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FLANDERS-CHINA CHAMBER OF COMMERCE
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FCCC/EUCBA ACTIVITIES

Webinar: EU-China 2026: Trading Under Pressure, Investing Under Scrutiny
28 October 2026, 10:00 CET



The **Flanders-China Chamber of Commerce** is organizing a webinar entitled "**EU–China 2026: Trading Under Pressure, Investing Under Scrutiny"** taking place on **28 October** at **10:00 a.m. CET.**

EU–China goods trade reached approximately €760 billion in 2025, making China the EU's second-largest trading partner in goods after the United States and its largest source of imports. At the same time, the regulatory environment surrounding it has changed considerably. New EU instruments on subsidies, carbon, supply chains and economic security have entered into application in quick succession. Trade defence investigations have risen sharply, and additional duties now apply to a growing range of products. Against this background, Chinese direct investment in Europe (EU and UK) rose by 67% in 2025 to its highest level since 2018, as companies increasingly serve the European market from within it as well as from abroad, a shift that raises a different set of regulatory questions, now centred on investment screening.

In the first part of the webinar, **Mr Xiaoyi Tang, Partner, International Trade at Dentons,** will set out the current state of the EU–China trade relationship and the regulatory and commercial factors that shape it in practice, from tariffs and customs treatment through to product, origin and compliance requirements. He will conclude with the sectors in which Belgian and Chinese companies continue to find genuine commercial complementarity.

In the second part, **Mr Richard Liu, Senior Associate, Corporate and M&A at Dentons,** will address the investment side. He will briefly address greenfield investing and will then comment on the current and future foreign direct investment screening framework in Belgium.

The programme is as follows:

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

10:05 – 10:25 Presentation on EU–China trade relations, tariffs and regulatory challenges by **Mr Xiaoyi Tang, Partner, International Trade at Dentons**

10:25 – 10:45 Presentation on investment opportunities and foreign direct investment screening in Belgium by **Mr Richard Liu, Senior Associate, Corporate and M&A at Dentons**

10:45 – 11:00 Q&A session

Practical Information

Date: 28 October 2026

Time: 10:00-11:00 AM CET

Location: Online

Participation fee:

Members: Free

About the Speakers:

Mr Xiaoyi Tang is a Partner in International Trade at Dentons. He advises companies on international trade and regulatory matters, including tariffs, customs treatment, product and origin requirements, and compliance issues affecting cross-border business.

Mr Richard Liu is a Senior Associate in Corporate and M&A at Dentons. He advises clients on corporate transactions and investment matters, including greenfield investment and foreign direct investment screening in Belgium.

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PAST EVENTS

In-person Keynote: The Next Big Arenas of Industrial Competition in 2026: Shaping the Future of Chinese and Global Growth – 8 October 2026 – Ghent



The **Flanders-China Chamber of Commerce** organized an Expert Keynote: "**The Next Big Arenas of Industrial Competition in 2026: Shaping the Future of Chinese and Global Growth"** on **8 October 2026 in Ghent**. A detailed report will follow next week.

China AI in Focus: What European Businesses Need to Know Now – 19 October, 2026 – Ghent



The Flanders-China Chamber of Commerce organized an Expert Keynote: **"China AI in focus: What European businesses need to know now" on 19 October 2026 in Ghent.** A detailed report will follow next week.

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AUTOMOTIVE

"Made in Europe" strategy to force Chinese car makers to shift R&D, manufacturing



France and Germany have proposed a tighter geographic definition of "Made in Europe" and a research and development (R&D) requirement for cars to qualify for subsidies or public procurement, which industry insiders say would put further pressure on Chinese carmakers to invest in production within the bloc. The automotive sector's "Made in Europe" classification would include only the 27 member states of the European Union, with an opt-in to include European partners that were part of the EU single market as of January 1, 2020. Despite allowing for some concessions for carmakers' carbon emission targets in its discussions with Berlin, Paris succeeded in convincing Germany to adopt a strict definition of "Made in Europe". "What this agreement also brings, it's a 'Made in Europe' that is truly European, our position is based on the 27-member European Union, and that is what we managed to secure with Germany," a source at the Elysée said.

Starting in 2028, vehicles eligible for public-purchase support or public procurement would have to be **assembled in Europe, with at least 70% of total value creation in components** excluding the battery. At least 10% of the batteries would need to contain three principal components produced in Europe, including cells, according to the proposal. The legislation would mean that only a handful of countries, notably the UK – which only finalized Brexit at the end of January 2020 – and European Economic Area members such as Norway could potentially qualify, while countries like Turkey, Serbia, Japan and South Korea would be left out.

