

China Business Weekly

26 August 2025



FCCC/EUCBA ACTIVITIES

China Dinner: From Survival to Success: Level Up Your China Strategy to a New Reality

11 September 2025, 17h00-21h00 CEST at the 18th-century Hotel Falligan, Ghent



The **Flanders-China Chamber of Commerce (FCCC)** is organizing an exclusive in-person China Dinner, taking place on **Thursday, 11 September at 17:00h** at the historic **Hotel Falligan**, located in the heart of Ghent.

This event follows the recent publication **“Navigating the New Chinese Business Environment”**, developed in cooperation with **Silk Road Partners**, and supports business leaders in reassessing and future-proofing their China strategies in light of today's fast-changing realities.

Theme of the evening: “From Survival to Success: Level Up Your China Strategy to a New Reality”

Why attend?

China continues to evolve rapidly: it remains a global economic powerhouse and is now a frontrunner in innovation, filing nearly 70% of all AI patents worldwide in 2023 (Stanford AI Index Report 2025). Geopolitical tensions are increasingly shaping the global economic order, creating heightened business uncertainty for companies operating internationally. Therefore, doing business has become more complex, demanding greater agility, strategic rethinking, and local adaptation. This dinner will offer practical insights and expert perspectives to help business leaders navigate risks, seize new opportunities, and realign their China approach for long-term success. In particular, it will provide participants with a framework to self-assess how they score in addressing this strategic rethink.

Keynote Speaker:

Mr. Peter Buytaert, Co-founder, Silk Road Partners, International Advisor in net-zero strategy, M&A, and cross-border business development along the Silk Road region.

Programme:

17h00–17h30: Arrival and registration (optional guided visit of Hotel Falligan)

17h30: Welcome and introduction by **Ms. Gwenn Sonck**, Executive Director, Flanders-China Chamber of Commerce

17h40: Keynote presentation by **Mr. Peter Buytaert**, Co-founder, Silk Road Partners

18h25: Q&A and sharing of experiences

19h00: Networking dinner in the salons of Hotel Falligan

Who should attend?

This event is tailored for **CEOs, export managers, international business developers, and entrepreneurs** with current or future interests in China or the broader Asian region.

Practical details

Venue: Hotel Falligan, Kouter 172, 9000 Ghent

Date: Thursday, 11 September 2025

Time: 17:00 – 21:00

Participation fee:

- €95 (excl. VAT) for FCCC members
- €135 (excl. VAT) for non-members

The event takes place in the 18th-century salons of Hotel Falligan, one of Ghent's finest neoclassical landmarks. A guided visit of the historic building will be available for interested participants prior to the dinner.

Ensure your participation by registering **before 4 September** to secure your spot.

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ACTIVITIES SUPPORTED BY FCCC

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



The Flanders-China Chamber of Commerce organized an exclusive webinar focused on **Cybersecurity and AI Compliance in Europe – Burden, or Opportunity** on 19 August 2025.

Ms Gwenn Sonck, Executive Director, Flanders-China Chamber of Commerce, welcomed the participants and introduced the topic of the webinar and the speaker. Cybersecurity and AI compliance in Europe, is it a burden or opportunity? Today, we explore a critical topic in Europe's digital transformation. Europe's regulatory landscape, including GDPR, the AI Act, and cyber security mandates, often feels complex and demanding. **Many see these regulations as burdens, but** as we'll hear from our expert speaker, Mr. Koert van Espen, Managing Partner of Apogado, **these can become powerful strategic opportunities**. Koert brings over 30 years of experience blending legal and technical expertise in cybersecurity, privacy, and AI compliance, guiding organizations and companies to navigate and leverage Europe's digital laws.

Mr Koert Van Espen, Managing Partner of Apogado gave a presentation on how companies can turn EU cybersecurity, privacy, and AI compliance into strategic business opportunities. Apogado is a team of ICT lawyers, engineers, and cybersecurity experts, helping customers dealing with their compliance issues, more specifically related to privacy, such as the GDPR, but also cybersecurity and now more and more the AI Act. Mr. Van Espen used to work in research and consulting in many big companies and then decided to found his own company. He also worked for the State Secretary of Privacy in Belgium. He is an engineer, not a lawyer, and studied a little bit of management as well, but is backed up by a good team of ICT lawyers within the company.

Mr. Van Espen gave an overview of why very often compliance is considered as being a burden rather than an opportunity, but these burdens can quite easily be turned into opportunities. Why does compliance feel heavy? **There is the GDPR, NIS2, DORA, the AI Act, and many others**. The GDPR is probably something that everybody is quite familiar with already, since it has been around for more than seven years. The GDPR focuses on protecting citizens' privacy as a fundamental human right. It has a global reach, which means that even if your company is not based in Europe, but you

are targeting European citizens, or if you are based in Europe and you are targeting European citizens, who are at that moment not in Europe, the GDPR still applies, with a few exceptions. **The key principles of GDPR are lawfulness, which means that you need to have a legal ground to process data.** There are principles such as **fairness and proportionality, transparency, data minimization** – which means that you should not use more data than strictly necessary – **and purpose limitation** – one of the principles often violated, both in small and in large corporations. It means actually that once you have the data, that you need to think twice before you're going to do something different with that type of data. There's the data subject rights, which is a very powerful and fundamental principle within the GDPR, and everything is being treated as a risk. Now to deal with the GDPR in a professional business-friendly way requires that you not only have legal knowledge, but also technical and practical knowledge. You need to know how to deal with the data protection authorities, to understand case law, and the member state's particularities. There are not that many, but there are also more technical and scientific challenges like anonymization of data, data protection techniques, technical security architectures and so on. We always try to treat this in a business-friendly manner, to try to always find a solution if the GDPR is somehow strict or if there is some kind of gray area.

