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FLANDERS-CHINA CHAMBER OF COMMERCE
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FCCC/EUCBA ACTIVITIES

Webinar: Position Paper 2026-2027 European Business in China
25 November 2026, 10:00 CET



The **Flanders-China Chamber of Commerce (FCCC)** and the **EU–China Business Association (EUCBA)** are organizing a webinar entitled "**European Business in China: Position Paper 2026/2027"**, taking place on **Wednesday, 25 November 2026, at 10:00 a.m. CET.**

The **European Business in China Position Paper 2026/2027**, published by the European Union Chamber of Commerce in China, highlights the main challenges facing European companies operating in China and presents recommendations to the Chinese Government aimed at improving the country's business environment.

As China enters its 15th Five-Year Plan period (2026–2030), the country is focusing on achieving sustainable, high-quality economic growth and strengthening its position in the global economy.

At the same time, China's role is evolving for many multinational companies. Its appeal increasingly lies not only in the size of its market, but also in its world-leading supply chains and industrial clusters. As Chinese operations become more integrated into global production, companies are shifting from **'in China for China' to 'in China for the world'**.

Join us to hear about the key challenges faced both by businesses and China's economy more broadly, and the Chamber's recommendations on the steps that could be taken to overcome them.

The programme is as follows:

10h00 – 10h05: Welcome remarks by **Ms. Gwenn Sonck, Executive Director, Flanders-China Chamber of Commerce (FCCC) and EU-China Business Association (EUCBA)**

10h05 – 10h40: Presentation on the **"EU Business in China: Position Paper 2026/2027"** by **Mr. Adam Dunnett**, Secretary General, **European Union Chamber of Commerce in China**

10h40 – 11h00: Q&A Session

10h55 – 11h00: Closing remarks by **Mr. Jochum Haakma, Chairman, EU-China Business Association (EUCBA)**

Practical Information

Date: 25 November 2026

Time: 10h00 CET

Location: Online

Participation fee: Free

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PAST EVENTS

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



The **Flanders-China Chamber of Commerce** organized a webinar entitled "**EU–China 2026: Trading Under Pressure, Investing Under Scrutiny"** on **28 October 2026** with **Mr. Xiaoyi Tang, Partner, International Trade** and **Mr. Richard Liu, Senior Associate, Corporate and M&A at Dentons.**

Ms. Gwenn Sonck, Executive Director of the Flanders-China Chamber of Commerce (FCCC) introduced the topic of the webinar and the speakers, and mentioned that the webinar was organized together with the FCCC's structural partner, Dentons, one of the largest law firms in the world. In 2025, EU–China trade in goods reached around €760 billion. China is the EU's second largest trading partner in goods after the U.S. and our largest source of imports. On the export side, China is our fourth largest market after the United States, the United Kingdom and Switzerland. Last month, the EU and China held several meetings to discuss trade and investment issues. What is changing is why European companies are in China. According to a survey of European companies in China, the market remains important thanks to its size and dynamism. But for many multinationals, China's appeal comes more and more from its world-leading supply chains and industrial clusters. There is really no second China. We are moving from in China for China to in China for the world. More and more companies are also in China for its innovation capacity.

Mr. Xiaoyi Tang, Partner at Dentons Europe, based in Brussels, has been practicing international trade law for 20

years. He **talked about EU-China trade relations**, including tariffs and the main regulatory challenges. China is the 10th largest country for Belgian exports, reaching €8.1 billion and China is the 4th largest for imports to Belgium, reaching €39.6 billion, so bilateral trade reaches nearly €48 billion. **Belgium imports more from China than it exports to China with a deficit of €31 billion.** Belgian exports to China in 2025 included chemicals, machinery, plastics, optical and medical instruments. Belgian imports from China included machinery, transport, chemicals, and other products, including plastics. If you compare 2021 and 2025, you will see imports from China started from €23 billion, now it's €39 billion, so imports almost doubled. The result is the trade balance or imbalance. Looking at the EU, EU imports from China were €560 billion and EU exports to China €200 billion, which means there is a deficit of €360 billion. The EU imports machinery, vehicles, telecommunications, audio equipment, and computers, while EU exports to China include machinery, vehicles, vehicle parts, and other manufactured goods, and also including chemicals. There is talk of de-risking or decoupling, but it is difficult to find a second China which can provide goods and logistic convenience in the way China does. However, lots of raw materials supply from one country may create a risk.

Applying the concept of de-risking we see more and more trade investigations. There are many anti-dumping, subsidy and safeguard cases covering all sectors. Recently we saw a surge of cases covering high-tech products. Some imports from China may cause injury to European manufacturers because they are of higher quality and cheaper price, which means some EU products may lose their competitiveness. Starting from 2017 until 2025, trade investigations targeting Chinese imports are increasing, especially in recent years, starting from five cases in 2022, reaching 34 cases in 2024, including electric vehicles, chemicals, and solar panels. Large imports from one country are usually accompanied by an increasing number of trade investigation, usually resulting in the imposition of tariffs or quotas. China is exporting more industrial high-tech products to Europe, which indicates an increasing demand. Over the years, there is a significant change not only in numbers, but also in the categories of goods imported from China. Chemicals are also targeted by the European Commission because there is a big difference in cost. In the EU, the cost of producing chemicals is quite high due to the high energy costs. Chemicals imported from China are more attractive. China is also targeting imports from European companies, not high-tech goods, but household or consumers products like pork, brandy, and dairy products.

