

China Business Weekly

12 May 2026



FCCC/EUCBA ACTIVITIES

Webinar: Digital Marketing for Industrial Goods: From online presence to industrial growth – 21 May 2026, 9:30 AM



The Flanders-China Chamber of Commerce is organizing a webinar on **Digital Marketing for Industrial Goods in China**, taking place on **May 21 at 9:30 AM**.

For **European industrial companies**, China remains a critical growth market. However, succeeding in **China today requires more than a strong product or global brand presence**.

China's digital ecosystem operates fundamentally different from Western markets. **Buyers rely on local platforms to discover, evaluate, and shortlist suppliers. Search behavior, content expectations, and brand credibility** are all highly localized and more demanding.

Many European industrial companies with strong offerings and local operations in China are still not optimally positioned digitally to support lead generation and commercial growth.

This session will provide **a practical overview of how industrial companies can build an effective digital presence in China and translate this into concrete business opportunities**.

Topics that will be covered:

- How Chinese B2B buyers search for and evaluate suppliers.
- Key digital platforms in China (e.g. Baidu, WeChat, industry platforms).
- Common mistakes European companies make when entering the Chinese digital landscape.
- How to align branding, content, and channels to support lead generation.
- Practical examples of what works in industrial B2B marketing in China.

The programme is as follows:

09:30 – 09:35 Introduction by **Ms Gwenn Sonck**, Executive Director, Flanders-China Chamber of Commerce

09:35 – 10:10 Presentation on Digital Marketing for Industrial Goods in China by **Mr Jonathan Kullman**, Founder & CEO of NBH

10:10 – 10:30 Q&A Session

Practical Information

Date: 21 May 2026

Time: 09:30 – 10:30 AM

Location: Online

Participation fee: Members: Free

About the Speaker: Jonathan Kullman, Founder & CEO, NBH

Jonathan Kullman has over 12 years of experience working with digital marketing and international growth, with a strong focus on China as a market.

He is the **Founder and CEO of NBH**, a digital marketing agency established in 2014, **helping European companies grow in China**. With teams in Europe and Shanghai, NBH supports industrial B2B companies with strategy, lead generation, and digital execution across China's key platforms.

[**SUBSCRIBE HERE**](#)

Webinar: AI & IP: Protecting Innovation for European SMEs in China 27 May 2026, 9h30 AM



The Flanders-China Chamber of Commerce is organizing a webinar on **AI & IP: Protecting Innovation for European SMEs in China**, taking place on 27 May 2026 at 09h30 CEST.

As **artificial intelligence** continues to reshape **innovation** and **business strategies**, European SMEs operating in or with China are facing new challenges in protecting their **intellectual property** and safeguarding the **value generated through AI**.

This webinar will provide **practical insights** into the most common IP issues encountered by European SMEs working with AI in a China-related context, with particular attention to:

- Key **IP risks** linked to AI use in China
- Practical strategies to **protect innovation** and **business value**
- **Best practices** illustrated through real-life case studies
- Common pitfalls and how to **avoid them**

As AI becomes increasingly integrated into **business functions** such as product development, partnerships, data management, and cross-border operations, companies must navigate a complex and evolving landscape of **risks and opportunities** when engaging with China.

This webinar will highlight how European SMEs can effectively protect innovation, maintain **control over key assets**, and manage **risks** when working with Chinese partners or entering the Chinese market.

This session is designed to support the **strategic decision-making** of European SMEs regarding China-related activities, offering practical guidance on how to anticipate and address **IP challenges** at an early stage.

The programme is as follows:

09:30 – 09:35 Introduction by **Ms Gwenn Sonck**, Executive Director, Flanders-China Chamber of Commerce

09:35 – 10:15 Presentation on **AI & IP: Protecting Innovation for European SMEs in China** by **Mr Jari Vepsäläinen**, Chairman, Fintrade-Mercer Group

10:15 – 10:30 Q&A Session

Practical Information

Date: **27 May 2026**

Time: **09:30 – 10:30 CEST**

Location: **Online**

About the speaker

Mr Jari Vepsäläinen is Chairman of Fintrade-Mercer Group. He is a China-trained attorney and has been actively involved as a strategic investment advisor and corporate lawyer in the People's Republic of China for more than 36 years.

[SUBSCRIBE HERE](#)

ACTIVITIES SUPPORTED BY FCCC

Hybrid Food Fair China – 13 & 15 October, 2026 – Shanghai & Beijing

Present your products to buyers in Shanghai and Beijing and participate in the **Hybrid Food Fair organized by the Flanders Investment & Trade offices in Shanghai (13 October) and Beijing (15 October)**. You can choose to present your products yourself or have them presented by our FIT-teams.

Target sector: Food & beverage

Target market: China-EU

For whom?: Units of companies and organizations in the Flemish Region.

Where: Shanghai & Beijing, China-EU

When: 13 to 15 October 2026

Why participate? Many Chinese buyers and importers in the food sector are looking forward to finding new suppliers and discovering new products and trends in the sector. Are you interested in presenting your products in China in an accessible way? That's perfect! Flanders Investment & Trade is happy to match the needs of buyers with your export plans and is organizing a hybrid networking day in Shanghai on October 13 and in Beijing on October 16 to this end!