Countries like the UK and Norway would only be eligible for inclusion after they adopted the European preference scheme for the car sector and aligned with relevant

European anti-circumvention measures such as conditions on third countries' investments and Europe's trade defense measures, according to the document. This would mean that **the UK**, before it could be considered a European partner, **would have to introduce similar tariffs on China-made electric vehicles and impose import quotas** on China-made hybrid (HEVs) and plug-in hybrid electric vehicles (PHEVs). The UK has recently been engaged in a back-and-forth with the EU regarding tariffs on China-made vehicles. UK Business Secretary Jonathan Reynolds said that the country would not bow to calls from other countries for it to impose higher taxes on Chinese vehicles, but British Trade Minister Anas Sarwar said the UK and the EU should work together to tackle the challenge of Chinese cars.

The tight definition might be a blow not only to Chinese brands such as BYD, which was planning a factory in Turkey, but also to Japanese and Korean brands. The Japanese government has mounted intense lobbying efforts to be included as a partner, with its Ambassador to the EU urging that the requirement should not penalize close partners. On top of the strict "Made in Europe" definition, the joint position also outlines that **carmakers should carry out "a significant share" of their R&D in the EU**, without providing a specific number. "This will likely become an issue for Chinese carmakers," said an executive of a Chinese auto brand in Europe, adding that the lack of clarity was also an obstacle for brands which are willing to invest. While many Chinese brands have R&D centers in Europe, it remains unclear whether they could meet the proposed requirement.

The automotive sector has been a key point of tension between China and the EU. While both sides averted a full-blown trade war after negotiating a curb on Chinese HEV and PHEV exports to the EU, the EU maintained the curb would not fix the trade imbalance. The President of the European Commission Ursula von der Leyen vowed further safeguards and said during a press conference following the European Council Summit that the bloc would develop a mechanism to immediately limit access to the EU market. China's Ministry of Commerce (MOFCOM) denied that the export cap was giving in to Europe and urged the EU to "harbor no illusions about extracting concessions through pressure, still less underestimate China's determination and ability to defend its own interests", the South China Morning Post reports.

ENVIRONMENT

China supplies 70% to 80% of the world's clean energy equipment



China has firmly solidified its position as the world's largest manufacturer of clean energy equipment, supplying approximately 70% of the global market for wind power equipment and 80% for solar photovoltaic modules, according to the **Report on China Energy Development 2026**, published recently by the China Electric Power Planning and Engineering Institute (EPPEI). Driven by a more abundant and diversified domestic energy supply, China saw a landmark achievement in 2025, with the nation's combined installed capacity for wind and solar power exceeding that of coal-fired thermal power for the first time in history. In 2025, China's energy supply capacity improved significantly, playing a crucial role in enhancing the resilience of national energy security, according to the National Energy Administration (NEA).

China remains the world's largest energy producer, accounting for over one-fifth of global energy production and roughly one-third of global power generation. In 2025, the country's total primary energy production reached 5.13 billion metric tons of standard coal, a 3.6% year-on-year increase. As of the end of 2025, the nation's cumulative installed power generation capacity surged by 16.1% year-on-year to reach 3.89 billion kilowatts, the report said. Despite the rapid expansion of renewables, traditional energy sources have continued to play a stabilizing role. Coal production capacity remained reasonably abundant, with output reaching 4.85 billion tons last year, a 1.4% increase from the previous year. The oil and gas sector also saw steady output increases, with crude oil production reaching 216 million tons and natural gas output hitting 262.06 billion cubic meters, marking the ninth consecutive year that natural gas production has grown by more than 10 billion cu m. China has expanded its crude oil import sources to around 40 countries.

At the same time, the domestic energy structure has experienced profound optimization. **In 2025, the share of coal in China's total energy consumption dropped to 51.4%**, down 1.8 percentage points from the previous year. Conversely, the consumption share of clean energy – encompassing natural gas, hydropower, nuclear, wind and solar – increased 1.8 percentage points to 30.4%. Renewable energy now forms the undisputed backbone of China's power grid. **Accounting for over 60% of the nation's total installed power capacity, renewables have become the dominant force.** The combined installed capacity of wind and solar power reached 1.84

billion kW, officially surpassing thermal power to secure the top spot globally. Newly added electricity generation from wind, solar and biomass sources accounted for more than 90% of the total new electricity consumption across the country last year.