NIS2, or by extension all cybersecurity regulation, is very often considered as the flip side of the same coin. By the way, **NIS stands for Network and Information Systems**. Where GDPR focuses on the protection of the individual, of the person, NIS2 actually **focuses on protecting data and systems**. It's all about cybersecurity resilience against hackers, cyber criminals, and these kind of crooks. The scope is to one extent much wider, because it doesn't only cover personal data, it covers all your systems and assets within your enterprise, but also to some extent it's been narrowed down because it only focuses on essential and important sectors. Those sectors are still quite broad, for instance, any type of government, utilities, banking, logistics, and so on, food production, all those sectors are affected by NIS2. What is even more important, all suppliers are actually affected by NIS2. So if you are a company and you might not be directly impacted by NIS2, but you are supplying to one of those, for instance, if you are supplying to a government or you're supplying to the financial sector, or you're supplying to the food sector, also your company will be affected, because **one very important principle in NIS2 is supply chain security**, which is very often not very well treated within corporations. **NIS2 is risk-based. Incident reporting is very crucial.** You only have 24 hours to report a risk, and then you have a few more hours to actually analyze the incident and report it again.

There is also a list of 10 organizational and technical measures that you need to implement. Very important is that **if there are any board members participating, there is the personal accountability of the board under NIS2**. This is actually often a very good entry ticket to convince corporations that they should deal with NIS2. To deal with NIS2 requires mainly technical knowledge, but it also requires some skills such as procurement power. You do need to have the right experience to deal with suppliers, for instance. Also, you do need to know about creating business continuity plans, incident response plans, drafting policies, dealing with technical implementation, the IT department, IT suppliers, and so on.

One very particular act is **the Digital Operational Resilience Act (DORA)**, which is kind of similar to NIS2, but **is very much focused on the financial sector in the broad sense**. Principles are risk management, incident classification and reporting, resilience testing, and again, we have this third party or supplier risk management. It requires technical and practical knowledge and auditing skills as well. Even if there are these very strict security obligations, there is still some space to move, and therefore it's important that you actually know how to deal with that.

Finally, we have **the AI Act, or Artificial Intelligence Act**, which has a different focus, which **is to ensure safe, ethical, and trustworthy AI systems**. The scope does not just affect the development or the deployment, but also the use of AI within the EU. Principles are risk-based, but also you need to check to which risk category your system belongs. **Depending on the risk level, the obligations are hugely different. In general, the obligations are about transparency, documentation and bias detection.** Those who are into AI know that bias is a huge problem. The AI Act stipulates that you need to take correct measures to avoid bias in your system. Also there are specific rules about your training, training sets, data that you are using for training, human oversight, and also cybersecurity. To deal with the AI Act mainly requires legal knowledge, but also technical and even ethical understanding. You need to know what those conformity assessments are like, and you need to understand what machine learning is like. If you don't know what a neural network is, then you can't understand what the AI Act is about.

All those regulations combined can be considered as being Europe's digital trust framework, and they all interact with each other. For example, if you are dealing with AI, the data you are feeding your AI systems with needs to be GDPR compliant. **If your data is not GDPR compliant, then actually you are polluting your AI system, and it is very hard to get it clean again.** Under NIS2, depending on whether you are considered an essential entity or an important entity, the fines can be very hefty, up to €10 million, or even twice that amount, if you make the same mistake again. There are also a lot of administrative sanctions, and the authorities might even appoint a control officer to supervise your compliance or fire a manager in your company. NIS2 is still new, so we can expect the fines to increase in the future.

But it is not just a burden, **there are also a lot of opportunities**. It's an opportunity to get more profits by addressing new markets. It's a way to protect your assets. It also has an interesting crossover to governance and efficiency, and **it can even be considered as an innovation catalyst**. Compliance is your entry ticket into the EU market. It is a trust enabler for your partners, regulators, and consumers. It makes that you can be a market differentiator, which gives you in turn positive PR, and it can give you some brand reputation, or even boost the reputation of your company. The most important reason to be compliant is cybersecurity and privacy and protecting your own assets. There's a reduced risk of data breaches, cyber incidents and internal accidents, which also means that there is a much lower risk for fines, lawsuits, and

this famous wall of shame. It's not just about your data, it's also about your own intellectual property, which is much better protected. Moreover, many cyber insurance companies will give you lower premiums when you have proven that you are compliant. In case something does happen, the chances that your insurance company will pay you are much higher.

It is also much easier to get financing when you can prove that you are handling your data carefully. The average costs of a data breach has been increasing in the past years to about 4 to 5 million euros or dollars, which is much higher than the cost of protection. As companies are increasing the maturity of their cybersecurity and compliance in AI, you see that the overall maturity of the company is increasing by leveraging principles as privacy by design and security by design, which means that your systems, applications and processes are way more agile. It will be easier to attract high-skilled people. In the war for talent, nobody wants to work anymore for a shabby organization that is careless about their data. It is also much easier to attract investors or partners. A very interesting opportunity is that you should take this as a catalyst for innovation. Do not see this merely as a cost, but consider this as an investment.

It might also be worth considering certification. This doesn't solve everything, and it's not because you're certified that you're compliant, but it does show that you are on a very good way to compliance. One of the most popular certifications is ISO 27001, there are many others depending on the business that you're in, but you can also get certified against GDPR. Finally, it's important that you have some kind of information security management system and a corporate risk management system. The last key success factor is that you should not consider it as a one-off, but as a continuous exercise, because the regulatory frameworks are evolving, technology is changing, case law continues to appear, and threats are ever-changing and becoming different.