Our offer: Both FIT offices have strong contacts in the food sector with importers/distributors, e-commerce players, and department store chains. We will invite these buyers to a hybrid food fair where they can get acquainted with and taste the products of Flemish companies. After the hybrid food fair, we will provide you with a personalized report containing all the contact details of the interested buyer(s), after which you can contact them. If desired, FIT can support you in this.

Register before May 31. After registration, you will receive an email with practical information and a booking link to schedule an online intake interview with the Flemish Economic Representative in Beijing and/or Shanghai.

Please note: your participation can only be confirmed after this intake interview.

You will provide FIT-Shanghai and FIT-Beijing with product samples for the tasting during the hybrid food fair. To ensure your products are received on time, we recommend sending your samples before September 10. More information on this will follow after your participation has been approved. Based on your profile, our teams in China will look for potential buyers.

Presentation of your company and products by our colleagues in Shanghai and Beijing to Chinese buyers during the: Hybrid Food Fair Shanghai October 13; Hybrid Food Fair Beijing October 15.

Your products will be presented in a professional manner. After the tasting, we will provide you with a personalized report containing all the contact details of the interested buyer(s), after which you can contact them. If desired, FIT can support you in this. If you wish, and after consultation with our offices in Shanghai and Beijing, you can attend in person to present your products (max. 1 representative / company). We will provide you with more information about the program, digital catalog, samples, and marketing materials after your participation has been approved.

You can check which tariffs and taxes are levied on your products via [Access2Markets](#). Please check whether your products are subject to specific restrictions for importing into the Chinese market before registering for this promotion.

For logistical reasons, participation with frozen products is not possible, unless these products are already present in China.

Prices:

Hybrid Food Fair Shanghai October 13

First participant: €400.00

Additional participants: €200.00

Hybrid Food Fair Beijing October 15

First participant: €400.00

Additional participants: €200.00

In addition to this participation fee, you are responsible for the costs of shipping your samples.

Any questions?

Contact Frederic Deprez: E: frederic.deprez@fitagency.be T: +32 2 504 87 48

6th Innovation Fair Sino-Euro Business Development Conference – October 26-30 – Jiangsu province



Welcome to Innovation Fair – Supporting Innovators in China since 2018

Building on the success of previous editions, the 6th Innovation Fair is scheduled to take place from 26–30 October 2026. The fair promotes international business development, uncovers sourcing opportunities, and provides direct access to the Chinese market, while also offering opportunities to represent and distribute products and services of Chinese businesses in Europe. Showcase your products, pitch your ideas, and connect with the right partners through curated, industry-focused matchmaking. Join us to connect, collaborate, and create new possibilities for your business.

Target participants/industry: Advanced manufacturing; artificial intelligence; environment & new energy; life science & medtech; digital service & software; education & training; mobility; and import & export.

Benefits & cost of participation:

Benefits

- Travel 1x Eco Class Ticket (roundtrip)
- Airport Pickup and Drop-off
- Transportation, Hotel, and Meals Throughout the Event
- Exhibitor Booth 9 m2 (incl. backdrop & basic facilities)
- Networking Opportunity
- Local Company Discovery Tour

Registration Fees

- Standard Rate: €1,480 (valid by 30 June)
- Late Registration: €1,680 (valid by 31 August)
- Group Rate: €3,600 (for 3 people)

Optional Add-Ons

- Pre-event Matchmaking Services: starting from €1,000
- Post-event Follow-Up Support: starting from €1,000
- Larger / Joint Booths: upon request
- Tailored Proposals: upon request

How to participate:

1. Registering following the QR code.
2. Complete your company descriptions and your target Chinese counterparts.
3. Payment instructions will be sent via email after we confirm your registration.

Website: <http://innovationfair.mikecrm.com/aMNrQ1J>



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HIGH-TECH

Beijing International High-tech Expo shows AI+ future



Visitors eagerly leaned forward to experience the C919 simulator cockpit, danced interactively with embodied intelligent robots, and watched rich hand gestures on brain-computer interface screens for people with disabilities. These vivid scenes capture the atmosphere of the 28th China Beijing International High-tech Expo, where people are witnessing countless visions of future life gradually turning into reality. The three-day Expo, with the theme “**Science and Technology for a Better Future**”, brought together more than 800 domestic and international enterprises and institutions, showcasing cutting-edge technological achievements and innovative application scenarios centered on “AI+.” As China's first large-scale international science and technology exhibition, it highlighted the country's breakthroughs in hard technologies across various fields as well as its soft innovation capabilities.

Experiences at the Expo showed how high-end technologies in fields such as information technology, medicine and health, green low-carbon solutions, and intelligent manufacturing are rapidly integrating into everyday life and reaching ordinary people. Sergey, a Belarusian working in education in Jiangsu province, told the Global Times that he flew to Beijing specifically to attend the Expo. “This is the first time I've seen an expo with such rich displays of AI technology. It's dazzling. What impressed me most were the AI+ intelligent education applications. I really hope these can reach Belarus and more countries.” AI and robotics featured far more prominently at this year's Expo. Humanoid robots, embodied interaction control systems, bionic intelligent

robots, and other cutting-edge equipment were prominently displayed. A towering 6-meter-tall ultra-realistic humanoid robot made its debut at the Expo, currently the world's tallest and largest humanoid robot. A robot that can play music performed a lively rendition of Beijing Welcomes You, becoming a popular photo spot at the exhibition.