European car manufacturers claim there is an overcapacity in China in electric and hybrid vehicles, so duties were imposed creating a barrier for imports from China. The discussion is still going on about reaching an undertaking, a promise to sell no more than a certain number of units at a minimum import price. But since 2024, imports of full electric vehicles decreased and imports of hybrid cars from China significantly increased. In 2026, we expect almost 800,000 cars. We expect that there will be a safeguard investigation to limit quantities with provisional measures expected by the end of the year. Besides imposing tariffs to protect EU manufacturers, there are also foreign subsidy investigations. When a Chinese company acquires a European company or participates in a public tender, the EU Commission may investigate whether the Chinese company received subsidies from the Chinese government. There is also the anti-coercion instrument about forced labor, especially in Hungary.

Mr. Richard Liu, Senior Associate Corporate and M&A at Dentons, focused on investments and the future framework for FDI screening in Belgium. Direct trade is still the larger form of economic cooperation but nevertheless there is also €16.8 billion of investments – the highest since 2018 – and recently there is an increase in M&A activity as well. M&A is now almost half of total investments, next to greenfield investments where businesses come directly to the EU to set up their own business. Belgium is not a top destination but it is still an interesting market. Countries like Hungary are the most popular, but Germany and France are also catching up.

In M&A, the automotive industry is by far the most important with almost half of total investments, almost all related to the electric vehicle supply chain. Aside from buying Chinese products directly, the EU wants Chinese products to be produced here directly as well. China shipped about 922,000 cars to Europe last year and Chinese car plants in the EU will start building about 215,000 cars a year. So if exporting is becoming more complicated with tariffs and more regulations, this is where acquisitions or contract manufacturing could come from. Belgium has assets that fit this context. Zeebrugge port is the first destination worldwide for Chinese EV exports since 2024. We also have the port of Antwerp Bruges and the cargo airport in Liège. There is a Volvo car production plant in Ghent, which is also going to produce more Chinese brand vehicles. Even though Belgium has not been the main investment hub in the EU, there have been landmark Chinese investments in Belgium. You have Volvo cars in Ghent back in 2010 when Geely bought Volvo and indirectly acquired the car plant in Belgium. In terms of greenfield, we have Cainiao at the Liège airport, which is Alibaba's logistics arm. You have the China-Belgium Technology Center in Louvain-la-Neuve and the Windrose electric truck maker with its planned assembly site at the port of Antwerp Bruges. Next to the Cainiao, there are also smaller Chinese logistics companies like 4PX at the Liège airport.

The FDI screening regime in Belgium is existing for three years. It went from 68 to 100 to a total of 191 filings in a year. Most of the filings come from U.S. and UK investors. Chinese investors represent only a small number of the filings. The system is permissive as 96% of all the filings still get cleared in the first phase of the procedure. Only eight files have gone to the second phase where the authority enacts further investigations. In August 2026 there was the first rejection under this Belgian FDI screening regime from NHV, a helicopter operator in Ostend that works for offshore energy and defense and was to be sold to an Irish holding company with the ultimate shareholder being a company controlled from China. No reasons for the rejection were published, so it was all very confidential. It was not a policy change, but just a milestone. Even before the FDI screening system was put in place, there was already review and scrutiny in Belgium since 2016. One example is when State Grid attempted to acquire Eandis, which did not go through after warnings from intelligence services. There are also examples where the Belgian government is actually supporting Chinese-backed

investments such as the Volvo car production. Up to €190 million of subsidies has been agreed since July 2026. It's the same for Windrose, R&D at the port of Antwerp and Bruges, and Cainiao in Wallonia.

The screening regime is set out in the Belgian cooperation agreement of 13 November 2022. It makes a distinction between which sectors are considered more sensitive. **For the most sensitive sectors, the screening is triggered already when a stake of 10% is acquired, whilst for the other sectors, the trigger only occurs when 25% is acquired.** You also have turnover thresholds that apply to the targets. For targets of the 10% category, that would be €100 million turnover against the financial year before. A turnover threshold of €25 million against the financial year before only applies for strategic biotech companies in the 25% category. It is currently very difficult to see if your Belgian target would actually fall within scope of the FDI screening due to the lack of further guidelines and interpretations of the scope of sectors. More importantly, it does not matter if the activity which falls in scope is not the main business of the Belgian target. It is namely sufficient if one of the listed activities of the Belgian target falls within one of these sectors and thus in scope of the FDI screening. The filed cases that come up the most often are in the sensitive information sector, mainly in relation to businesses that process a large amount of personal data. If you have a Belgian target which holds a lot of customer data, this is definitely something to pay attention to.

When do you need to file? When you cross the 10% or 25% threshold depending on the sector, counting direct and indirect stakes together. For listed companies, you notify when you buy and your voting rights are frozen until the decision. With most of the acquisitions, it's never the mother entity buying directly. Usually there's a holding company in between. So some situations can be quite complicated, especially if not 100% in the Belgian target is acquired. How to calculate this? You multiply down the chain: 30% of a holding that owns 60% of the target company means 18%. So it's enough in the most sensitive sectors of the FDI scope, but not sufficient for the second category where a threshold of 25% must be exceeded. Foreign investors targeted by the screening regime entails all parties that are outside of the EU. Asset deals can be caught too if you take over a significant part of the activity of the company.