China's overall electricity demand continues to rise robustly, driven heavily by advanced manufacturing, emerging high-tech sectors and widespread electrification. The green power generation trend is expected to drastically reduce the power sector's overall carbon emissions, said Liu Zhiqiang, Deputy Director of the China Electricity Council's Planning and Development Department. The report also detailed multiple technological breakthroughs. In the realm of long-duration energy storage, large-scale vanadium flow battery stations have entered operation, and the efficiency of compressed air energy storage systems has surpassed 70%. New business models such as virtual power plants (VPPs) and distributed energy have mushroomed. The number of electric vehicle charging stations reached 20.09 million in 2025, an increase of almost 50% year-on-year.

Beyond its borders, China's unparalleled manufacturing scale has been a boon to global decarbonization, coupled with expansive direct investments. Figures released by the EPPEI reveal that over the past decade, Chinese overseas investments in thermal power exceeded 60 million kW of capacity with a total investment of over USD30 billion. From 2022 to 2025, China participated in more than 500 overseas new energy projects across 140 countries and regions, boasting an overseas solar photovoltaic capacity of over 100 million kW and wind power capacity of over 30 million kW, the EPPEI said.

The country's cumulative solar PV module exports have exceeded USD180 billion, covering more than 200 countries and regions with an overseas installed capacity of over 1.2 billion kW. Chinese solar technology giant Longi recently signed a landmark agreement with Romanian developer Enexus for 50 megawatt-hours of liquid-cooled battery energy storage systems. The deal, marking one of Longi's largest storage deployments in Europe, builds upon more than 200 megawatts of the company's solar modules deployed across Enexus projects since 2025. It underscores a strategic shift for Chinese enterprises: moving from traditional module supply to providing comprehensive, utility-scale technology collaborations.

Meanwhile, the energy landscape is undergoing another seismic shift, driven by the explosive growth of artificial intelligence (AI). The report noted that AI and the energy sector are increasingly converging, with energy systems becoming a critical testbed for AI applications, while at the same time, the massive power demands of AI computing are reshaping energy infrastructure planning, the China Daily reports.

FOREIGN TRADE & INVESTMENT

China's exports surge 36% in September; FDI inflows reach highest level in four years



China's trade momentum gained pace in September – driven by strong global tech demand and a pre-holiday shipping rush ahead of the "golden week" break – logging a monthly high for its trade surplus in 2026 and putting the country on course for another record gap this year. **Outbound shipments rose 36.3% year-on-year to USD447.18 billion last month.** The figure exceeded a forecast of 25.7% growth from economists polled by financial data provider Wind, and was higher than the previous figure of 25% in August. **China also saw imports grow by 31% last month to USD313.65 billion**, above the Wind poll's projections of 23.79% growth. **This brought China's September trade surplus to USD133.53 billion**, up from the USD119.1 billion reported in August.

Total trade for the January-September period rose 23.8% year-on-year. "Foreign trade growth in the first three quarters was the fastest in the past five years," said Wang Jun, Vice Director of the General Administration of Customs, at a press conference. From January to September, China's exports increased by 16.4% year-on-year to CNY23.2 trillion, while imports expanded by 22.3% to CNY16.74 trillion, according to data released by the GAC.

The growth in exports was driven by products in the technology sector, such as chips and electronic components, amid growing global demand for artificial intelligence computing power and electricity infrastructure, Wang said. China is on track to post another record annual trade surplus this year, after last year's USD1.2 trillion imbalance drew heightened scrutiny from Western trading partners. Its cumulative surplus had already reached USD938.11 billion in the first nine months of 2026, up about 7.2% from the same period last year, Customs data showed. Exports to the U.S. continued to rise against a low

base last year, growing 39.56% in September. **Chinese exports to the European Union rose 25.25% in September reaching a seven-month high.** Exports to members of the Association of Southeast Asian Nations (ASEAN) surged 52.26% year-on-year.

By product, exports of integrated circuits rose just 1% year-on-year in volume terms last month but surged by 136% in value terms, driven by higher prices amid a memory chip shortage fueled by a global AI infrastructure buildout. China's rare earth exports rose 6.74% year-on-year by volume in September.

The recovery of China-U.S. trade continued in September, with bilateral trade rising 4.1% year-on-year in the first three quarters of 2026. The turnaround from a contraction earlier this year pointed to the resilience of commercial ties between the world's two largest economies, as renewed efforts to stabilize bilateral relations offer a more favorable outlook for trade. Bilateral trade reached CNY3.18 trillion in the January-September period. In the first nine months, China's exports to the U.S. rose 9.8% year-on-year to USD348.2 billion, while imports increased 5.2% to USD114.4 billion. China-U.S. trade contracted 6.6% year-on-year in the first five months before returning to growth of 1.3% in the first eight months, with the increase widening to 4.1% in the January-September period.