A wearable exoskeleton robot could intelligently recognize the user's body weight, age, joint mobility, and physical condition in real time and dynamically adjust its operating mode accordingly. The technology empowers people's lives, bringing hope and better living experiences to more individuals. Yang Yongtao, Deputy General Manager of the wearable exoskeleton device company **China Beijing Ai Robot Technology Co**, told the Global Times that the growing international attention on Chinese exoskeleton robots has brought more focus to the technology. Foreign buyers have specifically come to customize products. In the future, they are expected to become an important direction for AI-enabled health and wellness applications – helping elderly people with daily mobility assistance while also reducing the physical burden and fatigue for hiking enthusiasts, thereby supporting the “Healthy China” initiative, Yang said.

The Expo also gathered top domestic research institutes and sci-tech innovation organizations, showcasing a batch of globally pioneering, independently controllable key core technologies. **Beijing AIForce Technology Co**, established with support from the Institute of Microelectronics of the Chinese Academy of Sciences (CAS), was a standout at the event. Its display of the world's first pure-electric intelligent high-horsepower tractor attracted significant attention, with foreign visitors stopping to inquire about details. An Zhijian, Strategic Director, told the Global Times that core technologies for high-horsepower tractors had long been monopolized by companies in Europe and America. Over the past two years, leveraging China's strategic layout in the new energy industry and its complete industrial chain advantages, the company has not only successfully applied new energy technologies to agricultural development but also overcome multiple critical technical bottlenecks that had long been controlled by others. The company is currently in talks with several Global South nations regarding exports. In the future, this pure-electric agricultural machinery is expected to significantly reduce

production and operating costs for farmers, according to An.

In response to recent hyping of the "China Shock 2.0" narrative by some Western media outlets and think tanks, which suggest that China is achieving fast development in high-tech sectors and relies on foreign markets to absorb its overcapacity, thus sending more serious shock waves to the global economy, Chinese Foreign Ministry Spokesperson Lin Jian said that from the world's factory to the world's market and innovation powerhouse, **China's development is achieved through strong performance driven by innovation and brings tangible cooperation opportunities and space to the world.** China's high-tech

products represented by the "new new three" of robots, AI and innovative drugs have broken high-tech barriers and monopoly and enabled people in more countries to access affordable new technologies, Lin added. "What really creates "shocks" to the world has never been the innovation of Chinese companies and efficiency of Chinese industrial capacity, but protectionist moves of setting up barriers, decoupling and severing industrial and supply chains. China will stay committed to high-standard opening up, defend the multilateral trading system and provide more certainty and new impetus to the world economy with its own steady development," Lin said, as reported by the Global Times.

LEGAL

Revised Arbitration Law shows China's ambitions to adjudicate commercial disputes



China's newly revised Arbitration Law marks the most significant overhaul of the country's commercial dispute framework since 1994, but more work is needed to attract foreign parties to arbitrate in China, according to arbitrators and law scholars. **The law aims to promote cities such as Beijing, Shanghai and Shenzhen to develop into international arbitration centers,** competing with current global leaders like London and Singapore. But a harder question for Beijing is not the amount of energy or resources poured in, but whether foreign parties, particularly Western ones, will actually choose mainland China as a seat, according to arbitrators and legal scholars. The bottleneck is not legal design but trust, they said.

"An international arbitration center should be a place that everyone chooses as a base for arbitration, even if it has no connection to their country," said Tao Jingzhou, an independent arbitrator at Arbitration Chambers and one of China's earliest international arbitrators. Beijing's drive to grow its arbitration capacity reflects more than a desire to attract a slice of a high-value professional services market. It also fits within a broader strategic effort that scholars describe as **a deliberate buildout of China's legal power in foreign affairs.** "Beijing has been investing in upgrading

China's legal power under its foreign-related rule of law initiatives," said Mark Jia, Associate Professor of Law at Georgetown University.

"Pushing arbitration is part of an effort to expand the jurisdictional reach of China's adjudicative institutions." With Chinese companies' overseas investment, infrastructure work and trade footprint having expanded sharply over the past two decades, particularly through the Belt and Road Initiative (BRI), a steady flow of cross-border disputes has had to be resolved somewhere, most often in London, Singapore, Paris or Hong Kong.

"Given China's significant international footprint in the Global South and through the Belt and Road Initiative, there has been and will be a steady stream of legal disputes that have to be resolved somewhere," Jia said. "The appeal of attracting more transnational disputes to Chinese forums is ultimately that it may grant Chinese organizations and institutions more control over the outcome of important global disputes." China's long-standing insistence on institutional arbitration had been a notable outlier in the global arbitration community. In international practice, ad hoc arbitration, where disputing parties appoint arbitrators directly without going through an institution, is a long-established and flexible alternative to institutional arbitration.