As from 17 January 2028 at the EU level additional changes will be made that will also affect the FDI screening at the Belgium level. The biggest changes in the Belgian FDI regime would relate to the procedure itself. You will have a longer fixed period that will no longer be paused or extended each time that the committee would ask a question. There's more transparency. You will have a hearing and a recent decision before conditions or a ban are imposed. Screening for now only applies when you buy into an existing company. If you build something new from scratch, you don't need to do a filing. So for many companies, greenfield investments could look like an easier route, but there are specific things to pay attention to within the Belgian legislation. The trade-off is practical. If you buy a company, you don't have to deal with employing staff or obtaining new permits, getting into new contracts with your suppliers and obtaining new customers. But you also potentially incur potent liabilities or other exposure. If you build from scratch, you have to do everything yourself. “We have a guidebook that we created at Dentons to highlight the things to pay attention to when doing business in Belgium. Please contact xiaoyi.tang@dentons.com or richard.liu@dentons.com in order to receive a copy.”

A Q&A session concluded the webinar.

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TRADE FAIRS

China International Import Expo (CIIE) held in Shanghai with record numbers of exhibitors and floor area



The 9th China International Import Expo (CIIE) was held in Shanghai from November 5 to 10 with a record number of 4,142 overseas exhibitors at this year's business exhibition – the core commercial segment – more than in any previous editions. **The total exhibition area exceeded 440,000 square meters for the first time, and more than 480 exhibits made their global, Asia or China debut at the Expo.** Despite rising uncertainties and headwinds in global trade, confidence of foreign companies in China remains unchanged, and this can be largely attributed to the country's continued efforts to advance higher-level opening-up and facilitate innovation, officials and top executives attending the CIIE said.

In his speech at the opening ceremony, **Vice Premier Ding Xuexiang said that various opening-up policies of China have been first introduced or better introduced to the world through the CIIE**. Quality products, innovative services, frontier technologies and application scenarios have all been promoted worldwide through the Expo. He said that amid a rapidly changing world economy, the consecutive CIIE editions are China's active moves to advocate an open world economy and strike a dynamic balance in world trade. Vice Premier Ding also said that China had never deliberately sought a **trade surplus**, which is mainly due to the country's position in global supply chains and its comparative advantages. The surplus **seems to be in China, but the benefits are shared by all parties. Foreign companies accounted for 27% of China's total exports and 16% of its trade surplus last year.** The so-called "China Squeeze" or "China Shock" narratives promoted by some institutions and media outlets are fundamentally untenable and rooted in a zero-sum mentality. As Ding stressed, one of the factors contributing to China's trade surplus that cannot be overlooked is that normal trade in certain high-tech products has been disrupted and restricted. **There are many products that China wants to import but cannot buy, or is not allowed to buy.** Ding called for the removal of trade barriers, warning that "overstretching the concept of national security" would only exacerbate "trade imbalances".

Despite the West's high-tech export restrictions, **China's imports grew by 22.3% to CNY16.74 trillion in the first three quarters year-on-year, outpacing the 16.4% increase in exports during the same period**. Among the 4,142 overseas exhibitors at the CIIE, those from the United States, Germany, France, the United Kingdom and some other developed economies accounted for the largest exhibition areas. U.S. companies occupied more than 50,000 square meters, retaining the top spot for the eighth consecutive year at the CIIE. Three major state-led initiatives – "Export to China", "Shopping in China" and "Invest in China" – were brought together at the CIIE for the first time this year, demonstrating the nation's firm commitment to openness and mutual empowerment.

Alexander De Croo, Administrator of the United Nations Development Program (UNDP), **said that** while the world is facing rising pressures due to economic uncertainty, geopolitical tensions and climate change, **the CIIE provides a crucial platform of dialogue and cooperation.** The value of the CIIE lies not only in opening up the Chinese market, but also in the business ties that are created and tightened in the process, sharpening competitiveness of economies and elevating prosperity, he said.

Austrian Chancellor Christian Stocker said that "Europe does not seek isolation. We seek engagement while also ensuring that our economic resilience and industrial capabilities remain strong," as he advocated deeper China-Austria cooperation in future-oriented technologies. Gabonese President Brice Oligui Nguema applauded China's green transition and digitalization. He said the zero-tariff treatment that China has comprehensively granted since May 1 to African countries that have diplomatic relations with China will help to build a community with a shared future for humanity.

This year, **the number of Fortune Global 500 companies and industry leaders attending the CIIE tops 300 for the first time.** Caterpillar is showcasing a range of digital technologies, energy solutions and services to address challenges across the infrastructure, mining and energy sectors. Senior Vice President Alan Yang considers the Expo a valuable platform to connect with customers and key stakeholders, better understand their evolving needs and explore new opportunities. This year's Expo is hosting over 2,000 first-time exhibitors, including Singapore-based Perennial Holdings. The group's project in Tianjin – China's first wholly foreign-owned tertiary comprehensive hospital – began operations in February 2025. A similar project is expected to open in Guangzhou, Guangdong province. Around 170 enterprises and 30 overseas organizations have participated in all nine editions of the CIIE. Swedish medical technology company Elekta is one of them. President for China Gong Anming said the company is shifting from introducing global technologies to developing innovations locally and bringing Chinese clinical experience to international markets.

This overview is based on reports from the China Daily, Global Times and South China Morning Post.