The costs of compliance can be estimated at about 0.25% of turnover, which is actually a pretty low percentage compared to what you can win, which is 10% to 15% of turnover. So the return on investment is high.

A Q&A session concluded the webinar.

Webinar: "Experiences of Bekaert of Investing in Weihai, Shandong Province August 26, 2025



The Flanders-China Chamber of Commerce and the EU-China Business Association organized a webinar which focused on "**Experiences of Bekaert of Investing in Weihai, Shandong Province**" on **26 August 2025**.

A detailed report will follow next week.

INTERESTING PUBLICATIONS

“A Guide to Working and Living in China as Business Expatriates” updated

A GUIDE TO WORKING AND LIVING IN CHINA AS BUSINESS EXPATRIATES

(2025 EDITION)

China's Ministry of Commerce (MOFCOM) has updated the 2025 edition of its “Guide to Working and Living in China as Business Expatriates”, which addresses many of the questions foreign nationals have about how to travel to or work in the country legally. The 22-page document covers how to apply for a residence permit, pay income tax and handle payments and benefits under the country's social insurance. Foreigners who come to China to work or live for reasons other than official or diplomatic matters must apply for a residence permit within 30 days of their entry.

The maximum duration of visa-free transits for eligible foreign nationals has been extended. Since December, stays as part of trips between two different countries or regions can last up to 240 hours or 10 days, up from the previous 72-hour and 144-hour limits. Twenty-one ports of entry and exit have also been added as transit options, and individuals from any of the 55 eligible countries can move visa-free through the country's 60 open ports. Full visa exemption for entry has also been applied on a trial basis to nationals from Bulgaria, Romania, Malta, Croatia, Montenegro, North Macedonia, Estonia, Latvia and Japan for trips taking place before the end of 2025. In addition to these nine countries, passport holders from 38 countries can enter China without a visa for most purposes for stays of up to 30 days.

An individual who is domiciled in China, or an individual who is not domiciled in China but has lived in China for 183 days or more within a tax year, is considered a tax resident. They are subject to individual income tax on earnings from within China or overseas. China has made arrangements to avoid “double taxation” with 114 countries or regions, including Belgium.

A work visa – also known as a “Z visa” – is required from a Chinese Embassy or Consulate for those who intend to work in China. A “Notification Letter for Foreigner's Work Permit” is needed from the applicant's company for a successful visa application. For those who intend to work in China for no more than 90 days, the visa is all that is required. Those working in China for longer than 90 days must apply for a residence permit after entering the country. China has also launched a new visa category for young science and technology specialists. Under revised foreign entry regulations, eligible professionals will be able to apply for “K visas” starting October 1. These visas would not require an invitation by a domestic employer or institution, as in the “Z visa”.

Expatriates who have not yet reached the statutory retirement age and are legally employed in China are eligible to enroll in the country's social insurance plans. This also applies to those who have signed labor contracts with employers in China and received pay, or those who have signed contracts with overseas companies and have been dispatched to work in China, the South China Morning Post reports.

The Guide can be downloaded in PDF-format [here](#)

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LOGISTICS

Courier services look to a future of AI and drones



Each day, more than 500 million parcels are collected in China, meaning that every second nearly 6,000 items are shuttled into the express delivery process. These statistics, showing average daily operations, were released by the State Post Bureau in July, and reflect the staggering size and progress of the industry in China. The sector, which has maintained its position as the world's largest express delivery market for 11 consecutive years, is another hallmark of the country's efficiency and technological innovation, experts said.

From 2014 to 2024, China's express delivery volume leaped from 14 billion to a whopping 174.5 billion parcels, accompanied by a significant drop in the average delivery price from over CNY14 to CNY8 per parcel. Behind such colossal volume is efficient resource allocation and technological prowess, with the industry evolving from labor-intensive operations to technology-driven processes. "The moment a user places an order to send a parcel on his or her mobile phone, the smart system of a courier company activates a chain of automated responses, including which courier will be assigned to pick up the parcel, which outlet the parcel will go to, which vehicle it will be on, and its scheduled arrival time at various points along the route," said Yang Qingyue, Public Relations Manager for delivery company ZTO Express.

"The entire process is automated, with heavy human intervention only required at the sending and receiving ends, including interactions with the clients," Yang said. Zhao Chongjiu, Director of the State Post Bureau, attributed the acceleration of express deliveries in the first half of this year to the expanded use of air services and high-speed rail, and a wider application of unmanned vehicles and stations, together with artificial intelligence (AI) technologies. "All of this resulted in more areas being included in service circles, where customers can receive their parcels the next day," said Zhao. The Bureau aims to further improve the industry through intelligent sorting, encrypted transportation, real-time tracking, AI-powered anomaly detection, and the expansion of unmanned delivery stations, industry experts said.

Sorting has largely been automated. Conveyor belts move at a speed that can carry 240 packages per minute, which is a dizzying speed but still accurate, and requires no human intervention or secondary verification. Sorting centers were not like this a decade ago. Manual sorting used to be labor-intensive. Workers were stationed on either side of straight conveyor belts, with each person responsible for parcels destined for a district. They had to be swift in both their mind and hand movements. Manual operations sometimes collapsed if the workload was too heavy during periods such as the "Double 11" shopping festival, but with the current system, one center can process up to 5 million parcels a day. Covering an area of roughly 2.5 standard soccer fields and equipped with five cross-belt sorters, a sorting center of YTO Express in Shanghai epitomizes the evolution of China's express delivery industry. Most industry players headquartered in Shanghai's Qingpu district provide an average delivery time within 45 hours nationwide at a cost of just a little more than CNY3 per parcel.