The amendments of China's Arbitration Law that came into effect earlier this year, **for the first time, permit ad hoc arbitration in foreign-related maritime disputes and among enterprises registered in free trade zones,** and also allow approved foreign arbitration institutions to open offices in those zones to handle international cases. Matthew Erie, Associate Professor at American University Washington College of Law, said that "the amendments are clearly significant and represent a gradual shift to align Chinese commercial arbitration practice with international standards". However, the move was never easy, according to Tao. Tao said that he had urged Chinese legislators multiple times over the years to allow ad hoc arbitration, with little effect until this round of revisions. Although the

change came more than three decades after the original law, he said it represented “significant progress”. China’s Supreme People’s Court (SPC), “has shown full respect for foreign arbitration outcomes, and this area has seen relatively little judicial intervention”, according to Tao. According to statistics from the SPC, Chinese courts concluded 42 cases in 2024 involving applications for recognition and enforcement of foreign arbitral awards, with none refused. According to a report by Queen Mary University of London, **Beijing has risen to fourth in the global ranking of the most preferred arbitration seats**, behind only London in first place and Singapore and Hong Kong tied for second.

However, experts said that the progress was still not enough. Chinese local courts still harbor “reservations” about ad hoc arbitration, Tao said. Erie said that the revised law “still does not conform to” the United Nations Commission on International Trade Law’s model law on

international commercial arbitration, the global template most leading jurisdictions follow. Erie pointed to Chinese authorities’ reluctance to give arbitral tribunals full authority over their own jurisdiction, a principle known in international arbitration as competence-competence. For China’s arbitration business to go global, it must ensure “the independence of arbitration institutions” and “respect for contractual freedom”, Tao said.

China’s four major arbitration institutions, the China International Economic and Trade Arbitration Commission (CIETAC) in Beijing, the Shanghai International Arbitration Center, the Beijing Arbitration Commission, and the Shenzhen Court of International Arbitration, all reported steady growth in cross-border cases in 2024. But even at CIETAC, the most internationalized of the four, foreign-related cases accounted for just 13.4% of its total caseload of 6,013, the South China Morning Post reports.

Incompatible laws in China and the EU make it difficult for companies to comply with both

Conflict of laws



As China and the EU enact new laws to protect their companies’ interests, some of them are in opposition to each other and companies from both sides say it is becoming almost impossible to comply with both. “We risk being caught up in issues that are strictly speaking unrelated to what we do as companies,” said Jens Eskelund, Chairman of the EU Chamber of Commerce in China, of the messier picture. “It creates a new set of risk factors that companies need to develop a position on and possibly also prepare for.” The EU is opposed to Chinese companies having remote technical access to their products as under Chinese law companies may be forced to assist state authorities. This pushed the EU into response mode with a series of regulations of its own.

Last month, the EU halted all EU funding for Chinese-made inverters – the electronic devices that sit in the middle of critical infrastructure grids and are used in solar, wind and EV charging systems – out of fear of being hacked and disabled. Security concerns also served to galvanize the EU’s sweeping new attempt at industrial policy, eager to entice Chinese manufacturers to produce in Europe under stringent local standards. This in turn drew

a response from China, which vowed to retaliate against EU companies. Joseph Dellatte, Dean of Energy and Climate Studies at Institut Montaigne, a French think tank, said that “perhaps, you could have a backstop at some point in Shanghai that could stop some windmills producing power on the shores of Germany. **If you need to use Chinese technology, at the very least, some key components should be made in Europe in order for them not to be covered by China’s intelligence law,**” said Dellatte.

In the new regulatory battlefield, companies from China and the EU increasingly find themselves falling between a rock and a hard place. In Luxembourg last month, **Nuctech**, the Chinese maker of airport scanning machines, sued the European Commission in a foreign subsidies regulation case. In a statement, the company **accused the EU of “breaching public international law” by requiring it to “provide documents located in the People’s Republic of China, while being fully aware that such transfers are prohibited under Chinese law”**. In China, meanwhile, European companies are fretting over new and existing laws that they fear will be impossible to square with regulations back in Europe but which they are convinced will be used to strengthen Beijing’s geo-strategic position.

Sweeping new supply-chain legislation could see businesspeople banned from leaving China if they conduct “investigations and other information collection activities related to industrial and supply chains” there. This is despite the fact that EU authorities are requiring their firms to conduct supply-chain audits to show they comply with European standards abroad. “There is a risk that the information that needs to be collected as part of this process could be interpreted as violating Chinese law,” the EU Chamber of Commerce in China said in a statement. At the same time, new regulations on “countering improper extraterritorial jurisdiction by foreign states” seek to prevent

foreign businesses in China from complying with extraterritorial rules set abroad. “Foreign companies and individuals will increasingly find themselves caught between their home countries’ export controls and other policies, and Beijing’s demands not to comply with them, under the threat of countermeasures,” said Helena Legarda, head of the foreign relations program at the Mercator Institute for China Studies, a German think tank.

These add to continuing unease that China’s export controls on rare earths are being used to extract sensitive business information including on product design from companies that apply for licenses to ship them. While Beijing complains about U.S. export controls preventing Dutch lithographic equipment going to China, it is now doing the same on critical minerals, according to Oliver Richtberg, Manager of the Foreign Trade Department at Germany’s Mechanical Engineering Industry Association (VDMA). “They are telling our companies, ‘If you want to

use rare earths, I want to know what the application is’,” Richtberg added. “This is exactly what they don’t want in the other direction. So, it’s really schizophrenic.” A recent EU Chamber report on the controls flagged concerns about China’s ability “to map critical dependencies from the geographical level, all the way down to the industry, company and individual component levels”. “This also provides China with the ability to inflict significant damage on a company or industry in a highly targeted way should the need arise in the future,” the report stated.

