keep their bilateral relationship growing in the right direction, and work together to usher it into an even brighter next 50 years, Xi said.

AUTOMOTIVE

Chinese suppliers pursuing advanced automotive intelligence



As the global auto industry accelerates its transformation toward intelligent mobility, Chinese parts suppliers are taking the lead in steering innovation and product development. From supplying key components to co-developing next-generation driving systems, domestic intelligent vehicle tech companies are demonstrating stronger competence through collaboration in research and development (R&D)

with international car brands. Earlier this month, BMW Group announced a partnership with Chinese smart driving startup company **Momenta** to jointly develop an advanced driver-assistance system (ADAS) tailored specifically for the Chinese market. According to the two sides, the cooperation is expected to combine the strengths of both companies in artificial intelligence (AI) and automotive engineering, while focusing on local driving habits and road conditions to deliver a truly “homegrown” intelligent driving experience for Chinese users.

Earlier this year, German automotive firm **Bosch** announced a partnership with Beijing-based Horizon Robotics to co-develop next-generation multifunction cameras based on the latter’s Journey 6B chips, and upgraded driver-assistance systems powered by Journey 6E/M chips. **“China has become a global innovation hub for automotive intelligence,”** said Christoph Hartung, President of Bosch’s intelligent driving and control systems unit, adding that the company looks forward to deepening cooperation with outstanding Chinese partners like Horizon Robotics to advance the global development of driver-assistance technologies.

A month earlier, Wuhan, Hubei province-based Ecarx signed a partnership with **Volkswagen Group** to supply intelligent cockpit solutions for Volkswagen and Skoda models, with the first products set to launch in Brazil and India. The high-profile deals serve as a reflection of a new cooperation trend. “China is evolving from being merely a consumer market to becoming a global hub for technological innovation and supply chain leadership,” said Zhang Yongwei, Vice Chairman and Secretary General of China EV100, a non-governmental research and policy institute. Zhang believes that multinational automakers need to reconsider their strategies in China by boosting local R&D and strengthening partnerships with domestic suppliers in order to leverage the country’s innovation edge on a global scale.

This shift is increasingly felt at the component level. According to Zhang Haizhou, Chief Brand Officer of domestic positioning sensor company **Asensing**, **it is becoming increasingly common for Chinese parts suppliers to co-develop new products with foreign automakers**. “Domestic suppliers are gaining greater technical capabilities and a stronger voice,” Zhang Haizhou said. “We’re no longer just downstream providers, we are now co-creators, helping define and realize intelligent automotive platforms on a global scale.” He noted that Asensing has gone beyond simply supplying sensor units by collaborating with multiple domestic and international automakers in the development of next-generation driver-assistance systems, providing full-spectrum expertise covering both hardware and software. The company has to date partnered with more than 30 global carmakers and delivered over 3 million positioning sensor systems across a wide range of vehicle types and price segments, he

added.

The move toward co-development is also reshaping expectations in the chip sector. For auto-grade chipmakers like Beijing-based **SemiDrive**, the trend calls for both forward-looking vision and precision in product definition through deepened cooperation. “Co-development requires not only a deep understanding of vehicle architecture, but also close collaboration and in-depth communication with carmakers and ecosystem partners across the supply chain to jointly explore emerging needs and industry pain points,” said Chen Shujie, Vice President of SemiDrive. Every new generation of the company’s products is jointly defined with automakers before it’s officially launched, Chen said, adding that as soon as the specs are finalized and the first samples are out, projects are already underway, which proves “how spot-on the product definitions are”.

As Chinese auto-grade chips reach new levels of technical maturity, international automakers are strengthening their presence in the country, Chen added. “We’re seeing a clear trend of international automakers relocating their research and development (R&D) centers to China and stepping up engagement with local supply chains,” Chen noted. SemiDrive has already established joint laboratories with multiple automakers, such as SAIC Volkswagen, to co-develop software and hardware platforms for intelligent vehicles. It has also entered mass production partnerships with other joint ventures such as Dongfeng Nissan, Dongfeng Honda and FAW-Volkswagen. “Automotive semiconductors rely on highly globalized collaboration. Deepening international cooperation is essential to boosting China’s competitiveness in this sector,” Chen said, as reported by the China Daily.