Net foreign direct investment (FDI) inflows into China reached the highest first-half level in four years, reflecting growing foreign investor confidence as the Chinese economy shifts toward more resilient growth driven by innovation and domestic demand. China recorded net FDI inflows of USD60.9 billion in the first half of 2026, up 81% year-on-year, according to the latest balance of payments data released by the State Administration of Foreign Exchange (SAFE). "In the first half of 2026, foreign direct equity investment totaled USD63.8 billion, up 55% year-on-year, indicating that FDI inflows into China are stabilizing and gaining momentum," an Administration official said. Inflows of new capital, which reflect long-term investment intentions, rose 10% to USD43.1 billion in the first half, the official said.

Furthermore, reinvestment of earnings by foreign-invested enterprises in China increased 31%, indicating that they were using more of their earnings to expand investment with a stable willingness to invest and operate here, the official said, adding that "China's steady expansion of institutional opening-up and improvements to its foreign investment services have helped create a favorable development environment for foreign investors to invest and operate in China". "Combined with its vast market, comprehensive industrial system and strong supporting capabilities, these advantages have enabled foreign-invested enterprises to earn relatively high returns, consistently ranking among the highest across major economies," the official said.

New capital contributions by foreign direct investors into high-tech services and manufacturing saw a 61% year-on-year increase in the first half, the State Administration of Foreign Exchange (SAFE) said in the latest balance of payments report, indicating that foreign investors are shifting from seeking the cost and scale advantages of "Made in China" to participating in "Created in China".

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CHINA NEWS ROUND-UP

Autumn session of Canton Fair opens

The autumn session of the Canton Fair opened in Guangzhou, where at the opening ceremony Premier Li Qiang defended China's role in global trade and invited foreign firms to invest in the country. He said that China stands ready to import more high-quality goods, particularly high-value-added products, as part of efforts to promote more balanced trade. The nearly three-week-long event welcomed more than 32,000 exhibitors and 210,000 overseas buyers.

"International trade is not merely figures on a ledger, but a voluntary choice to enhance well-being," Li said during the keynote speech. "As both a 'super seller' and a 'super buyer', China delivers predominantly 'neighbor-benefiting' and 'neighbor-enriching' positive spillovers to all partners," he added. His remarks came as China's growing trade surplus faces heightened scrutiny from Western nations, whose officials have warned about the risk of deindustrialisation in pillar sectors. **Premier Li said market connectivity should not be treated as a "bargaining chip" in geopolitical contests, but as an effective way to generate economic growth.** The Premier also met about 70 business leaders from 30 countries and regions at a business round table held on the sidelines of the trade fair.

This year marks the 70th anniversary of the Canton Fair. From its inaugural session of just 9,600 square meters and 1,200 buyers in April 1957 to today's 1.55 million square meters and around 340,000 buyers, the fair has been held without interruption for 140 sessions. It serves as the most tangible proof of China's long-term commitment to opening-up. In 2007, at its 101st session, the Canton Fair

was officially renamed the China Import and Export Fair, changing from its designation as the Chinese Export Commodities Exhibition. That was when it introduced an import section for the first time, shifting from a one-way export platform to two-way trade one. The fair later grew into an important platform for international trade cooperation. To date, the total number of overseas buyers attending the Canton Fair onsite and online has exceeded 10 million.

In 2021, the Canton Fair was held both online and offline for the first time, fully opening to domestic buyers to help foreign exhibitors explore the Chinese market. The import section has continued to expand, with more than 1,7000 companies from over 100 countries and regions participating, including Fortune 500 companies. Apart from providing a platform, the Canton Fair epitomizes how China's products, technologies and services are enabling global suppliers to upgrade and become more intelligent, the China Daily and the Global Times report..

China to strengthen technology export controls

China is moving to strengthen the management of technology exports in its strategic frontier sectors. The Ministry of Commerce (MOFCOM) and the Ministry of Science and Technology issued a notice soliciting public opinion on proposed adjustments to China's catalog of technologies that are subject to export bans or restrictions. The draft revision, which covers 40 technologies in artificial intelligence (AI), biomedicine and photovoltaics, **prohibits exports of 14 technologies in the three sectors and restricts another 26**, while proposing automatic licensing and other facilitation measures in specified cases. Alongside the public consultation, which runs through November 15, the ministries have also introduced temporary pre-export registration requirements, effective immediately and lasting until the revised catalog takes effect.

With export controls in place to varying degrees across major economies, a Commerce Ministry Spokesperson said in a statement that the revision is "a routine part of technology trade management" and "does not target any specific country, region or entity". Cui Fan, Professor of International Trade at the University of International Business and Economics in Beijing, said that as China makes rapid advances in science and technology, "it faces an increasingly complex international environment for technological competition and cooperation". Artificial intelligence has become a key battleground in global technological competition.