Qingpu, the only Shanghai district connecting to both Jiangsu and Zhejiang provinces and adjacent to the Shanghai Hongqiao international transportation hub, has become home to the national and regional headquarters of many courier companies. **Of every 10 courier parcels delivered nationwide, seven are handled by Qingpu-headquartered express delivery companies.** Major players have established large technology divisions to serve as the brain of their operations. At the big data center of YTO Express' national headquarters in Qingpu, a huge screen shows busy scenes at parcel-sorting centers nationwide, the status of thousands of moving trucks, as well as real-time tracking of the entire delivery process of all parcels from collection to dispatch.

The integration of new technologies, such as unmanned vehicles and drones, is reshaping courier services. ZTO Express has reported a 50% increase in delivery efficiency and a nearly one-third reduction in operating costs since adopting a transportation model combining drones and unmanned vehicles. The use of unmanned equipment is also intended to complete the last mile of express transportation in complex road conditions, such as mountainous and rural regions. So far, about 1,000 unmanned vehicles have been put into operation across the ZTO Express network, covering more than 180 cities," according to a manager at ZTO Express. Yunda Express is also rapidly introducing unmanned vehicles, with over 2,000 operating in urban communities and rural areas. Yunda is also expanding its use of drones, with five drone routes already in operation. The drones are used for high-value deliveries – such as fresh food and medical supplies – in cities including Hangzhou and Jiaxing, significantly reducing delivery times and labor costs. In 2016, Qingpu was designated as the sole national demonstration zone for the transformation and development of the express delivery industry. Three years later, the modern logistics industry became the first 100-billion-yuan industrial cluster in the district, the China Daily reports.

BIOTECH

Suzhou aspiring to become global center for biotech innovation



Could a city best known for its classical gardens and ancient canals emerge as China's answer to Boston – the global epicenter of biotechnology innovation? Five years ago, Suzhou set forth a bold vision: to transform itself into the “Pharma Valley of China” by 2030, benchmarking its ambitions directly against Greater Boston's world-leading life sciences ecosystem. The city in Jiangsu province hosts the **China-Singapore Suzhou Industrial Park** – a hub for electronic information, mechanical manufacturing, artificial intelligence (AI), nanotechnology and biomedicine. With **3,800 biopharmaceutical companies** already in town, the aim is to attract more top local and international pharmaceutical firms to set up their regional headquarters there by offering each company a subsidy of up to CNY60 million. By 2030, Suzhou aims to establish itself as a major biopharmaceutical innovation hub, hosting more than 10,000 companies and generating an output value exceeding CNY1 trillion.

To train drug innovation leaders of the future, Suzhou's Xian Jiaotong-Liverpool University (XJTLU) co-founded its **Academy of Pharmacy** with the Suzhou Industrial Park government in 2020 “to help Suzhou transform into a world-class biopharmaceutical and healthcare capital”. Fu Lei, Executive Dean of the XJTLU Wisdom Lake Academy of Pharmacy, spoke about the way forward in an interview with the South China Morning Post. He said that to nurture its pharmacy and biotechnology hub, China would need a comprehensive ecosystem encompassing talent cultivation, company establishment, manufacturing, regulation and legal services. Understanding how Boston became a major biotech hub could provide valuable insights for developing a similar ecosystem in Suzhou, Fu added.

Greater Boston is home to more than 1,000 biotech companies and many globally renowned research universities, including Harvard, Boston, Northeastern, and the Massachusetts Institute of Technology (MIT). The city of Cambridge, also in the area, is known for Kendall Square, a leading center for biotech research and innovation that has been dubbed “the most innovative square mile on the planet”, home to hundreds of start-ups. “The hub should feature all essential elements for

biopharmaceutical development, including a pharmacy school closely connected to the industry and a platform to support research conducted by faculty,” Fu said. “We created the missing components, such as a think tank that provides intelligence and legal services, along with training and support for intellectual property protection.”

The Academy has partnered with several Chinese biotech companies – including chronic disease drug innovator PegBio, nano-biomaterial specialist BEAVER, and transdermal drug delivery firm LIANSN – to set up joint labs where students can engage in company projects alongside their studies. Drawing on his education and work experience in the U.S., Fu said educating scientists to innovate therapies required a fundamentally different approach from that of existing pharmacy schools in China, whose curricula are designed for generic drug development. **“In 2016, China began transitioning from producing generic drugs to developing innovative drugs.”** This shift creates new educational needs, as the focus had previously been on training students mainly in formulation and pharmacology to validate the efficacy of ‘me-too’ or ‘me-better’ drugs,” he said, referring to medications that are similar to or improved versions of existing ones.

“To create innovative drugs, it is essential for researchers to have a solid understanding of medicinal chemistry, enabling them to design, synthesize and prepare substances from the ground up. Additionally, biostatistics is a critical area of expertise for scientists involved in designing and conducting clinical trials,” he said. According to Fu, **in China, pharmaceutical companies are the main drivers of innovation, rather than research institutions.** This stands in contrast to the United States, where professors often commercialize their research findings through start-ups. Describing the situation in China as a “transitional phase”, Fu said: “Scientists in academia in China have a lot to learn from the industry, where many innovations are emerging, although academics may take on a leading role in the future.”