FOREIGN TRADE

Dalian expanding foreign trade to become city with GDP of CNY1 trillion



Dalian is looking to expand its foreign trade with a focus on neighboring international markets as it aims to become a city with a CNY 1 trillion annual gross domestic product (GDP). The coastal port city in Liaoning province has long been a vital economic center in Northeast China, and last year its GDP reached

CNY951.69 billion. Located at the northern side of the Bohai Strait, Dalian plans to cultivate new foreign trade opportunities by strengthening cooperation with nearby Japan and South Korea, and economies involved in the Belt and Road Initiative (BRI), said Li Hanguo, Director of the Dalian Municipal Bureau of Commerce. “We will promote innovative growth of trade in services and accelerate the building of comprehensive pilot zones of cross-border e-commerce in Dalian,” said Li. He added that the city will also focus on optimizing the structure of foreign investment, including promoting investment of foreign capital in emerging industries such as advanced equipment manufacturing, the digital economy, and health and medical care. As the largest port in Northeast China, **Dalian serves as a trade gateway to the Pacific**. It has been **actively integrating itself into the development of the BRI**, and helped optimize the route’s layout.

Currently, Dalian Port operates 106 container ship routes, including 93 foreign trade routes, covering more than 300 ports in over 160 countries and regions worldwide. In the

first half of this year, Dalian Port launched four new foreign trade routes, connecting it with important ports in countries including the United Kingdom, Germany and Egypt. “They mainly export and import goods such as chemicals, minerals, mechanical and electrical equipment, automobiles and accessories, as well as agricultural products and food,” said Zhou Jinlu, Deputy Manager of the Marketing Department of the Dalian Container Terminal Co of the Liaoning Port Group. In particular, exports of high value-added products such as complete vehicles, spare parts, and mechanical equipment from Dalian to India have continued to grow. In the first six months of the year, the total export and import volume of goods between Dalian and South Asia jumped nearly 80% year-on-year, according to Dalian Port. Trade with Russia remains stable, with growth in the number of temporary voyages from Dalian to cities such as St. Petersburg. From January to June, the total export and import volume of goods between Dalian and Russia grew by nearly 50% year-on-year, Dalian Port said.

In the first five months of this year, Dalian’s import and export trade achieved a trade surplus for the first time in nearly a decade. The total foreign trade value **reached CNY191.98 billion, up 5% year-on-year**. The export value amounted to CNY97.54 billion, and the import value came in at CNY94.44 billion, according to Dalian Customs. Mechanical and electrical products, as well as petrochemical products, have also been driving strong export growth. Over the same period, the export of ships built in Dalian reached CNY9.83 billion, jumping 58.7% year-on-year, and accounting for 10.1% of Dalian’s total export value of foreign trade. The growth in exports to member states of the Regional Comprehensive Economic Partnership (RCEP) as well as the economies involved in

the BRI is reflected in the significant growth of exports to Malaysia, especially the export of crude oil, Dalian Customs said. In the first five months, Dalian maintained a strong growth momentum in its import and export trade with Malaysia, reaching CNY21.87 billion, a year-on-year increase of 27.5%. The RCEP, which came into effect in 2022, is the world’s largest free trade deal, encompassing the 10 member states of the Association of Southeast Asian Nations (ASEAN), plus China, Australia, Japan, New Zealand and South Korea.