According to the Commerce Ministry, the proposed adjustments include 23 key technologies spanning large models, AI agents, computing clusters and information processing. Zhao Qiuyan, Senior Engineer at the China Machinery Industry Information Institute, said it marks "a step forward in China's AI governance, helping strike a better balance between innovation and security". The Ministry Spokesperson said the proposed export controls would cover a narrowly defined range of AI technologies, adding that "the vast majority will remain freely exportable" once the revision takes effect. The security considerations extend to biomedicine, where Chinese drugmakers are gaining wider international recognition for their innovations. The catalog already covers some biomedical technologies, and the draft will add five technologies related to pathogenic micro-organisms, cell and gene therapies, as well as small nucleic acid drugs. The draft also proposes adding 12 technologies used in polysilicon, silicon wafer and solar cell manufacturing, covering key stages of photovoltaic production.

Ren Qing, Partner at Global Law Office in Beijing, noted that the proposed additions are limited to core, foundational and advanced technologies in the three sectors. Alongside targeted controls, the draft provides for automatic licensing and other streamlined procedures for eligible AI exports, including open-source releases and overseas joint R&D, and for outbound licensing of specified novel drug-target discovery and validation technologies, the China Daily reports.

"China Shock 3.0" to be driven by exports of AI, biotech and robots

The world is on the cusp of a "China shock 3.0" driven by exports of artificial intelligence (AI), biotechnology and robots, which could hit harder than the current wave, according to Alicia Garcia-Herrero, Senior Fellow at the Brussels-based think tank Bruegel and Chief Economist for Asia-Pacific at investment bank Natixis. China, while still a major importer of advanced chips, was developing its own AI hardware and software and planned to export them once domestic demand was met, Garcia-Herrero said. These exports could come alongside bundled data center and cloud services, and humanoid and industrial robots could follow, creating a shock that would exceed the current one, she said. "If you think about embodied AI, humanoid or industrial robots, think about the humongous shock that this is going to be, beyond the existing shock," she said.

Garcia-Herrero said **China's cheap energy would give it the world's lowest computing costs, carrying its competitive strength beyond industrial goods and into services.** A huge economy that is competitive across the board but largely closed to imports, she argued, must be "extremely reasonable". The term "China shock" was popularized by U.S. Economists David Autor, David Dorn and Gordon Hanson, whose research linked the surge in Chinese imports after China joined the World Trade Organization (WTO) in 2001 to the loss of U.S. manufacturing jobs and the decline of factory towns. The "2.0" wave began around 2018, though some date it to the 2020s, and has been driven by more advanced manufacturing, including cars and machinery. European and U.S. officials have accused China of overcapacity, meaning it produces far more than domestic and foreign demand can absorb, and of exporting the surplus at low prices.

China has rejected the claims. In a position paper titled "China's Position on the So-called Excess Capacity Issue," published on July 28, the Ministry of Commerce (MOFCOM) said China had never deliberately pursued a trade surplus and that its exports were driven by innovation and reform, not subsidies or weak domestic demand.

China's trade surplus reached USD938.11 billion in the first nine months of the year. On October 7 in Paris, the U.S. and 14 other economies, including the EU, signed a statement pledging action on structural excess capacity in sectors including electric vehicles, batteries, chemicals, chips and solar power.

Garcia-Herrero was a panelist at an event organized by the Peterson Institute of International Economics (PIIE) where Nicolas Lamp, Associate Professor of Law at Queen's University in Canada, argued the West should invite Chinese investment rather than treat all trade as a threat. But Garcia-Herrero was more skeptical, saying Chinese carmakers' European plants would likely be assembly operations reliant on imported parts, and that Beijing's security rules limited technology transfer. "China is impressively careful with its tech transfer," she said, adding that this is "rightly so." Yeling Tan, Professor of Public Policy at the University of Oxford and a non-resident Senior Fellow at PIIE, said China needed reassurance that the West was not seeking to contain, suppress or encircle it. All sides needed to find a way forward together, she explained. "I think we need wise and courageous politicians to get us there. It's a narrow corridor. But I wouldn't say it doesn't exist," Tan said, as reported by the South China Morning Post.