The industry's leading role results from China's historical focus on the generic drugs market, Fu explained. “China prioritized producing generic drugs and off-patent medications to meet the healthcare needs of its vast population,” he said. “The focus has been on producing drugs through reverse engineering, which can be done using techniques for analyzing existing medications, rather than developing new technologies.” Fu said the return of Western-educated Chinese researchers was driving China's transition to innovative drugs.

“While transitioning to an innovation-first approach will take time, China has been developing rapidly, with leading-edge use of equipment and innovative ideas,” Fu added, pointing to new molecules developed in China that are now being researched abroad. “China's patent protection has also significantly improved, encouraging scientists to register their new discoveries domestically,” Fu said, as reported by the South China Morning Post.

E-COMMERCE

Foreign influencers focus on culture and creativity to boost sales on e-commerce platforms



(German influencer Pamela Reif with Chinese followers)

Video-influencers are very popular in China, driving sales on e-commerce platforms. Unsurprisingly, most are Chinese, but a few foreigners are also making their mark. A Senegalese-Italian influencer nicknamed the “Silent Comedy King” has over 162 million followers on his TikTok account. The 25-year-old, whose real name is Seringe Khabane Lame, shot to fame with his expressive mute reactions to overly complicated life hacks. He is one of the world’s most popular online personalities, but it’s in China, a country known for its vibrant digital culture, that his rise has been especially meteoric. His Chinese fans call him “speechless brother”. On July 31, Lame officially joined Weibo, one of the most popular social media platforms in China.

“You might not know my name, but I’m guessing you’ve definitely used my reaction memes,” he posted on Weibo. “I am super excited to be officially here on Weibo! I’ve heard Chinese netizens are the masters of creativity and humor, so let’s have some fun!” Within 24 hours, he garnered more than 100,000 followers on Weibo. Lame also launched accounts on other Chinese social media platforms, including RedNote and Kuaishou, which received warm feedback from his local fans. Lame’s popularity in China derives from his iconic facial expressions, which have been absorbed into Chinese digital culture. One deadpan expression, often paired with an open palm gesture, perfectly encapsulates the feeling of “Why complicate things?”, a sentiment that resonates deeply in Chinese online communities.

Recognizing his huge popularity in China, Shanghai-headquartered ShootsWorks announced Lame’s upcoming

trip to the country, which was met with great excitement. “We plan to take him to experience Chinese culture in several profound and immersive ways,” said Yuan Yiqing, ShootsWorks’ overseas IP content director. In Changsha, Lame will witness China’s role in addressing global collaboration. In June, the city held the Ministerial Meeting of Coordinators on the Implementation of the Follow-up Actions of the Forum on China-Africa Cooperation. The interaction of Chinese and African people will give Lame a glimpse into how travel, exploration, and cross-cultural exchanges foster business innovation.

Zhu Liping, ShootsWorks’ head of IP monetization for the Chinese market, commented that **“China’s dynamic market, growing digital presence, and the increasing influence of Chinese social media platforms have all created a thriving environment for global influencers.”** It will not be the first time the Chinese company has brought a Western influencer to China. ShootsWorks has had a successful collaboration with **Pamela Reif, a German workout lifestyle influencer**, whose fitness content has a massive global following. The collaboration with Reif began in early 2023 when Zhu recognized her growing popularity in China, particularly during the pandemic. Zhu, who was living in Germany at the time, reached out to Reif who was seeking to grow her presence in China. In 2023, Zhu took on the role of managing Reif’s Chinese social media accounts, helping her navigate platforms like Weibo and RedNote. The goal was to introduce Reif’s positive and healthy lifestyle message to China’s massive audience, offering her fans not just workout routines, but also a connection to a role model. In October 2023, Reif visited major Chinese cities including Shanghai, Beijing, and Changsha. Zhu planned the trip, and Reif engaged with her Chinese fans by hosting live workout sessions and fan events. “Despite the language barrier, the energy and enthusiasm of the events showed that fitness and fun are universal languages,” Zhu recalled. In addition to a massive 9.68 million followers on YouTube, Reif has established a presence on Chinese social media and has more than 11.6 million followers.

Zheng Huanzhao, Vice President of Jinan University’s Chinese Language and Literature Department, said international influencers can create content that connects with the international community through their “credibility” and “charm”. When visiting, they are likely to seek fresh and distinctive ways to express themselves and explore Chinese cities for new content. “The spread of foreign influencers can highlight perspectives that are relatively overlooked in local communication about a city,” he noted, as reported by the China Daily.

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CHINA NEWS ROUND-UP

EU to curb AI chip flows to China as part of U.S. trade deal

The South China Morning Post reports that the EU would restrict re-exports of American AI chips to China as part of the trade deal with the U.S. Newly published details of the recent EU-U.S. trade deal show that the EU is more closely following Washington on technology, security and commerce, potentially driving a new wedge into Europe's relationship with China. A joint statement confirmed that the European Union will accept tariffs of 15% on 70% of its exports to the U.S., as agreed in July. It will also consider exempting American goods from some of its sweeping climate laws, even as it moves to lower tariffs on American products, including industrial goods. While China is not mentioned once in the 19-point joint statement – described as a “framework” towards a more comprehensive trade agreement – veiled references appeared throughout.

The statement said the European Union would buy USD40 billion of AI chips from the U.S., and that it would “adopt” U.S. security standards to “avoid technology leakage to destinations of concern”, which includes China. While the U.S. has rescinded a Biden-era order limiting which EU member states could buy U.S. AI chips, the statement shows that it still expects to control where they ultimately go. At a press conference in Brussels, **EU Trade Commissioner Maros Sefcovic said the bloc was committed to ensure that semiconductors do not “fall into the wrong hands”**. “They want to make sure that once these AI chips are in Europe, they will stay in Europe, that they will be used for the benefit of the European economy, that they will not be transshipped somewhere else,” said Sefcovic, describing it as “standard process when it comes to sensitive technologies”. “What is important is to have access to these top technologies, and we are, of course, ready to work together with our U.S. partners, to make sure that we respect all the security requirements of both parties, EU and U.S., just to make sure that sensitive technology will not end in the wrong hands.”