SCIENCE & TECHNOLOGY

Viewing China as a threat overlooks opportunities to become more competitive



Viewing China's advances primarily as a threat risked overlooking the products, expertise and partnerships that could help other economies become more competitive. China hosts 25 of the world's top 100 innovation clusters, more than any other economy, according to the World Intellectual Property Organization's 2026 rankings. Value added in high-tech manufacturing rose 13.3% year-on-year in the first half of 2026, according to the National Bureau of Statistics (NBS). Speaking at a dialogue in Beijing in October, former New Zealand Prime Minister Jenny Shipley linked China's resilience to sustained investment, its strategic focus and the ability to adjust as circumstances changed. China's development had involved pauses and changes of direction, she said, but long-term planning and disciplined implementation had helped it maintain momentum. She singled out research and development (R&D), saying China had directed funding toward priority areas and encouraged collaborative innovation.

China's R&D spending rose 8.2% to about CNY3.93 trillion in 2025, equivalent to 2.8% of GDP. The speed of China's transformation into a high-tech economy – within roughly a generation and a half – surprised some Europeans, said Slawomir Majman, Deputy Director of the Institute of Security and International Development in Poland. "It's a cognitive shock," he told China Daily. Some European industries had assumed their technological lead would endure and invested too little in R&D, he said. They had failed to prepare adequately for technological change. China, by contrast, had anticipated such changes and leapfrogged certain stages of development, Majman said, citing payment systems as an example. He described the improvement in the quality of Chinese exports as a "revolution", increasingly recognized by European consumers and businesses. Perceptions of German and Japanese products have also changed as their quality improved, he noted. Judgments about Chinese manufacturing needed to catch up with what its companies are producing.

As Chinese companies become more competitive, other countries face decisions about how to respond. Some experts said investing in innovation, learning from successful technologies and keeping trade open could help those countries strengthen their industries and gain from China's progress. Countries should study what others had achieved and use those lessons to improve their own economies. John Ross, a British Economist and former Director of Economic and Business Policy for the Mayor of London, said European countries should examine their own economic decisions rather than attribute their difficulties to China. **"Economic problems in Europe are created in Europe,"** he told China Daily, pointing to higher costs following the loss of access to cheap Russian gas and the economic costs of conflict. Ross described automaker BYD as "the best ambassador for China", saying its customers could assess the cars for themselves. Trade allows countries to draw on one another's strengths, Ross added.

The falling cost of solar technology illustrates the gains available to businesses investing in clean energy. In an analysis published in August, the International Energy Agency (IEA) said global solar module prices fell by about 50% between 2023 and 2025, lowering equipment costs for solar projects. China is a major supplier: its solar photovoltaic output increased 13-fold over the past decade, with export markets absorbing around 40% of that increase. For developing countries, the opportunities range from buying affordable products to acquiring skills and building industries, experts said. They pointed to sharing of technology, vocational training and a wider choice of partners as ways China's industrial progress could support other countries' development.

Former Ethiopian President Mulatu Teshome said electric vehicles are a challenge to industries built around internal combustion engines, but Chinese high-tech products are also a very good opportunity for developing economies and European countries. Satomi Alhaji Ahmad, Member of Nigeria's House of Representatives, said: "We have never seen China as a threat. We see China as a friend." He emphasized the benefits affordable Chinese products provided to ordinary consumers.

Glenn Diesen, Professor at the University of South-Eastern Norway, said that learning from China does not mean reproducing its model wholesale. Its scale, extensive supply chains and industrial capabilities are distinctive advantages. Other countries need approaches suited to their own circumstances, including greater autonomy in strategic industries and more diversified trade. Vice Minister of Commerce Yan Dong said in October that the Ministry had held nearly 100 "Export to China" events over the past year to help overseas suppliers connect with Chinese buyers. Investment flowing out of China offers another route for cooperation. Majman said the next stage of cooperation would involve more than trade in goods. Joint work on digital systems and green technologies could give Polish companies a role in developing new products and capabilities. China's outward direct investment rose 11.1% to USD213.6 billion in 2025. Chinese-invested enterprises overseas had 2.97 million foreign employees at the end of 2025, and outward investment was expanding into green and low-carbon industries and the digital economy, the China Daily reports.

FOREIGN TRADE & INVESTMENT

Shanghai: Gateway to global opportunities



The 2026 Shanghai City Investment Promotion Conference on November 6 served as a window for global companies to explore Shanghai's business environment, advances in economic and social development, and long-term potential. The flagship investment promotion event, part of the China International Import Expo (CIIE) at the National Exhibition and Convention Center (Shanghai), was attended by representatives from the Shanghai government, multinational companies, investment promotion agencies and academic institutions. In 2026, **Shanghai is committed to building its "five centers"**: an international economic center, financial center, science and technology innovation center, shipping center and trade center. It remains a popular business destination for global companies thanks to factors such as its stable business environment, high-quality government services and openness and inclusiveness. According to the Shanghai Commission of Commerce, in the first eight months, Shanghai recorded 4,172 newly established foreign-invested companies. Actual use of foreign capital rose 6.9% year-on-year to USD11.59 billion. The top three industries by actual use of foreign investment were leasing and business services, wholesale and retail trade, as well as scientific research and technical services.