Twenty-five Chinese car brands represented at Paris Motor Show

The biennial Paris Motor Show was held last week with a record number of 16 Chinese automakers taking part to showcase their latest models and technologies. A total of 25 Chinese brands, including BYD, XPeng, Changan, Dongfeng and Leapmotor, took part, roughly double the number at the 2024 edition. Such a scale of participation from Chinese carmakers would have been almost unimaginable a decade ago. The Paris show has long served as a reliable barometer of the global auto industry, and this year's edition sent an unmistakable signal: China-Europe electric vehicle (EV) cooperation is moving from simple trade to deeper industrial integration. Compared with the previous show, Chinese brands' recognition, user base and market foothold in Europe have grown noticeably, and their development path has gradually shifted from pure vehicle exports toward deep localization, with **production bases, research and development (R&D) centers, distribution networks and after-sales systems being established across Europe**.

For a long time, some in Europe have viewed Chinese carmakers through a zero-sum lens, framing normal market competition as a shock to local industries. This year's Paris Motor Show, however, makes clear that framing such cooperation simply as a threat no longer holds against the increasingly diverse and pragmatic reality in China-Europe cooperation. Chinese carmakers are using flexible approaches such as joint plant construction and joint development to revitalize existing local capacity, drive employment and supply chains, and offer European consumers more cost-effective models.

For instance, Stellantis and China's Leapmotor announced plans in May to start joint car production in Europe, with two models to be built in Spain, deepening their tie-up beyond distribution into manufacturing. This is a win-win arrangement, as European companies need such cooperation to raise productivity, while Chinese automakers need a localized foundation to take root in the market. Europe's vehicle industry stands at a critical stage of electrification, and Chinese carmakers' strengths in batteries, electronic controls and intelligent systems align neatly with Europe's robust manufacturing base and brand heritage. Joint plants shorten construction cycles and reduce policy risk, while joint development shares R&D costs and speeds up product iteration. This is not one side swallowing the other, but making the cake bigger together. An increasing number of European industry bodies, local partners and ordinary consumers are recognizing the real value of this cooperation. The jobs created, technology spillovers and industrial increments brought by Chinese brands cannot be overlooked.

For example, BYD plans to expand its European workforce to more than 40,000 people by 2030, a target that would place the Chinese carmaker among the largest non-European automotive employers in the region, according to Bloomberg. From a broader perspective, the deepening of China-Europe EV cooperation is also a microcosm of the transformation of the global car industry. For decades, the division of labor in the global automotive sector remained relatively fixed, and China was long a latecomer playing catch-up. But in the wave of electrification and intelligence, China has built distinct advantages in batteries and intelligent driving, while Europe retains profound accumulated strengths in traditional areas. Cooperation is a two-way journey where each side brings its own strengths to jointly define new products, the Global Times reports.

World Congress of Vine and Wine held in Yinchuan, Ningxia

The 47th World Congress of Vine and Wine and the 24th General Assembly of the International Organization of Vine and Wine (OIV) have been held in Yinchuan, capital of the Ningxia Autonomous Region, and marking the first time the century-old congress has been held in Asia. The OIV's member countries account for nearly 90% of global wine production. The five-day congress has brought together representatives from 51 member countries, diplomats from 32 countries and more than 800 participants. The sixth China (Ningxia) International Wine Culture and Tourism Expo was held alongside the Congress. Yvette van der Merwe, President of the OIV, said Ningxia had drawn on the long-established traditions and practices of the global wine industry while developing wines that reflect China's landscapes, culture, technological advances and local characteristics. Ningxia's winemakers have every reason to be proud of their outstanding wines, which demonstrate technological innovation, a genuine exploration of local terroir and a strong commitment to sustainability, she said.

Van der Merwe added that **Ningxia had established a distinctive position on the global wine map** in a relatively short period, with its growing reputation driven not only by production but also by wines that showcase the region's distinctive terroir. John Barker, Director General of the OIV, said the Congress focused on transformation, innovation and sustainability. Discussions covered 423

research papers submitted from 33 countries. The Congress follows China's official accession to the OIV in 2025 as its 51st member. Belgium is also a member of the organization.

The eastern foothills of **the Helan Mountains in Ningxia have emerged as one of China's major wine-producing regions**, with favorable climate and soil conditions supporting the industry's development. By the end of 2025, Ningxia had 40,467 hectares of land planted with or designated for wine grapes, accounting for roughly 40% of China's total. Annual wine production reached 140 million bottles, ranking first nationwide. More than 1,800 wines from the region have won international awards, while Ningxia wines are now exported to more than 40 countries and regions, reflecting the industry's expanding international reach. An OIV exchange and cooperation center has also opened in Ningxia to facilitate technical exchanges and international collaboration. The **Helan Mountain Initiative**, launched at the opening ceremony, called for stronger international cooperation, more sustainable wine production and closer integration of the wine industry with local culture and communities. Ningxia has also expanded wine tourism, with 130 wineries offering a growing range of vineyard tours, wine tastings and cultural experiences, the China Daily reports.