Dalian, with the longest coastline on the Chinese mainland at 2,211 kilometers, is also strengthening as a tourism hub. This year, voyage bookings on Adora Mediterranea, a cruise ship operated by Chinese cruise line Adora Cruises, have been in high demand in Dalian, according to the operator and travel agencies. The popularity of voyages has been a shot in the arm for the recovery and growth of the cruise tourism market in Dalian and Northeast China, Dalian Port said. Liaoning Port Group, the parent company of Dalian Port, has continued to renovate the berth and international waiting halls of Dalian Port, and launched services such as foreign currency exchange and sales of duty-free goods to enhance its ability to receive international cruise ships and passengers. “Fueled by China’s policies such as unilateral visa-free entry and visa-free transit for foreign tourists, we firmly believe that the number of cruise ships and tourists visiting Dalian will significantly grow in the future,” said Wang Bo, Assistant to the General Manager of Dalian Port’s passenger transport branch. This year, the city is expected to welcome 15 international cruise ship visits. In the first six months of this year, Dalian International Airport saw more than 89,000 passenger trips by inbound foreign visitors, up 53.4% year-on-year, the China Daily reports.

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CHINA NEWS ROUND-UP

President Xi Jinping confirms further high-level opening-up of China

At a reception for 16 newly accredited ambassadors to China, **President Xi Jinping said that China will resolutely expand its high-level opening-up** and voiced optimism about China’s economic prospects, saying that the nation will share “the dividends of its supersized market”. Currently, China is advancing the building of a strong nation and the great cause of national rejuvenation on all fronts through the Chinese path to modernization, while its economy “continues its upward momentum amid steadfastness”, Xi said. The nation will turn its development into new opportunities for various countries, and “inject more certainty into global economic growth”, he added.

This year marks the 80th anniversary of the victory in the Chinese People’s War of Resistance Against Japanese Aggression (1931-45) and the World Anti-Fascist War, as well as the 80th anniversary of the founding of the United Nations. China stands ready to work with all countries to **firmly safeguard the international system with the UN at its core** and the international order underpinned by international law, Xi said. China is willing to work with all countries to practice friendly cooperation, promote mutual learning among civilizations, build a community with a shared future for humanity, and “join hands to create a better future for this planet”, he added. Xi emphasized that amid accelerating global changes and a turbulent international landscape, countries around the world need to enhance solidarity and cooperation more than ever before. They should embrace a broad vision to rise above divisions and conflicts, and bear in mind the future of all

humanity, he said.

China always cherishes its friendship with people across the globe, and stands ready to strengthen all-round cooperation and exchanges with other countries on the basis of mutual respect, equality, mutual benefit and win-win cooperation, Xi said, as reported by the China Daily.

First International Advanced Air Mobility Expo held in Shanghai

Eyeing China's booming low-altitude mobility sector, a number of companies unveiled their latest cutting-edge products and solutions at the first International Advanced Air Mobility Expo last week in Shanghai with participation of nearly 300 exhibitors from around the globe. A variety of electric vertical take-off and landing (eVTOL) aircraft were on display, including the Vector5, the world's first large payload eVTOL aircraft designed by Vision Aero for emergency medical service and search and rescue. With a maximum payload of 680 kilograms and takeoff weight of 3,180 kg, the seven-seat eVTOL aircraft developed by the Xian, Shaanxi province-based company is equipped with sufficient medical devices and fixation systems for stretchers. Compared with existing medevac helicopters, the eco-friendly aircraft can greatly reduce costs and improve efficiency when dealing with emergency rescue demands. "We expect to roll out a more cost-effective model compared to traditional helicopters with Vector5, by cutting the purchase cost by about 50%, thanks to the complete supply chain in China," said Hu Yiqiang, General Manager of the company. "The low-altitude economy is booming in China, and we see potential market demand for eVTOL aircraft in the medical service sector."

During the expo, **unmanned aircraft designed for logistics and transportation also attracted large crowds.** Among them, the "Air Jeep" AI-101 – a super short take-off and landing (SuperSTOL) intelligent aircraft developed by McLean (Shanghai) Intelligent Technology Co – made its world debut at the Expo. With a take-off and landing distance shorter than 40 meters and a minimum takeoff distance of 7 meters, the large fixed-wing unmanned aircraft is tailored for courier services within 600 kilometers. "The number of deliveries soared over 160-fold from 2010 to 2024 in China. Our aircraft can carry 500 kg of goods, and require no general aviation airports or long runways to take off or land. Logistics firms are in urgent need of such an aircraft, which has been rushing us forward," said Ma Liqi, Co-founder and CEO of McLean.