Swiss logistics company Kuehne+Nagel established its presence in Shanghai with a small office in 1986. Now, the city is home to nearly 2,000 Kuehne+Nagel employees serving Chinese and multinational customers across sea, air, road, multimodal and contract logistics. According to Alan Ni, President of Kuehne+Nagel Greater China, over the past 40 years, Shanghai has played an important role in Kuehne+Nagel's development in China and has contributed to every achievement the company has made. "Shanghai is a major international business and logistics hub, giving us excellent access not only to the Chinese market, but also to our global network. As the core city in the Yangtze River Delta region, it brings together many of our key customers from multinational companies to increasingly global Chinese enterprises, and allows us to better understand how their needs are changing and develop the right solutions with them," Ni said.

With surging demand from industries such as electric vehicles and new mobility, renewable energy and high-tech sectors — where Chinese companies have become increasingly competitive globally – as well as the continued globalization of Chinese multinationals, Kuehne+Nagel said it is keen to leverage its expertise to help Chinese enterprises unlock business opportunities in both the domestic and overseas markets. "We are seeing more Chinese companies move from simply exporting products to building manufacturing, distribution and service capabilities in overseas markets. That changes what they need from a logistics partner. They need much more than transportation from one place to another. They need global supply chain visibility, resilience, local expertise and support in navigating increasingly complex international markets. This is where Kuehne+Nagel is well positioned," Ni said.

Applus+ Laboratories, the testing and certification division of the Spain-based Applus+ Group, established a presence in Shanghai in 2007. Today, it has built a full-spectrum testing, inspection and certification platform in Shanghai, capable of serving enterprises' changing needs, from research and development (R&D) to support for global expansion. Its Shanghai Qingpu laboratory, launched in 2025, features approximately 10,000 square meters of testing facilities, covering medical device software, cybersecurity, safety and reliability testing. It can help companies obtain certification under ISO 13485 and the Medical Device Regulation (EU) 2017/745. With emerging business opportunities in the Chinese market in recent years, Applus+ Laboratories has been expanding its capacities in the country, with most of them settled in Shanghai. Its investments in factory facilities and equipment in the Qingpu district of Shanghai alone have exceeded CNY200 million.

In June, Applus+ Laboratories announced the establishment of Applus+ (Shanghai) Investment Co in Qingpu district, with registered capital of CNY220 million, marking the launch of its Asia-Pacific headquarters. By the end of August, CNY41.5 million in paid-in capital had been secured. "For Applus+ Laboratories, Shanghai is no longer just an entry point to the market; it is our home," said Josep Prat Solergibert, President of Applus+ Laboratories in Asia. "The gathering of numerous global TIC institutions in Shanghai is not a sign of 'saturation'; rather, it is the best proof of Shanghai's uniqueness," said Prat. Applus+ Laboratories remains bullish about China's development with Shanghai serving as the "brain". "Shanghai serves as our command hub. We believe what **Shanghai** offers is something no simple cost-benefit calculation can capture: it **puts you right next to the customers, regulators, talent, and supply chains that determine who wins.** We keep investing in Shanghai because the returns we've seen in knowledge, partnerships, and market access have consistently exceeded our wildest expectations. If you want to compete in the industries of the future, place your most demanding compliance and quality work where innovation is most concentrated, and today, that place is Shanghai. Please don't come to Shanghai as a mere visitor. Come as a long-term investor. This is a city that truly rewards both patience and ambition," the China Daily reported.

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CHINA NEWS ROUND-UP

Open source only path to sustainable AI, says Alibaba Chairman

Open source is the only viable path to creating a sustainable artificial intelligence industry, Alibaba Group Holding Chairman Joe Tsai said at the opening ceremony of the annual World Internet Conference Wuzhen Summit in Zhejiang province. Tsai pointed to a growing convergence around open ecosystems among domestic tech companies. “Only through open source can AI become popularized, and only through popularization can we create a sustainable, inclusive intelligent era,” the Alibaba Co-founder told attendees at the event backed by the Cyberspace Administration of China and the Zhejiang provincial government. Tsai framed China’s leading role in the global open-source landscape around what he called the “spiritual core of Chinese innovation”. This philosophy, he said, focused on “transcending self-interest to enhance the common well-being, elevating collective wisdom through sharing, and creating greater value by helping each other succeed”.

His remarks aligned with the Summit’s broader political tone. In a keynote address, **Premier Li Qiang advocated for “inclusive balance” and “open dialogue”** in the development of AI and the internet, while warning against “overstretching national security concepts” and erecting a “digital iron curtain”. China has thrown its weight behind open-source AI as part of its broader push for technological self-reliance amid an escalating rivalry with the U.S. Late last month, prominent Chinese AI firms DeepSeek and MiniMax secured regulatory approval to release and license open-source systems overseas. Granted days after authorities proposed new export restrictions on AI-related technologies, the clearances ensure that domestic champions can continue distributing model weights internationally. While leading U.S. companies such as OpenAI and Anthropic have argued that powerful open-weight models pose safety risks, an increasing number of developers globally are turning to open alternatives.

Andrew Ng, Chief Scientist at Baidu, said in August that open-weight systems “seem safer to me than closed-weight models”. Ng noted that he had used two Chinese models – Moonshot AI’s Kimi K3 and Z.ai’s GLM-5.2 – to conduct security reviews on a new AI agent tool. Within China, Alibaba has emerged as one of the most active promoters of open-source AI. Its flagship model family, Qwen, now has more than 470 open-source variants, with total downloads exceeding 4 billion and more than 330,000 derivative models created to date. Tsai said open weights significantly lowered research and development (R&D) costs for smaller businesses and developing nations.