For its part, Beijing has sought to head off EU efforts to build new laws de-risking from its dependencies on China. “In the case of Europe, they are doing it to de-risk from China and to some extent the U.S.; in the case of China, it doesn’t want the others to de-risk from China.” Chinese businesses argue the legislation complicates an elaborate web of rules that makes the European market less hospitable, the South China Morning Post reports.

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CHINA NEWS ROUND-UP

U.S.-China trade is declining, but the U.S. remains dependent on some Chinese goods

China’s trade with the United States has declined this year, official data shows, as U.S. President Donald Trump heads to Beijing from May 13 to 15 for a high-stakes summit with President Xi Jinping that could determine the future of economic relations between the world’s two largest economies. Both countries agreed to hold economic and trade talks in South Korea in preparation for the Trump-Xi summit in Beijing.

China’s merchandise exports to the US fell 10.2% year-on-year to USD133.4 billion in the first four months of 2026, according to China’s General Administration of Customs (GAC). **Imports from the U.S. also declined 10.9% to USD45.8 billion over the same period**, bringing the bilateral trade surplus to a cumulative USD87.7 billion for the year so far. China posted better-than-expected trade growth in April, with the exports hitting a monthly record.

In line with that, shipments to the U.S. climbed 11.3% year-on-year to USD36.8 billion last month, bucking the trend from January to March. Imports from the U.S. also increased 9% to USD13.7 billion, bringing China’s bilateral trade surplus to USD23.1 billion for April, up from USD16.8 billion the previous month. The U.S.-China trade deficit has been a major point of contention between the world’s two largest economies since Trump’s first term, when his administration launched the first trade war. But recent U.S.

Commerce Department data showed that mainland China had fallen to the fourth-largest contributor to the U.S. goods trade deficit after Taiwan, Vietnam and Mexico – its lowest ranking since joining the World Trade Organization (WTO) in 2001.

“Supply chains are diversifying, not decoupling,” said Alicia Garcia-Herrero, Chief Economist for Asia-Pacific at Natixis. “The U.S. remains reliant on Chinese intermediate inputs in electronics, auto parts and critical minerals,” she added, noting that some of these goods were transshipped to the U.S. from third markets. Even so, U.S. Trade Representative Jamieson Greer called for stability and further recalibration of the relationship in an interview with Fox News. “It’s been wildly unbalanced, with China exporting vast amounts of goods to the United States and largely blocking a lot of U.S. imports and goods,” said Greer, who is expected to join Trump on visit to Beijing. “I think there’s a world where we find out where we can optimize trade between China and the U.S. to achieve more balance.”

Beyond trade flows, a broader range of economic, financial and technology-related issues is expected to feature prominently in the coming negotiations. Beijing may raise concerns about tightening U.S. investment restrictions. Chinese foreign direct investment (FDI) in the U.S. had plunged by 90% from its mid-2010s peak, ranking only 17th for new FDI in 2024. In late April, U.S. lawmakers also advanced 20 new export control measures that could further restrict Chinese access to American technology and prevent the country’s chipmakers from gaining access to

advanced semiconductor equipment. Against this backdrop, market expectations for a comprehensive trade deal remain subdued.

“President Xi Jinping and Trump’s meeting will likely focus narrowly on trade and export controls,” Goldman Sachs analysts wrote in a report, highlighting soybeans, energy, airplanes, rare earths and semiconductors as potential focal points. “China may agree to buy more U.S. farm goods, energy and manufactured products in exchange for reduced tech restrictions and slightly lower tariffs,” they added, as reported by the South China Morning Post.

Leapmotor plans to make cars at a Stellantis plant in Spain

Leapmotor, one of China’s strongest-performing electric vehicle (EV) makers this year, **has taken a major step towards building cars locally for European customers after agreeing with shareholder Stellantis to add a production line at a Spanish plant previously earmarked for Opel.** The Hangzhou-based company and Stellantis, owner of Peugeot, Fiat and Jeep, would jointly build Opel’s new fully electric C-sport utility vehicles (SUVs) and B10 models at the Figueruelas plant in Zaragoza, according to a statement released by the Franco-Italian carmaker. Production was expected to start as early as this year, it added. The announcement came less than two months after Leapmotor opened its first overseas research and development (R&D) hub in Munich, aimed at tailoring models to international customers.

The EV maker, 21% owned by Stellantis, set up a joint venture known as Leapmotor International with the European shareholder in 2023 to promote its Chinese-made cars worldwide. The venture, 49% owned by Leapmotor, leverages Stellantis’ global resources to bolster sales. “Leapmotor, after achieving rapid growth on the domestic market, has reason to quicken the pace of its overseas expansion because its tie-up with Stellantis facilitates localization of production in markets like Europe,” said Gao Shen, an independent analyst in Shanghai. “Stellantis also needs Chinese EV technologies to enhance its competitiveness.” **Stellantis said new Opel-branded electric SUVs built at the plant would become more affordable through its partnership with Leapmotor** as the two companies joined efforts to improve supply chain efficiency.