The statement shows that the U.S. and the EU plan to work together to curtail China's access to cutting edge technologies. The agreement will also see them work together to address “non-market practices, unfair competition, and lack of reciprocity in public procurement with respect to third countries”, terms that are often used to describe China's policies. The European Commission is expected to publish an “economic security doctrine” by the end of the year.

Foreign brands losing market share to domestic rivals in China

The world's largest jewelry company by volume is facing a wave of store closures across China – a move that serves to illustrate **a broader retreat by foreign brands as consumer preferences shift towards practical products that offer more value for money**. Danish jewelry brand Pandora, known for its fast-paced product launches and global sales of more than 100 million pieces a year, announced in its second-quarter earnings report on August 15 that it would expand its original plan to close 50 stores in China this year to 100 stores. According to Pandora's annual financial reports, its sales in China peaked in 2019 at USD305.73 million. But since the global pandemic, sales have steadily declined. Last year, Pandora's revenue in China plummeted to less than a quarter of the 2019 peak.

According to the 2025 China Shopper Report released in June by Bain & Company and Worldpanel, **Chinese domestic brands have steadily eroded the market share of foreign brands, with local brands accounting for 76% of the market by 2024**. That was up from 75% in 2023, 74% in 2022, and 73% in 2021. Back in 2012, it was 66%. Foreign firms closing stores in China include fast-fashion clothing brands such as GU, owned by Japanese multinational Fast Retailing Group, and Spain-based Zara, as well as beauty and skincare brands such as Aesop and Decorte. Retail chains such as U.S.-based Walmart and Japan-based Aeon have also announced withdrawals from certain regional markets. Popular Japanese lifestyle brand Muji, which focuses on selling a minimalist lifestyle to the middle class, has made headlines following its string of store closures in China. The Shanghai-based China Business Network recently reported that multiple Muji locations, including in the cities of Beijing, Shanghai, Suzhou and Changsha, as well as in Zhejiang province, have shut down in recent months.

Analysts say these types of retreats can be partly explained by subdued consumer spending amid deflationary pressure, coupled with uncertainties surrounding China's economic outlook. “Over the next decade or beyond, we will be in an era of low-price retail; this is a major trend,” said Chen Liping, Professor at Capital University of Economics and Business. “For some companies, it's no longer just about operational challenges, but about whether they can survive.” China's consumer price index in July was flat from a year earlier, and producer deflation continued, indicating persistent weak demand, the South China Morning Post reports.

Some foreign companies are shifting production back to China

Global brands that once shifted part of their production out of the country are now turning back as they rediscover China's enduring manufacturing edge. **Steve Madden, the U.S.-based footwear and accessories brand,** began diversifying production last November, announcing in the first quarter that only a mid-teens percentage of goods would be sourced from China. But by the second quarter, Steven Madden's Chairman and CEO Edward Rosenfeld said on an earnings call earlier this month that some production had been shifted back to China for the autumn season. "We felt it would be difficult to ensure on-time delivery, appropriate product quality and/or reasonable pricing if we sourced elsewhere," Rosenfeld said.

The Steve Madden brand is not alone. **Intersport International Corp, the Switzerland-based sporting goods retailer,** is also weighing a pivot back to China. The company sees an opportunity to tap into the country's unrivaled supply chain efficiency at a time when many rivals are moving production to Southeast Asia and other developing markets. The group is considering sourcing a greater share of its private-label products from China.

Industry analysts said the country's deep integration of manufacturing resources and skilled workforce remains compelling. Cheng Weixiong, an independent fashion analyst and Founder of Shanghai Liangqi Brand Management Co, said, "It is a timely move for companies like Steven Madden and Intersport to shift more capacity back to China, where costs are currently lower and orders in some manufacturing facilities are insufficient." Bai Ming, Researcher at the Chinese Academy of International Trade and Economic Cooperation, said that China offers advantages beyond manufacturing costs. "The country's end-to-end supply chain enables brands to go from design to mass production in weeks," Bai said. **"For businesses that value speed, scale and sophistication, China is both a consumption powerhouse and an innovation accelerator."**

The toy industry is another case in point. Despite tariff headwinds, Chinese manufacturers continue to concentrate most of their operations domestically despite many relocating some of their capacity in Southeast Asian markets. "Many toy makers still keep 70% to 80% of their capacity in China and about 20% in Southeast Asian markets," said Liu Zhenlie, Director of the Shenzhen Toys Industry Association. "Labor and costs are now about 5% to 10% higher in Southeast Asia, while China maintains strong supply capacity and rapid supply-chain response." Liu also said the toy sector in Shenzhen, Guangdong province, has maintained mild growth so far this year. Meanwhile, Southeast Asia's manufacturing sector is expanding rapidly but faces challenges.

According to Savills, Vietnam's industrial parks reached 86% occupancy in the first nine months of 2024, with average land prices topping USD170 per square meter. Northern provinces offered cheaper land than the south, but availability remains tight, underscoring the limits of large-scale relocation, the China Daily reports.