Big names from overseas are also at the Expo. Sky Enterprises from the United States displayed its amphibious aircraft RC-3 Seabee for the first time in China. The model can take-off and land on water, grasslands, snowy fields and sandy areas. Its first version was produced in 1946, and since then, it has been widely applied in over 30 countries in fields such as tourism, transportation, emergency rescue, logistics and express delivery, forest fire fighting and border patrols. Expecting to obtain Chinese certificates within 10 months, the company said it is looking to launch a manufacturing base in the country, and deliver its upgraded aircraft around the end of next year. CEO Celia Chen said: "We believe this is the

best time for us to enter China as we see the nation's great efforts in promoting the low-altitude economy, which gives us full confidence and solid support. The nation has a well-developed supply chain and advanced artificial intelligence technologies, and we hope to use such advantages to carry the classic aircraft forward," the China Daily reports.

Shanghai's first low-altitude transit route connecting its downtown with Kunshan in Jiangsu province is scheduled to begin commercial operations on August 18. The route links Shanghai Pudong International Airport and Fuxing island, cutting travel time by about one-third during peak hours. Cao Xintian, Chairman of Shanghai New Sky Helicopter, said the Fuxing island base will act as a key nexus of the low-altitude network across the Yangtze River Delta, allowing passengers to travel conveniently to destinations including Jiaxing, Haining and Shaoxing in Zhejiang province.

Nanjing to become center of brain-computer interface (BCI) technology

The city of Nanjing, capital of Jiangsu province, is aiming to become the center of the brain-computer interface (BCI) technology, blurring the line between science fiction and reality where devices trigger saliva secretion, thoughts control robotic arms, and paralyzed patients communicate through their minds. Nanjing is leveraging its educational and scientific resources to lead in this emerging field. During the Nanjing Brain-Computer Interface Industry Cultivation Conference, the city unveiled China's first domestically produced invasive deep brain electro-encephalography (EEG) recording and stimulation device. EEG measures electrical activity in the brain. An action plan to drive innovation in the industry was launched at the Conference, focusing on research and development (R&D), technology transfer and industrial growth.

Key initiatives in the plan include the establishment of research-oriented wards, promotion of multi-center ethical coordination, and acceleration of real world applications in special education and other industries. Districts including Gulou, Qixia and Jiangbei New Area, have introduced supportive policies such as R&D subsidies and venue support to attract enterprises. Zhou Hongbo, Party Secretary of Nanjing, said the city is committed to enhancing technological innovation, integrating industry and technology, fostering innovative entities, and ensuring inclusive supervision to propel the industry's development. "We look forward to close cooperation with universities, research institutions, and enterprises to lead the future in the new field of the brain-computer interface industry," Zhou said. At the conference, Nanjing University's Brain-Computer Interface Research Institute and the Jiangsu Brain-Computer Interface Research Institute announced new construction projects. The university institute will focus on the convergence of brain science and information technology, while the provincial institute will specialize in clinical translation and industrialization.

Tan Zhemin, President of Nanjing University, said the university will leverage its research strengths and interdisciplinary advantages to advance core technologies in brain-computer interfaces, aiming to break new ground in models, chips, algorithms and other areas. As a cutting-

edge technology that enables interaction between the brain and external devices, brain-computer interfaces are seen globally as an important future industrial track. Jiangsu and Nanjing have early foundations in this field, with strong talent pools and thriving related industries that provide a solid base for development. The establishment of the Jiangsu Province Neuromorphic Intelligence Technology Innovation Center in 2024 and projects such as the **Jiangsu (Nanjing) Brain-Machine Intelligence Technology Innovation Park** underscore the province's commitment to fostering innovation in brain-computer interface technologies. Medical applications of the technology have shown promising results in diagnosing and treating conditions including epilepsy, Parkinson's disease, paralysis and Alzheimer's disease. In April, the Jiangsu Province Hospital performed the province's first semi-invasive brain-computer interface surgery on a high-level paraplegic patient, marking the fourth such surgery nationwide, the China Daily reports.