The deal adds to evidence that Chinese EV makers, facing overcapacity at home, are increasingly adopting an asset-light strategy to assemble cars abroad at lower cost, often using idled facilities abandoned by international marques. Under a typical asset-light strategy, a company holds only a small amount of fixed assets on its balance sheet. In late March, Leapmotor founder and CEO Zhu Jiangming said deliveries outside China could exceed 150,000 units in 2026, up from a previous target of 100,000 set in December. Total sales this year were expected to surpass 1 million vehicles, a 40% increase from 2025, he added.

Leapmotor, which sells midsize smart EVs at roughly half the price of comparable Tesla models, has expanded its overseas footprint through knock-down (KD) assembly. It began producing its B10 SUVs at a KD plant in Myanmar in March and operates a similar line in Malaysia. Exports

surged nearly 400% last year to 67,052 units, helped by its partnership with Stellantis. **Leapmotor is now subject to a 20.7% additional duty on top of the standard 10% tariff if it sells its Chinese-made pure electric cars in the European Union.** Local production will help it avoid the duties and sharpen its price competitiveness. In China, the carmaker reported record deliveries of 71,387 units last month, up 74% year-on-year. From January to April, the company handed a total 181,542 vehicles to customers around the globe, up 41.2% year-on-year, the South China Morning Post reports.

China unveils the world’s first dual-core quantum computer

China has built the world’s first dual-core quantum computer, a development that could significantly enhance efficiency. The breakthrough signaled that Chinese quantum computing technology was entering a new stage. While other quantum computers rely on high energy consumption and need to be run in temperatures close to absolute zero, the design of this computer uses neutral atoms – which consume less energy and make the machine easier to maintain.

The twin cores support parallel computing – a function compared to two brains operating together – and can divide tasks between them or correct each other’s errors. The computer, named **Hanyuan-2, was developed by CAS Cold Atom Technology,** a tech firm affiliated with the Chinese Academy of Sciences (CAS) and based in Wuhan, capital of Hubei province. Quantum computers perform calculations and solve complex problems using qubits – or quantum bits – a fundamental unit of information. Developers globally have struggled when attempting to handle millions of qubits, prompting some to adopt a pragmatic approach by focusing on industrial applications involving a moderate number of qubits – typically ranging from a few dozen to several hundred. Hanyuan-2 exemplifies this strategy. Equipped with 200 qubits, its core performance metrics, including qubit lifetime, had reached “world-class standards”, the report said. Unlike alternative quantum technologies that rely on ions, photons or artificial atoms, **the computer uses neutral, uncharged atoms – which reduce energy consumption and help keep the operating temperature above that needed for other advanced computers.**

“The Hanyuan-2 adopts a standard cabinet-style integrated design and only requires a small laser cooling system to operate,” Tang Biao, General Manager of the company, said. He added that the machine’s total power consumption was less than 7 kilowatts, meaning it could be used in ordinary conditions rather than just in ultra-low temperatures. The report said the machine had built on more than two decades of expertise in quantum technology. In November last year, the company’s previous model, the Hanyuan-1, passed a significant commercial milestone by securing the first contracts with domestic and foreign customers, the South China Morning Post reports.

China to become high-income economy within one to two years

China is on track to reach high-income status within one to two years, as steady growth and structural upgrading place the country on the cusp of a key developmental milestone. “Taking a relatively conservative view, China is likely to reach the threshold of a high-income economy within the next one to two years,” said Sun Xuegong, Director General of the Department of Policy Study and Consultation at the Chinese Academy of Macro-economic Research. The Academy is affiliated with the National Development and Reform Commission (NDRC). Sun said that crossing the threshold would mark “an important milestone” and signal a new phase of development characterized by upgrades to industrial structures and shifts in household consumption patterns, in line with the country’s broader push for high-quality growth.

The outlook comes as China is now very close to this key milestone. In the World Bank’s classification in July last year, China was ranked as an upper-middle income economy with 2024 per capita gross national income (GNI) at USD13,660, versus the 2024 high-income benchmark of USD13,935. In 2025, the country’s GNI reached CNY139.4 trillion, the National Bureau of Statistics (NBS) said. Using NBS figures, China Daily estimates per capita GNI at CNY99,109 for 2025, or about USD14,503 at current exchange rates and exceeding the 2024 threshold of USD13,935. The final classification depends on the updated benchmarks for 2025 and exchange rate adjustments based on the World Bank’s calculation method, allowing the next round of income group updates to be released in July.

Marshall Mills, Senior Resident Representative of the International Monetary Fund (IMF) in China, said he saw significant potential for further expansion of China’s economy as reforms to improve resource allocation and boost consumption could lift annual GDP growth by nearly 0.5 percentage point. This will help address the challenges of a shrinking labor force and slowing productivity growth and support the country’s prospects of reaching high-income status within the next five years, he said. Beyond headline income levels, economists stressed that sustaining growth after reaching high-income status will be critical. Some economies have struggled with slowing momentum after crossing the threshold. Sun, from the Chinese Academy of Macroeconomic Research, said the key lies in strengthening innovation capacity, which China has prioritized as a strategic priority. The country’s steady rise in the Global Innovation Index rankings – where it ranked 10th in 2025 – reflects significant progress that could help it avoid the so-called middle-income trap. Equally important is maintaining social stability and improving income distribution, Sun said, adding that advancing common prosperity will be crucial to ensuring long-term, sustainable development after achieving higher income levels. With first-quarter GDP growth resilient at 5% despite rising external headwinds, Mao Shengyong, Deputy Director of the NBS, said that growth driven by technological progress and industrial upgrading will be sustainable going forward, the China Daily reports.