China-EU’s diversification proposal risks hurting competitiveness, say Chinese experts

The European Commission (EC) unveiled its 2027 work program, outlining plans for a dedicated diversification instrument, which the bloc claimed was intended to strengthen its resilience and accelerate supply chain diversification, as the European Commission continues to consider further restrictions on Chinese imports. The EU's push to reduce so-called over-reliance on China through trade restrictions could backfire by raising costs for European manufacturers and weakening their competitiveness, while undermining China-EU economic cooperation and mutual trust, Chinese experts warned. In the work program, the EC explicitly referred to the Chinese market, asserting that access, along with cheap imported energy and raw materials, and open global trade, was no longer the foundation for a thriving EU economy that it once was. The bloc claimed that economic independence had therefore become a priority for Europe. Euronews reported on October 29 that the diversification proposal was directly aimed at China, linking it to concerns over the EU's reliance on Chinese supplies of critical raw materials and other strategic products. Notably, the diversification plan has raised concerns among European businesses about the costs of finding alternative suppliers.

“Companies are already doing the maximum to have a cost-effective structure,” Luisa Santos, Deputy Director General at BusinessEurope, told Euronews. “If they are working with certain suppliers, it is because they are the ones that have the best offer in terms of the product, regarding its cost and performance.” “There is nothing inherently wrong with diversifying supply chains, as this is a choice the EU is free to make. However, diversification should not be driven by the politically motivated goal of decoupling from China or imposing artificial barriers on normal trade," Jian Junbo, Director of the Center for China-Europe Relations at Fudan University, told the Global Times. If diversification policies are primarily aimed at arbitrarily decoupling from China, they could undermine the stable and mutually beneficial economic and trade ties between China and the EU, Jian said.

The proposals come as the EU continues to impose restrictions on trade with China. Huang Ling, Spokesperson for China's Ministry of Commerce (MOFCOM), criticized the EU's introduction of a €2 handling fee on low-value imports starting November 1,

following the implementation of a €3 tariff in July, and the combined impact of the two measures on Chinese cross-border e-commerce exporters. Huang said China is paying close attention to the EU's new regulations, noting that cross-border e-commerce, as a new form and model of international trade, provides businesses and consumers around the world with a diverse range of choices. Many Chinese products imported by Europe are intermediate goods used in manufacturing. Replacing them with supplies from other sources could significantly increase production costs and weaken European companies' competitiveness, while reduced access to affordable consumer goods could add to inflationary pressures, Hu Qimu, Professor at the Maritime Silk Road Institute of Huaqiao University, told the Global Times. Moreover, the unilateral restrictions could undermine respect for World Trade Organization (WTO) rules and erode trust in China-EU trade talks, said Hu.

China and EU are partners, not rivals, says Ambassador Cai

China and the European Union should strengthen dialogue, manage their differences and expand cooperation in emerging areas such as artificial intelligence (AI) to ensure the stable development of their relationship over the next 50 years, Chinese Ambassador to the EU Cai Run said. Speaking at the 14th China-Europe Forum in Brussels, Cai said the two sides should remain committed to their partnership, resolve economic and trade disputes through consultation, and respect each other's core interests and major concerns. **"We are partners, not rivals, still less adversaries," Cai said.** "China is not the source of the economic problems facing the EU, but a partner it can count on in addressing them." The forum, themed "The Next 50 Years: Navigating Global Transitions in an AI World", was jointly organized by the Chinese Mission to the EU, Brussels-based think tank Friends of Europe and the China Public Diplomacy Association.

Cai said China-EU relations had maintained steady momentum despite challenges. According to Chinese statistics, bilateral trade reached USD693.6 billion in the first nine months of 2026, up 12.9% year-on-year, while two-way investment exceeded USD290 billion. He highlighted the progress achieved at the recent second meeting of the China-EU trade and investment consultation mechanism, where the two sides reached 16 deliverables and understandings covering trade and investment balance, export controls, intellectual property rights and World Trade Organization (WTO) reform. The two sides agreed to hold the third meeting in March next year. "The agreement on these 16 deliverables and understandings fully demonstrates that both sides have the willingness, capability, and wisdom to resolve issues through dialogue and consultation," Cai said. Turning to artificial intelligence, Cai said China and the EU possessed distinct strengths and should expand exchanges and cooperation to make AI a new growth area in bilateral relations while jointly advancing global AI governance.

Stefano Grassi, Director for External Relations at the European Commission's Secretariat-General, highlighted the deep economic ties between China and the EU, noting that China was the EU's third-largest trading partner while the EU is the first export destination for China. He stressed that China and the EU were highly integrated economically, and underscored the importance of jointly addressing economic challenges. Wu Haitao, Vice President of the China Public Diplomacy Association, also emphasized the importance of dialogue in shaping the next 50 years of China-EU relations. "Despite our differences, we are all willing to resolve them through dialogue and consultation. This is a very good starting point," Wu said, adding that "differences are inevitable, but how we resolve them matters greatly to both sides". Against a backdrop of growing geo-political uncertainty, Wu called on the two sides to play a constructive role in global affairs. "As two major constructive forces in the world, China and the EU should provide stability and certainty to a world marked by turbulence and change," he said, as reported by the China Daily.