Small town in Fujian produces more than 20% of the world's underwear

Shenhu, a little-known small town in Jinjiang, Fujian province, produces more than 20% of the world's underwear. It has around 500 underwear producing companies and supporting factories that generate an annual output value exceeding CNY50 billion. More than 10 million pieces of underwear are shipped to global markets daily, according to the local authorities. "We used to be a fishing town, relying on the sea for livelihood. After the reform and opening-up, overseas Chinese relatives brought back foreign lingerie, which opened the eyes of Shenhu residents to new business opportunities. This led to a shift from a single maritime-based economy to a more diversified production and lifestyle," said Yang Huisu, Executive Vice President of the Jinjiang Shenhu Chamber of Commerce.

Opened in 1989, Jinjiang Jiali Costume and Weaving Co produces underwear, socks and yoga wear such as leggings and sports bras for adults and children. Its annual revenue is about USD40 million. Cai Xinling, General Manager of the company, said they handle the entire manufacturing process in-house, from fabric weaving, dyeing and printing, to producing elastic bands, main fabrics and auxiliary materials. About 30% of its orders come from the United States. Recent ones involved Germany, the United Kingdom and Canada as well.

Male underwear sells at USD0.8 to USD1 each for U.S. customers, while medium and high-end ones cost about USD1.8 to USD2.5, according to Cai. "This year, when U.S. tariffs hit, both the Shenhu township and Jinjiang city governments provided crucial support. They organized large domestic companies like Anta and Xtep to visit export-oriented manufacturers like us to create opportunities in business cooperation in doing domestic trade," Cai said. "The government also mediated with banks to secure favorable loan terms for affected businesses." The company now focuses on developing functional fabrics, such as antibacterial and temperature-regulating ones, and innovating in products based on more tailored demands. "For example, the underwear we wear at the office and while exercising is different in fabric and

function. For sports, we need moisture-wicking and antibacterial properties, whereas for office wear, cotton remains the go-to choice. It's all about superior comfort," she said. Although the company has shifted some of its business to the domestic market due to global uncertainties, Cai believes underwear remains an essential consumption product. "With 90% of **Shenhu's** capacity traditionally export-oriented, we're **now targeting the domestic market** through government-led exhibitions and partnerships with local brands."

The transformation reflects Shenhu's adaptive spirit: maintaining its supply chain superpower while strategically rebalancing markets. In 2004, Shenhu town was awarded the title of an "**Underwear Hub of China**". The complete industrial chain enables Shenhu's underwear manufacturers to source all materials for a single garment within just 30 minutes. "This fully integrated supply chain has not only boosted production efficiency but also ensured more stable output for the local industry," Yang from the Chamber said. Nian Xiaoxin, General Manager of the Fujian Jinjiang Shenhu Shengda Clothing Factory forecasts a more than 50% growth in production and sales this year. "A notable market shift has seen major retailers and bulk purchasers increasingly bypass Hong Kong and Shanghai trading intermediaries to engage directly with manufacturers like us," he said. The factory also received orders from new customers in the UK, Italy, Japan and South Korea, the China Daily reports.

Chinese investment in BRI countries reaches new high

Chinese construction contracts and investments in the countries involved in the Belt and Road Initiative (BRI) totaled USD124 billion in the first half of this year, higher than the USD122 billion full-year figure in 2024, and hitting an all-time high, according to the latest report from the Green Finance & Development Center at the Fanhai International School of Finance (FISF) at Fudan University in Shanghai and Australia-based Griffith University. China's energy-related investment in the BRI countries also reached a new record of USD42 billion during the first six months of 2025, increasing 100% year-on-year. This can be further broken down into USD9.7 billion in the green sectors of wind, solar and waste-to-energy – also the highest half-year figure since BRI's inception in 2013. On top of that, China has helped to install 11.9 gigawatts of green energy in BRI countries in the first six months. Construction projects related to green energy, including hydropower, were valued at USD5.7 billion in the first half of this year, up from USD4.4 billion in the same period of 2024.