Huawei confirms that its new 5G phones are powered by its own Kirin 9020 SoC

Huawei Technologies has revealed that its new Pura 80 handsets are powered by its Kirin 9020 system-on-a-chip (SoC), marking the first time in about five years that the U.S.-sanctioned company has lifted the veil of secrecy behind its advanced smartphone processors. The name of Huawei's chipset, which was designed by semiconductor design subsidiary HiSilicon, was found prominently displayed in screenshots shared online by Pura 80 users after a system update of the handset. Information about the processors used by Huawei on 5G smartphones, including the Mate 60 Pro and Mate 70 series, was previously uncovered only via third-party teardown analyses, without any official confirmation from the Shenzhen-based company.

Huawei's Kirin 9020 disclosure reflected the firm's confidence in its silicon design capabilities and its strong comeback in the 5G smartphone market, despite rigid U.S. tech restrictions on China. The Kirin 9020, first seen in Huawei's Mate 70 smartphones last year, was made by Semiconductor Manufacturing International Corp (SMIC) using the advanced 7-nanometer production process, according to a report by Canadian research firm TechInsights published in December.

The chipset was "not a dramatic redesign but rather an incremental improvement over its predecessor, the Kirin 9010", TechInsights said. In 2023, a TechInsights teardown analysis found that SMIC, China's largest contract chipmaker, was behind the Kirin processor inside the Mate 60 Pro, the model that helped drive Huawei's comeback in the 5G smartphone market. In a recent interview with state broadcaster China Central Television (CCTV), Richard Yu, Chairman of Huawei's Consumer Business Group, recalled the struggles endured by the company's smartphone business under U.S. tech restrictions. "Overnight, outside China, Huawei phones became unavailable. Annual shipments dropped to below what we used to ship in just one month."

Apart from dealing with semiconductor restrictions, Yu said creating Huawei's own operating systems was part of efforts to revive its fortunes. "We saw that operating systems also involve supply chain security issues, which concern our long-term development," he said. **Huawei aimed to make its proprietary HarmonyOS operating system a world-class mobile platform that would rival those from Apple, Google and Microsoft,** according to Yu.

He described HarmonyOS' development as a "huge adventure", in which Huawei had invested tens of billions of yuan over the past six years and mobilized more than 10,000 developers each year. More than 10 million devices now ran HarmonyOS 5, Huawei announced in July. Huawei topped China's smartphone market in the June quarter, the first time in four years, accounting for an 18.1% share of shipments, according to research firm IDC, as reported by the South China Morning Post.

China's exports to the Global South more than 50% higher than to U.S. and Western Europe combined

China is accelerating its pivot to the Global South to reduce reliance on the United States, potentially creating “a new order of global commerce”. Chinese exports to the Global South – covering most of the developing world – have doubled since 2015, with growth seeing a notable uptick after the U.S.-China trade war during U.S. President Donald Trump’s first term, according to a new report by S&P. In the past five years, these exports have risen by 65% – tripling the pace seen in the previous five-year period. By comparison, exports to the U.S. and Western Europe grew by just 28% and 58% respectively over the past decade. “High uncertainties under U.S. tariffs and China’s slowdown will continue to motivate Chinese firms to head to the Global South,” the S&P analysts said. “The result could be a new order of global commerce where South-South trade becomes the new center of gravity and Chinese multinationals emerge as the new key players.” According to the report, China now exports about USD1.6 trillion to the Global South, more than 50% higher than its combined exports to the U.S. and western Europe at USD1 trillion.

Chinese firms have also stepped up investments in developing regions, particularly in manufacturing. Flows to the country’s four largest trading partners in Southeast Asia – Indonesia, Malaysia, Thailand and Vietnam – have quadrupled over the past decade, averaging USD8.8 billion annually. “These investments are likely to continue in the age of tariffs – not just to avoid new levies or secure resources, but to develop end markets and reduce reliance on U.S. sales,” the analysts said. “This diversification strategy may be one of the few feasible ways to manage the high uncertainties in the age of tariffs.”

The report pointed to Indonesia as the clearest example of how “Chinese firms could align their investments and operations with local development objectives”. The country had leveraged inflows of capital to rapidly develop its nickel industry and move further up the electric vehicle supply chain. Similarly, Chinese carmakers had quickly expanded their market presence by capitalizing on the energy transition in South and Southeast Asia, with sales growing thirteen-fold in Malaysia, doubling in Thailand, Indonesia and the Philippines, and rising by more than 50% in India and Vietnam over the past three years. Chinese expansion into the Global South has also been visible across other industries, including engineering, construction, machinery, equipment, consumer products, and services, the South China Morning Post reports.

China extending anti-subsidy probe into EU dairy imports by six months

China’s Ministry of Commerce (MOFCOM) announced it would extend by six months its ongoing anti-subsidy investigation into certain dairy imports from the EU until February 21, 2026, citing the case’s complexity. The investigation was launched on August 21, 2024, following a formal application by the Dairy Association of China and the China Dairy Industry Association on behalf of domestic

producers, which argued that EU dairy producers benefit from unfair government subsidies. In their application, the domestic industry groups said that the EU has provided substantial subsidies to its dairy-related industries. “A surge of low-priced EU dairy imports has dealt a serious blow to the production, operations, and financial health of Chinese producers, inflicting material injury on the sector,” according to the application file. Extending the probe was a reasonable measure given its complex nature, allowing for more thorough analysis and accurate conclusions, Zhou Mi, Senior Research Fellow at the Chinese Academy of International Trade and Economic Cooperation, told the Global Times.