Number of U.S. and European buyers at Canton Fair soars over 20%

The number of European and American buyers attending the Canton Trade Fair rose by 38.2% and 22.2% respectively, though exporters on the floor said economic headwinds in the West continued to act as a drag on deal making. The increases far outpaced a 12.2% overall rise in buyers. The value of the export deals announced at the Expo, however, was up just 4.1% from the April session at USD26.75 billion. The total was also 8.7% lower than the value of deals agreed in autumn 2019, the last Canton Fair held before the Covid-19 pandemic. Some of the more than 32,000 Chinese exhibitors at the event in Guangzhou pointed to economic struggles in Europe and foreign exchange volatility as reasons for the light growth in anticipated deals.

Economic growth in the euro zone slowed to 0.4% in the third quarter, down from 0.6% in the second quarter, according to Eurostat, while annual inflation reached 3.8% in September. Customers in the EU were also reluctant to absorb rising Chinese production costs, leaving exporters struggling to maintain margins, squeezed by a stronger yuan. Recent rises in the yuan mean exporters paid in euros or U.S. dollars lose money when they convert their earnings into the Chinese currency, while rising material costs had made things even more difficult. Chinese exporters would face growing pressure to rethink a business model built on low prices and large volumes. Exporters displayed 4.88 million products at the fair, with the number of AI-powered products on offer up 14.1% compared with April, the South China Morning Post reports.

Zhejiang entrepreneurs promote the innovative spirit

The innovative spirit of Zhejiang entrepreneurs is the key to their enduring success, and will ensure Zhejiang maintains robust development, said Wang Hao, Party Secretary of Zhejiang province. Speaking at the opening ceremony of the Eighth World Zhejiang

Entrepreneurs Convention in Hangzhou, the provincial capital, Wang highlighted the indispensable part played by entrepreneurs from Zhejiang. **"Private businesses have contributed 67% of the province's GDP, 73% of its tax revenue and 87% of the employment,"** said Wang. "And 96% of business entities in Zhejiang are from the private sector. For Zhejiang's entrepreneurs, innovation is innate – it is in their DNA and in their blood – and it is the winning formula for building lasting businesses," he said.

It is estimated that more than 6 million businessmen from Zhejiang live across China and another 2 million reside in over 180 countries and regions around the globe. The province's GDP surpassed CNY9.45 trillion in 2025. During the first three quarters of 2026, its GDP grew to over CNY7.32 trillion, up 5.6% year-on-year and 1 percentage point higher than the national average. New and emerging industries such as the digital economy and artificial intelligence (AI) have become major drivers of growth, according to a report released by the Zhejiang Enterprises Research Center. The core industrial output of the AI industry reached CNY700 billion in 2025.

In recent years, Zhejiang is fast developing into an innovation hub, nurturing such prominent startups as DeepSeek, an AI company known for its open-source models; **Game Science**, which developed the global hit game Black Myth: Wukong; **and Unitree Robotics**, a global leader in quadruped robots. Innovation is helping companies in traditional industries go through the transition as well. Leveraging a database of 700,000 patterns, Wensli, a major manufacturer of silk fabrics, has built the silk industry's first AI-generated content large model for pattern design, which can generate a first draft in just minutes, a task that usually takes two to three days. Its self-developed machinery has also cut waste water discharge by 99%. "Innovation is not simply changing tracks," said Tu Hongyan, Chairwoman of Wensli. "It is how new ways can be developed through new technologies to appeal to new generations." It is imperative that businesses proactively embrace innovations like AI, promote the integration of digital technologies with the real economy and boost long-term competitiveness to break through growth bottlenecks, said Nan Cunhui, Chairman of the CHINT Group, a leading smart and new energy solutions provider, as reported by the China Daily.

Huawei unveils desktop PC with only Chinese components

Huawei Technologies has launched its first desktop computer powered by its proprietary operating system, HarmonyOS, touting the device as "100% domestically made" in its latest push for technological self-reliance. The Shenzhen-based company unveiled its Qinyun HM650 series desktop computers for enterprise and government users, powered by the self-developed Kirin X90 processor, which debuted in Huawei's consumer laptops and tablets last year. The company said the new desktop line-up used entirely China-made components, from the processor to memory modules, making it the country's first desktop computer to receive certification as "100% domestic". Zhu Dongdong, Executive at Huawei's Tablet and Personal Computer (PC) unit, said the company achieved a fully domestic component rate by combining in-house development of core technologies, joint development for key parts and large-scale production of general-purpose hardware. Speaking at a launch event in Wuhan, Zhu said the achievement reflected collaboration across China's broader computer supply chain.

The Qinyun HM650 series runs on HarmonyOS V1.0, an enterprise version of Huawei's self-developed operating system for computers. It marked the first time Huawei deployed the system on its desktop products. The launch underscores Huawei's efforts to seek greater tech self-reliance under U.S. sanctions that have restricted its access to advanced foreign technology. HarmonyOS, originally developed as an alternative to Google's Android platform, has steadily expanded beyond smartphones into the PC market. Huawei had sold over 1 million HarmonyOS PCs as of October, according to Zhu, who said the figure was expected to reach 1.2 million by the end of this year.