One-person companies become a national strategy

China is elevating the “one-person company” from a fringe business model to a national strategy, betting that artificial intelligence (AI) can turn individuals into scalable economic units, which industry experts said is a shift unfolding in parallel with the United States, but along a markedly different path. The one-person company (OPC) emerged as one of China’s hottest entrepreneurial trends recently. A research report by the State Administration for Market Regulation (SAMR) describes the sector as “entering a phase of rapid expansion”, concentrated in major economic clusters such as the Yangtze River Delta, the Pearl River Delta and the Beijing-Tianjin-Hebei regions, as well as rising inland innovation hubs.

The numbers underscore the momentum. **By June 2025, China had more than 16 million registered one-person limited liability companies, accounting for 27.4% of all enterprises.** In the first half of 2025 alone, 2.86 million new OPCs were registered, up 47% year-on-year and representing nearly a quarter of all new businesses. Unlike in the U.S., where solo entrepreneurship is often tied to gig work or digital services, China’s OPC boom is being hardwired into industrial policy and anchored in the country’s vast manufacturing ecosystem. A single entrepreneur operating behind a laptop can tap into dense supply chains spanning cities like Yiwu, Zhejiang province; Dongguan, Guangdong province and Suzhou, Jiangsu province, effectively leveraging an industrial network at national scale. That “**individual plus supply chain**” model is emerging as a defining feature of China’s approach and one with few direct parallels in Western economies, industry experts said.

Shenzhen in Guangdong rolled out an action plan in January to position itself as a global hub for AI-driven OPCs. The province in March issued China’s first provincial-level policy framework dedicated to AI-enabled solo entrepreneurship. In April, Sichuan province unveiled its own plan, outlining 16 priority tasks across five key areas to build a regional OPC innovation ecosystem. The policy shift signals a broader recalibration. Rather than simply encouraging entrepreneurship, local governments are moving to construct full-stack support systems combining funding, data access, computing power and application scenarios. The aim is to create what officials describe as a five-dimensional ecosystem spanning policy, capital, talent, infrastructure and real-world use cases. Dedicated OPC startup communities are taking shape, including a cluster in Shanghai’s Lingang Special Area that had attracted more than 500 entrepreneurs by early 2026. Guangdong has introduced specialized recruitment tracks for “super individuals”, while Sichuan plans to establish AI-focused OPC hubs by 2027.

Wang Jian, Academician at the Chinese Academy of Engineering (CAE), frames the trend as a “miniaturization” of small and medium-sized enterprises. “AI is creating significant opportunities for startups,” Wang said, as reported by the China Daily.

LineShine, built with Chinese CPUs, to surpass the world's fastest supercomputer

China has unveiled a new supercomputer built from entirely home-grown CPUs, with the aim of beating the world's fastest machine while sidestepping U.S. export controls. Known as Lingsheng or LineShine, it is designed to reach 2 exaflops – or two quintillion calculations per second – **edging past the 1.8-exaflop El Capitan, the current world record holder at the Lawrence Livermore National Laboratory in California.** Unlike other exascale supercomputers, which rely on graphics processing units (GPUs), LineShine will run entirely on central processing units (CPUs). It uses 47,000 CPUs across 92 cabinets, according to Chief Designer Lu Yutong from the National Supercomputing Center in Shenzhen. Huang Xiaohui, the Center's Deputy Director, told a conference in Shenzhen on April 24 that LineShine had achieved full-stack independence, from underlying hardware to core software, as a fully domestic supercomputer.

"By the end of 2025, we completed full system deployment and activation, with sustained performance exceeding 2 exaflops. Its performance has already surpassed that of the United States' El Capitan, returning China to the world's No 1 position," she said. Huang said LineShine used the world's most powerful CPUs and adopted an integrated architecture that supported both traditional high-performance computing and artificial intelligence (AI) workloads. Most of today's fastest supercomputers use GPUs – chips that can do the same calculation thousands of times at once, making them ideal for AI and large simulations. CPUs, by contrast, handle a wider range of tasks but process them in smaller batches, requiring far more chips to reach the same overall speed. That is why nearly all of the world's top systems, including El Capitan, are built around GPU-based designs built with chips from companies such as AMD and Nvidia. There are four exascale supercomputers on the widely watched Top500 supercomputer ranking, all of them powered by GPUs.

China's earlier supercomputers depended on a mix of domestic and foreign chips. Systems such as Sunway TaihuLight ran on Chinese-designed processors, while others incorporated U.S.-made components, including chips from companies such as Intel and Nvidia. That landscape began to shift after the U.S. government imposed export controls on advanced chips starting in 2019, restricting China's access to high-end processors used in supercomputing and AI.