Apple's iPhone Duo exclusively assembled in Henan province

Apple's first foldable smartphone, the iPhone Duo, is being exclusively assembled at Foxconn's factories in China as the company opens pre-orders for the new device. The move highlights China's strengths in advanced manufacturing and its continued importance in Apple's global supply chain, Chinese industry observers said. Apple Chief Operating Officer Sabih Khan visited Foxconn's manufacturing complex in Zhengzhou, Henan province earlier this month, inspecting key production processes for the iPhone Duo, as well as production lines for the iPhone 18 Pro's rear camera modules, anodized frames and system-on-a-chip components. Asked about production capacity for the iPhone Duo, Khan said that teams had been working on manufacturing development for the innovative product and were now scaling up production in line with Apple's high quality standards. iPhone Duo pre-orders started on October 16 and the smartphone will go on sale on October 23. The device features a 7.6-inch inner display and a 5.4-inch outer display, with a starting price of CNY15,999 in China, according to Apple's official website.

Manufacturing the foldable device presents considerable technical challenges. According to Foxconn staff, its hinge contains more than 100 miniature components that must fit precisely together. Apple and Foxconn developed customized automated equipment using laser scanning, machine-learning algorithms and micron-level 3D printing to improve surface flatness and minimize display creases. Wang Peng, Associate Researcher at the Beijing Academy of Social Sciences, told the Global Times that unlike conventional smartphones, **foldable devices require greater precision and closer coordination among component suppliers**, equipment manufacturers and assembly plants. China's mature industrial ecosystem provides important advantages in meeting these requirements. Wang noted that China's competitive edge goes beyond its manufacturing scale. The country has accumulated extensive experience in precision engineering, automated production and supply chain coordination, allowing manufacturers to turn complex designs into products suitable for mass production while maintaining consistent quality. Such capabilities are particularly important for a first-generation product involving new manufacturing processes.

Despite Apple's efforts to diversify production across different countries, Wang said that China's role in high-end electronics manufacturing remains difficult to replace in the short term. The case of the iPhone Duo shows that global supply chain competition increasingly depends not simply on production costs, but also on technological capabilities, manufacturing efficiency and the strength of supporting industries, he said, as reported by the Global Times.

Meanwhile, China has granted approval for Alibaba Group Holding's artificial intelligence models to be integrated into several Apple handsets, including the new iPhone Duo, in the Chinese market, also **clearing the way for the long-delayed launch of Apple Intelligence** in the country. Three AI systems have been approved for inclusion into the handsets: Apple Intelligence and Alibaba's Tongyi Qianwen and Tongyi Wanxiang, the South China Morning Post adds.

China's NEV exports surge 130% in first nine months

China's new-energy vehicle (NEV) sector delivered double-digit production and sales growth in the first nine months of 2026, with NEVs making up more than half of domestic new car sales and **exports jumping 130% year-on-year to 4.006 million units**, according to official figures. The strong overseas expansion comes as Chinese automakers shift their competitive edge from low pricing to full-spectrum technological and industrial strengths, Chinese experts said. China's NEV production reached 12.483 million units and sales reached 12.472 million units from January to September, up 11% and 11.1% year-on-year, according to the China Association of Automobile Manufacturers (CAAM). NEVs accounted for 53.6% of all new vehicles sold in China during the period, underscoring their growing share of the domestic auto market.

Liu Yan, Deputy Secretary General of the CAAM, said that the growing competitiveness of China's automotive industry has shifted from an advantage based on value for money to broader strengths centered on new-energy technology and intelligence features. The shift has not only injected fresh momentum into the global green and low-carbon transition, but also given Chinese automakers a new competitive edge over the longer term, Liu said. The recently released 15th Five Year Plan (2026-30) for the development of the intelligent connected NEV industry provides strategic guidance for the sector over the next five years, a CAAM official said. The plan focuses on breakthroughs in key technologies, closer integration of vehicles, roads and cloud systems, industrial restructuring, better industry governance and global expansion. It is expected to shift the industry from scale-driven growth to higher-quality development and boost the global

competitiveness of Chinese auto brands, the official noted. A recent survey suggested that acceptance of Chinese EVs has grown and that Chinese EV brands are increasingly being considered on factors beyond their traditionally competitive pricing.