The company has also accelerated efforts to replace American technology in its PC business after Washington revoked special licenses in 2024 that had allowed chip suppliers Qualcomm and Intel to sell older-generation semiconductors for Huawei's laptops and smartphones. Its Kirin X90 chip – a central processing unit developed by Huawei's chip-design arm HiSilicon – received a Level 2 national certification for security and reliability last year, paving the way for wider adoption among government agencies and enterprise customers. Before Washington tightened restrictions, most Huawei consumer laptops relied on Intel's Core processors, while some used Qualcomm's Snapdragon chips, the South China Morning Post reports.

China launches anti-dumping investigations into para-aramid yarn and ethylidene norbornene imports from EU

China's Ministry of Commerce (MOFCOM) has initiated an anti-dumping investigation into imports of para-aramid filament yarn originating from the EU, as well as imports of ethylidene norbornene originating from the EU and Japan. The investigation into ethylidene norbornene imports was launched following an application filed on October 9 by Henghe Materials Science and Technology Co, on behalf of the domestic ethylidene norbornene industry. MOFCOM reviewed the application and determined that it met the requirements under China's anti-dumping regulations. The designated dumping investigation period spans from July 1, 2025, to June 30, 2026, while the investigation into the injury to the industry covers January 1, 2023, to June 30, 2026. The case is expected to conclude by November 6, 2027, with a possible six-month extension under special circumstances. The investigation into para-aramid filament yarn was launched following an application filed on October 12 by Sinochem High Performance Fiber Materials Co and Tayho Advanced Materials Group Co on behalf of China's para-aramid filament yarn industry.

A MOFCOM spokesperson said preliminary evidence submitted by the applicants shows that imports of para-aramid filament yarn from the EU remained at a high

volume between 2023 and the first half of 2026, with cumulative price declines exceeding 50%. Imports of ethylidene norbornene from the EU and other regions grew by 27.35% cumulatively from 2023 to 2025, and surged 56% year-on-year in the first half of 2026, while prices showed an overall downward trend. The applicants contend that the dumped imports have caused injury to the production and operation of China's domestic industry.

It should be emphasized that **since the beginning of 2026, the EU has launched 16 trade remedy investigations targeting China**, nearly doubling the number from the same period last year. Among them, nine cases involve chemical products, accounting for nearly 60% of the total. In particular, since mid-October, the EU has consecutively initiated anti-dumping investigations against Chinese furfuryl alcohol and polyvinylidene fluoride, said the MOFCOM spokesperson. Compared with the number of trade-remedy cases initiated by the EU against China, China has all along exercised prudence and restraint in the trade-remedy field, the spokesperson stressed. “The EU needs to face up to its own economic and trade problems,” the spokesperson said, stressing that protectionism cannot enhance competitiveness, and resolving each other's concerns through dialogue and consultation is the right path forward.

Ethylidene norbornene (ENB) is a chemical used primarily as a third monomer in the production of ethylene propylene diene monomer (EPDM) rubber to enhance vulcanization speed and cross-link density. It is also used in synthetic resins, plastics, elastomers and pharmaceutical intermediates.

Para-aramid filament yarn is a high-performance synthetic product featuring excellent properties including low density, high strength, cut resistance and electrical insulation. It is used in the production of reinforcing materials for optical fiber and optical cables, bulletproof fabrics, and cut-resistant textiles, the China Daily reports.

Success of Levi in China due to localization

U.S. apparel retailer Levi Strauss & Co says it is bullish on China and plans further investment and new store openings, riding robust growth driven by young shoppers. While the consumer market in China remains challenging for many multinationals, with a host of foreign brands shuttering stores amid rapid market shifts and broader consumption headwinds, Levi’s sees itself as an exception. “We are going to be able to see China become a much bigger portion of our business globally,” Executive Vice President and Chief Commercial Officer (CCO) Gianluca Flore, said. “I’m aware of other brands, even luxury brands, that are reducing their footprint. I’m personally and professionally bullish on China.” He added that Levi’s was a relatively small brand, macro-economic shifts were not affecting it directly, and he believed the macro-economic environment in China would eventually improve.

The company, headquartered in San Francisco, says its business outside North America makes up more than 60% of its global business. Asia accounts for a relatively small share, but it views the region – and China in particular – as an important long-term growth opportunity. In the third quarter, Levi’s net revenues in Asia rose 10% year-on-year, marking the third straight quarter of double-digit growth. Flore said the company’s performance in China had improved markedly in the past 12 months, and it had reset its expectations. He said Levi’s core consumer base in China was fashion-forward and trend-conscious, with an average age of 20 to 30. He attributed the growth in China to a strategy that adopted a global framework but included **strong local nuances in marketing and product offerings that were tailored to Chinese consumers**. “Within the global assortment, we have some fine tuning, some nuances that we bring to the products in certain cases,” Flore said. “We are really open, and we try to be flexible and agile to adapt to that nuance.” He said the company followed a key city strategy that prioritized investment and marketing efforts in first-tier cities, while actively cooperating with local partners in operating some franchise stores.

Wang Tianshi, Analyst at the Shanghai-based LeadLeo Research Institute, said that foreign retailers seeking to gain a foothold in the Chinese market needed to “first flatten organizational structures”. “Merchandising must cater closely to local niche preferences in China, reduce standard global sourcing and expand locally developed products. Only by keeping pace with China’s fast-shifting consumption trends can foreign retailers turn their brand equity into sustainable competitive advantages,” Wang said, as reported by the South China Morning Post.

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