Zhou said that EU policies in the dairy sector function at two levels – measures introduced by individual member states and regulations set at the bloc-wide level. “Coupled with the wide variations in competitiveness among EU countries in the sector, this makes the process of gathering evidence, conducting analysis and reaching a conclusion far more complex,” he noted. The industry applicants claim that the EU and its member state governments have provided a total of 20 subsidy programs to companies in the EU dairy sector, covering multiple countries including Ireland, Austria, Belgium, Italy, and Croatia. The investigation focuses on **certain dairy imports from the EU, including fresh cheese, processed cheese, blue-veined cheese and select high-fat dairy products**, examining subsidies granted between April 2023 and March 2024 while assessing industry impact over the broader January 2020-March 2024 period, according to the MOFCOM statement issued last August.

In February this year, when commenting on the progress of China-EU negotiations concerning electric vehicles as well as relevant investigations into EU pork and dairy products, MOFCOM Spokesperson He Yadong stated that the anti-dumping investigation into pork imports from the EU and the anti-subsidy investigation into EU dairy products imports are currently ongoing. MOFCOM vowed to follow WTO rules and ensure that the rights of all parties are fully protected.

Customs data revealed a steady increase in imports of the investigated dairy products, with a cumulative growth of 25.8% between 2020 and 2023, and an additional 11.3% year-on-year rise in the first quarter of 2024. As a result, **the profitability of China’s domestic dairy sector has fallen sharply compared with 2021**. From 2020 to 2023, the sector’s operating rates hovered between just 10% and 50%, remaining at historically low levels. “If subsidies are indeed found to exist, measures such as the imposition of anti-subsidy duties may be applied in accordance with relevant WTO rules,” Zhou said, as reported by the Global Times.

Range of AgiBot robots go on sale

AgiBot, a leading Chinese robotics firm, announced that its full product lineup, including the OmniHand dexterous end-effector and the Shangqing Juechen C5 commercial cleaning robot, **is available on its e-commerce platform and on JD.com**. This development came as China’s humanoid robotics industry is accelerating its transition from demonstration to practical

application, with major companies securing orders worth millions of yuan and launching new products to meet the growing market demand. An expert viewed it as a key step in the company's brand building and market expansion strategy, saying this step underscores AgiBot's confidence in the industry's potential, and will encourage more players to invest in research and development (R&D). Earlier this month, Zhiyuan Innovation (Shanghai) Technology signed a deal worth several million yuan with Miaoyang Fulim Precision Machining Co to deploy nearly 100 of its Expedition A2-W wheeled general-purpose robots in Fulim's factories. It marked **China's first large-scale commercial contract for industrial embodied robots and the world's first significant deployment in smart manufacturing**, marking a pivotal shift from technical validation to scalable commercial use. The Expedition A2-W, designed for flexible smart manufacturing, supports tasks such as palletizing, material handling and loading and unloading across various industrial settings.

"The increased orders reflect the growing maturity of China's humanoid robotics technology and the trend of commercial adoption. It also signals intensifying market competition, which will drive companies to sharpen their competitive edge," Wang Peng, Associate Research Fellow at the Beijing Academy of Social Sciences, told the Global Times. This trend extends beyond AgiBot. On August 12, another robotics firm, **SquareBot, announced it had received nearly 1,000 orders for its general-purpose robots**, targeting industrial and public service applications. These units are already operational in factories owned by Dongfeng Liuzhou Motor and Jingneng Microelectronics, with plans for deployment at Shanghai Hongqiao Airport. On the same day, UBtech announced that its industrial humanoid robots are moving into regular deployment, with plans to deliver 500 this year to auto and 3C semiconductor clients, primarily in the auto sector, according to media reports.

These developments follow the close of the 2025 World Robot Conference on August 12, which featured the inaugural "E-Town Robot Consumer Festival." The event, including a Robot World Expo and robot "4S stores," recorded sales of 19,000 units worth more than CNY200 million. China's robotics market is set to grow at an annual rate of 23% to USD108 billion by 2028 from USD47 billion in 2024, solidifying the country's dominant position in the fast-developing sector, according to a research note by

Morgan Stanley. Wang said that large-scale orders are boosting market confidence, driving faster industrial and commercial deployment. "Humanoid robots must find real-world applications to secure genuine orders," he noted, as reported by the Global Times.

International air cargo routes increase by 58% in first six months

In the first half of this year, China saw a considerable growth of over 50% in newly launched international air cargo routes, while the share of cargo volume on international routes continued to climb, according to the China Federation of Logistics & Purchasing (CFLP). As of June 30, 2025, a total of 145 new air cargo routes were opened nationwide. Among them, **117 were international air cargo routes, marking a year-on-year increase of 58.1%**. China's air cargo and mail transportation sector has maintained strong growth this year, fueled by robust demand from cross-border e-commerce and other industries.

International routes have emerged as a key driver, with their share of total cargo volume steadily increasing. Data from the first half of the year shows international cargo and mail shipments surged to 2.037 million tons, marking a 23.4% year-on-year rise and underscoring the sector's rapid expansion. **By the end of June, there were 17 cargo airlines in China, operating 249 cargo aircraft.** Chinese aviation companies accounted for 44% of the international air cargo market share, an increase of 4 percentage points compared to the previous year. Additionally, air logistical hubs are becoming increasingly concentrated. The combined GDP of the 20 cities with national logistics hubs accounts for over a quarter of the country's total GDP, while the cargo volume of these 20 hub airports makes up more than 80% of the total cargo volume at Chinese airports.

Air logistics experienced robust growth in the first half of the year, driven by the rapid expansion of cross-border e-commerce and overseas manufacturing. As its role in the national economy and market competition continues to grow, a more diversified global trade landscape is emerging. Cui Zhongfu, Chief Economist at CFLP, noted that China's outward-oriented development strategy remains unchanged.

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