Technology and manufacturing have emerged as key growth sectors, with Chinese engagement in BRI countries totaling USD23.2 billion in the first half, more than double the figure during the same period last year. The investments mainly focused on electric vehicle batteries and EV manufacturing, as well as significant engagement by Chinese solar power giant Longi Green Energy Technology in green hydrogen development in Nigeria. Other notable technology engagements include a USD2.1 billion investment made by China Aviation Lithium Battery in a lithium battery factory in Portugal and a USD700

million photovoltaic glass production base in Egypt set up by Xinyi Glass Holding. Private enterprises have played a bigger role in BRI investment. During the first six months of the year, East Hope Group, Xinfu Group, Longi Green Energy Technology and ByteDance were the four biggest investors in BRI countries in the first half of this year. Sinopec, a state-owned enterprise (SOE), ranked fifth.

Christoph Wang, Director of FISF's Green Finance & Development Center, said China's BRI engagement will focus on renewable energy, mining and new technologies for the rest of 2025, while the total pace is expected to stabilize. Manufacturing in new technologies such as batteries, renewable energy, trade-enabling infrastructure such as pipelines and roads, information and communication technology, best represented by data centers, resource-backed deals as well as high visibility or strategic projects, will be the major areas for China's future BRI engagement, Wang explained. Africa led all regions at USD39 billion in BRI-related investments in the first half of 2025, the China Daily reports.

Huawei reclaims leading position in China's smartphone market

Huawei Technologies has staged a remarkable comeback, reclaiming its leading position in smartphone shipments in China's in the second quarter, according to the latest report from market research company International Data Corp (IDC). This achievement marks Huawei's return to the summit after a challenging six-year period, with shipments reaching 12.5 million units, capturing an 18.1% market share in the country, from April to June this year, IDC said. This resurgence not only disrupts the recent dominance of rival brands, but also signifies a pivotal turnaround for Huawei, demonstrating its ability to overcome significant technology restrictions and supply chain hurdles, experts said.

Will Wong, Senior Research Manager with IDC's Asia/Pacific Client Devices Group, said Huawei's recovery can be attributed to its strong brand appeal and efficient shipment management. The company's recovery is underpinned by explosive growth in specific segments. Foldable smartphone shipments surged by an impressive 240% year-on-year in the second quarter, while its flagship Mate series contributed over 45% of total shipments, highlighting a robust recovery in the premium handset market. The strength of Huawei's ecosystem is evident as more than 900 million devices in China, including its own-branded products as well as devices from third-party companies, now run on its self-developed operating system HarmonyOS. The numbers validate the success of its integrated "hardware plus software plus services" strategy, said Xiang Ligang, Director General of the Zhongguancun Modern Information Consumer Application Industry Technology Alliance, a telecom industry association.

Huawei's return is particularly notable given the broader market context. **The overall Chinese smartphone market contracted by 12.5 million shipments during April-June.** This decline was driven primarily by weakening consumer demand and a slowdown in growth previously fueled by government subsidies. However, Huawei

managed to defy the downward trend despite the challenging environment, Xiang said, adding that the company's return to the top represents a significant reversal.

Key factors driving Huawei's resurgence include product innovation, exemplified by the successful launch of the Mate 70 series. Featuring advanced in-house chipsets, superior imaging capabilities and HarmonyOS, the Mate 70 series attracted strong consumer demand, including loyal Huawei users upgrading and even some former Apple customers, Xiang added. **The company once dominated the Chinese market with a share exceeding 40%, but faced severe setbacks following U.S. sanctions,** leading to significant market share losses, he said. Huawei's relentless innovation is underpinned by its extraordinary commitment to research and development (R&D). Over the past decade, the company has invested a staggering CNY1.24 trillion in R&D. In 2024 alone, its R&D expenditure reached CNY179.7 billion, representing 20.8% of its annual revenue. Huawei boasts a global portfolio of over 150,000 valid authorized patents, the China Daily reports.