OC&C's Global Automotive Disruption Speedometer Report 2026, based on responses from more than 8,000 drivers across nine countries, showed that 38% of the UK consumers surveyed said that some Chinese EVs matched or exceeded Western alternatives in terms of quality. That compares with a global average of 44%, rising to 48% in both France and Italy, while 35% of German respondents shared that view. Across the survey, 13% said that they would pay more for a Chinese EV and 40% would pay the same price. Chinese EV brands are also beginning to close the gap in brand consideration. Across the EU, 18% of consumers said that they would consider a Chinese EV brand, compared with 16% for a U.S. EV brand. Cui Dongshu, Secretary General of the China Passenger Car Association (CPCA), told the Global Times that while China retains strong price competitiveness, **the era of competition based purely on low prices has given way to technological advantages**. "Many of our products can now match international brands with equivalent specifications at comparable prices, and even gain premium recognition from some consumers," Cui said, as reported by the Global Times.

Chinese hybrid vehicle exports to the EU almost tripled from 2024 to 2025, rising from around 107,000 to around 302,000. Hybrid and plug-in hybrid electric vehicles (PHEVs) made up 46.6% of the European car market during the first eight months of this year. PHEV demand is booming in some of Europe's biggest markets, with registrations in the first eight months of the year up 77.6% in Italy, 33.9% in Spain and 15.6% in Germany. The European Union market grew by 30,720 vehicles in August, per ACEA data – a year-on-year increase of 4.5% – with Chinese carmakers BYD, Chery, Leapmotor and SAIC accounting for about 92% of the growth. According to the latest trade agreement between the EU and China, the EU will limit imports of Chinese hybrid cars at 350,000 units per year, rising at 6% annually. This will leave exports at less than half the 800,000 vehicles the EU has projected will be shipped in 2026. In a bid to address growing concerns from the West over trade imbalances, Beijing will cut the value-added tax export rebate rate for new energy vehicles from 13% to 9% from April 1, according to a notice issued jointly by the Ministry of Finance and the State Taxation Administration, the South China Morning Post adds.

Chinese AI models take top five positions in global token use

Chinese artificial intelligence (AI) models have taken the top five spots in weekly token usage, according to OpenRouter, a global large-language model (LLM) aggregation platform. From October 5 to 11, AI models worldwide processed 172 trillion tokens, up 3.61% week-on-week. Chinese models accounted for 86.74 trillion tokens, compared with 18.97 trillion for U.S. AI models. Token usage by Chinese AI models grew by 50.96% week-on-week, while usage by U.S. models increased by 17.1%. **It was the 24th consecutive week that Chinese models led their U.S. counterparts in token usage.** A token is the basic unit of text processed by an AI model and it has become a key measure of AI usage and computing consumption.

DeepSeek's V4.1 Flash led the ranking, processing 41 trillion tokens during the week, up 60% week-on-week. The other AI models in the top five also came from Chinese companies. Z.ai's GLM 5.3 Flash ranked second, processing 12.2 trillion tokens during the week, up 26% week-on-week. Xiaomi's MiMo-V2.6-Flash came in third, processing 11.5 trillion tokens, up 19% week-on-week. Shanghai-based AI firm StepFun's Step 5 Preview ranked fourth, processing 8.84 trillion tokens. Tencent Hy4 preview ranked fifth, processing 8.28 trillion tokens, up 27% week-on-week. During the week, the five leading Chinese models accounted for 47.9% of tokens processed. Global corporate adoption of Chinese models increased substantially in 2026, according to CNBC. Chinese models accounted for just 6% to 13% of uses on OpenRouter in February.

Chinese analysts said that the models' strong weekly performance underscored rapid growth in global uses as developers worldwide increasingly turned to Chinese companies' low-cost, open-weight models. Tian Feng, President of the Fast Think Institute and former Dean of the Intelligence Industry Research Institute at SenseTime, told the Global Times that the ranking represented an overall endorsement of Chinese models' capabilities, stability and cost-effectiveness. DeepSeek's performance was particularly noteworthy because the company significantly raised application programming interface prices for its latest flagship models in mid-August. Chinese analysts said that the steady performance by Chinese AI models is underpinned by the robust growth in AI infrastructure in the country, the constantly expanding and diversifying application scenarios and a growing digital economy ecosystem.

With several leading Chinese AI services boasting active user bases of more than 100 million, AI has entered the daily lives of Chinese people, providing a strong foundation for AI companies to generate revenue growth, said tech industry analyst Ma Jihua. In one recent example of China's AI infrastructure buildup, the **China Mobile Hohhot Data Center** in Hohhot, Inner Mongolia, which **is the largest single-site intelligent computing center** operated by any telecom carrier in the world, completed its extension project. The center boasts a total computing power capacity of 20,100 petaflops and 88% of the power needed to run the data center will be from green electricity sourced from regional wind and solar farms, the China Daily reports.

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Contact

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