LineShine is expected to run on a new CPU known as LX2, with each chip containing more than 300 computing cores. In its initial phase, the project used servers powered by Huawei Kunpeng processors, the South China Morning Post reports.

Chinese cities and companies vying to build massive AI clusters

Cities and tech companies are racing to build massive AI clusters, betting scale will drive faster model training, lower costs and wider adoption. In China, computing facilities have emerged as a new form of infrastructure over the past two years, sparking a race among cities and technology companies to build 10,000-card computing clusters. These clusters – which link 10,000 or more artificial intelligence accelerator chips – enable faster iteration of AI capabilities and significantly reduce model training times. Domestic champions, such as Huawei Technologies, Alibaba Group Holding and Moore Threads, are competing to position their chips at the center of these systems.

A 10,000-card cluster functions as a supercomputer, integrating high-performance GPUs and advanced storage into a single system. Given their scale and complexity, only a limited number of domestic providers can deliver chips for such systems. A recent note from Orient Securities identified **Huawei, Hygon Information Technology and Moore Threads as first-tier players.** "Having the capability to deliver clusters with tens of thousands of cards signifies a firm foothold in the most intensely competitive area of Sino-U.S. tech competition," the report said.

Cities across China are vying to host these projects. Many are led by the country's three state-backed telecoms operators, often in collaboration with partners across the value chain. ByteDance and Alibaba are also building private clusters to support internal AI development and provide cloud services. Alibaba, for example, recently deployed a 10,000-card cluster powered by its Zhenwu AI chips in Shaoguan, Guangdong province, in partnership with China Telecom. This followed the launch of a 10,000-card intelligent computing cluster, built with Huawei's Ascend 910C AI chips in Shenzhen in March.

Elsewhere, Harbin has emerged as a northern hub. China Mobile launched the country's largest single-operator intelligent computing center there in late 2024, with more than 18,000 domestic AI accelerator cards. In central China, Zhengzhou activated a 60,000-card cluster in April, built by state-backed supercomputer maker Sugon for scientific AI applications.

A key trend is the shift towards home-grown chips, part of China's broader push for semiconductor self-sufficiency in response to U.S. export controls. The Huawei-powered cluster in Shenzhen is the first in China fully equipped with domestically developed advanced chips. Government, finance and state-owned enterprises were expected to lead uptake due to data sovereignty requirements and strong budgets, he said. The next wave was likely to come from healthcare and education. Universities were expected to rent computing power from these clusters to support research. As AI evolves towards multimodal systems, model sizes are expanding rapidly, with parameter counts growing tenfold each year. Analysts expect cluster sizes to scale beyond 100,000 – and potentially up to one million – cards, the South China Morning Post reports.

Robots step into real-world roles in China

Robots are beginning to reshape everyday life in China as the country accelerates its embrace of embodied artificial intelligence (AI), handling tasks from cleaning homes and directing traffic to repairing equipment in hazardous factory settings. A cleaning service that launched in March on 58.com, a Chinese classifieds platform, pairs a human cleaner with a wheeled robot and an on-site engineer. The robot, from Shenzhen-based start-up X Square Robot, stands roughly 1.5 meters tall and has mechanical arms with gripping claws. The embodied AI company is backed by ByteDance, Meituan, Xiaomi and Alibaba. Each session runs three hours and costs CNY149, the same price as a standard human-only session. The robot handles repetitive tasks such as wiping tables and cleaning floors, while the human cleaner tackles harder-to-reach spots, scraping grease from crevices and removing mould. One cleaner paired with a robot said the machine could handle about 30% of the workload. Wang Qian, Founder and CEO of X Square Robot, said deploying robots in domestic settings allowed the company to collect real-world data.

The push into homes is part of a broader roll-out of robots

across public life. **Fifteen AI-powered traffic robots began operating in Hangzhou's West Lake area** on the first day of the May Day holiday. The humanoid robots, dressed in yellow vests and mounted on wheeled bases, are fully integrated with large language models. Stationed at key intersections along major city roads, they work alongside human police officers to answer tourist inquiries, warn pedestrians and cyclists against traffic violations and direct traffic flow. The police did not disclose the robots' supplier.

As robotics technology improves, machines are also pushing into heavy industry, taking over dangerous jobs that once depended on veteran human workers' experience, judgment and ability to adapt on the spot. Beijing-based Wattman, for instance, had deployed industrial robots in steel manufacturing plants to inspect and patch molten steel vessels between pours while they were still at a high temperature, according to Huxiu, a Chinese tech media outlet. The rapid spread of robots across sectors reflects a broader national ambition. China has deemed AI integration a key driver of future growth, and the country's AI Plus initiative, first announced in 2024, aims to embed AI into 90% of the economy by 2030, the South China Morning Post reports.

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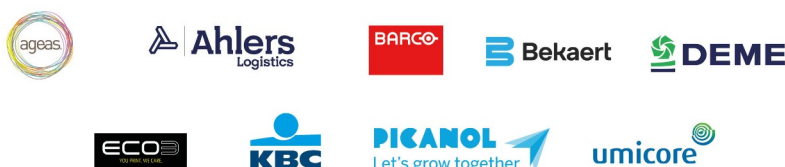
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