China puts quantum computers into service

Origin Wukong, China's independently developed third-generation superconducting quantum computer, has been put into service in China, researchers at the Anhui Quantum Computing Engineering Research Center in Hefei, Anhui province, announced. Three Origin Wukong quantum computers, each of a different version, have been deployed at a supercomputing center, a Chinese university and a government agency. Developed independently by Origin Quantum, the Origin Wukong series achieves full-stack, domestically controllable technology – from quantum chips to the operating system. The three deployed superconducting systems will support major national scientific projects, cultivate quantum information talent in higher education, and serve specialized applications. Globally, only three countries are capable of commercially deploying a superconducting quantum computer, the center said. The other two are the U.S. and Canada. Since its global launch in January 2024, Origin Wukong has completed more than 530,000 quantum-computing tasks for users from 145 countries and regions.

Guo Guoping, Chief Scientist of Origin Quantum and Director at the Anhui Quantum Computing Engineering Research Center, told the Global Times that a client in a major European country has also used one of the quantum computers. Industry experts estimate the global quantum-computing market will reach USD800 billion in the coming years. Expounding on the potency of quantum computing, Guo said in a March interview with the Global Times that it is like a rocket, whereas traditional computing is "a car," intelligent computing is equivalent to "a bullet train" and supercomputing is "a plane." Quantum computing could slash the time to train artificial intelligence (AI) from weeks to mere hours, Guo added.

Chinese companies have been making progress in developing quantum computers. The Xinhua News Agency reported in March that a separate group of scientists from

Anhui province had unveiled a superconducting quantum computer prototype named Zuchongzhi 3.0 with 105 qubits, a breakthrough in China's quantum computing.

Leapmotor rolls out EV at half the price of Tesla's Model 3

Stellantis-backed Leapmotor has launched an electric midsize sedan that offers similar features to Tesla's Model 3 at less than half the price. The Hangzhou-based electric vehicle (EV) builder said the B01, priced from CNY89,800 in mainland China, would target markets around the world as it pursued new growth engines amid cutthroat competition at home. "We are offering our answer to customers' demand for an exquisite, value-for-money mass market car," Cao Li, Leapmotor's Senior Vice President, told a press conference in Hangzhou. "We are confident that the new car has largely exceeded market expectations." Deliveries to mainland Chinese customers would begin this month, but the company did not say when the new car would be sold overseas. Leapmotor developed the new model based on its upgraded architecture, known as Leap3.5, which supports smart driving and fast charging.

The five variants of the B01 have driving ranges from 430 km to 650 km, with the top-end model priced at CNY119,800. The batteries can offer about 300 km of driving with 18 minutes of charging. The B01 is also fitted with lidar sensors to enhance the capabilities of its driver

assistance system. The Shanghai-made Tesla Model 3, whose basic version can travel up to 635 km on a single charge, is priced from CNY235,500 to CNY339,500. "The B01 has become yet another stern challenger to Tesla's Model 3 in China, following Xpeng's Mona M03," said Phate Zhang, Founder of Shanghai-based data provider CnEVPost. "Chinese-developed electric cars are likely to eat into Tesla's share in foreign markets given their attractive prices." The Mona M03, a midsize, fully electric sedan that hit the market last August, is a rival to the Model 3, offering smart features such as a preliminary autonomous driving system. Shipments of the M03, priced from CNY119,800 to CNY159,800, rose 29.5% month-on-month to 14,111 in June. In comparison, Tesla's Shanghai Gigafactory built 16,636 Model 3s for mainland customers in June, down 20.4% from a month earlier.

Less than 10% of China's EV brands will turn a profit in the next five years, as the industry grapples with a price war and chronic overcapacity, according to AlixPartners. However, there is an opportunity to increase exports to overseas markets where they could reap higher profit margins, according to Nick Lai, head of Asia-Pacific vehicle research at JPMorgan. Leapmotor broke its own sales record for the second consecutive month after it delivered 48,006 vehicles in June, up 6.5% from the previous month. In the first half of the year, the carmaker shipped a total of 221,664 units, up 156% year-on-year. The company has set a 2025 full-year target of 500,000 units, the South China Morning Post reports.

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