

# EURObiz

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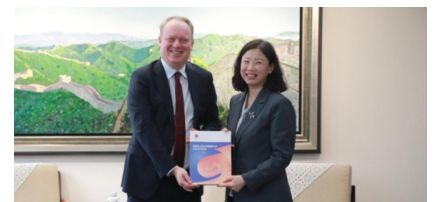
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# President's Foreword

## Balancing supply and demand key during trade uncertainty

China's efforts to boost domestic consumption have taken on newfound importance in the face of unprecedented trade tensions with the United States (US). In 2024, the US was the destination for 14.7 per cent of Chinese exports, and the origin of 6.3 per cent of imports into China.<sup>1</sup> Collectively, US-China trade last year was worth nearly United States dollar (USD) 700 billion,<sup>2</sup> meaning that newly added tariffs, even at reduced levels, will have a significant impact on China's economy.

Boosting domestic consumption has emerged as one of the primary means to offset the negative impact of tariffs, with a Ministry of Commerce statement released in April highlighting the domestic economy's role as a 'strong backstop' for foreign businesses to cope with external shocks.<sup>3</sup>

However, addressing domestic consumption is an ongoing exercise that was seen as essential to support China's economy, even before trade tensions with the US increased its urgency. The 2025 *Report on the Work of the Government*, released before this year's National People's Congress, prioritised boosting consumption, listing it as the top major task for 2025.

But even a sizable increase in domestic consumption would be unable to make up for the reduction in US demand, and some are concerned that the most likely interim solution will be to offload excess goods on the European Union (EU).<sup>4</sup> Yet since the EU has shown continued willingness to respond to market distortions through trade defence measures, this solution is unlikely to be viable in the long term. It would also risk further straining the EU-China relationship at a time that many view as ripe for rekindling ties.

While it may seem like China has few options for offsetting a decline in US export demand, increasing consumption is only one part of the equation. Overcapacity and involution, both problems that were present before the increase in US-China trade tensions, must be addressed in tandem with any consumption boost. Without this, the benefits of increased consumption will be cancelled out either partially or wholly by the overproduction of goods. While boosting consumption and addressing overcapacity and involution would have been necessary even in the absence of US-China trade tensions, the current circumstances further raise the stakes.

While the US has put China in a difficult position, it is important that any actions taken to remedy the situation do not harm China's relationship with other partners, like the EU. The most effective approach would be to implement balanced measures that tackle fundamental economic issues—both on the supply and demand sides—to restore market equilibrium. **EB**



**Jens Eskelund**

### President

European Union  
Chamber of  
Commerce in China

<sup>1</sup> Full text: *China's Position on Some Issues Concerning China-US Economic and Trade Relations*, Xinhua, 9<sup>th</sup> April 2025, viewed 29<sup>th</sup> April 2025, <[<sup>2</sup> Ibid.](http://english.scio.gov.cn/whitepapers/2025-04/09/content_117814362_3.html#:~:text=Currently%2C%20the%20US%20is%20China%27s,and%20imports%20for%20the%20year.></a>></p>
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<sup>3</sup> Inter-ministerial Working Mechanism Meeting for Promoting the Integrated Development of Domestic and Foreign Trade and Promoting the National Foreign Trade Superior Products China Tour Held in Beijing, Ministry of Commerce, 19<sup>th</sup> April 2025, viewed 6<sup>th</sup> May 2025, <[https://www.gov.cn/jianbo/bumen/202504/content\\_7021146.htm](https://www.gov.cn/jianbo/bumen/202504/content_7021146.htm)>

<sup>4</sup> Shear, M. and Smialek, J., *Why Europe Fears a Flood of Cheap Goods From China*, *The New York Times*, 14<sup>th</sup> April 2025, viewed 29<sup>th</sup> April 2025, <<https://www.nytimes.com/2025/04/14/world/europe/europe-china-dumping-tariffs.html>>

# Foreign companies in China's e-commerce market



## IP and data protection rules

The sheer size of China's e-commerce market can present extremely lucrative opportunities for foreign companies looking to sell their products online. But those looking to enter the market need to ensure they take the necessary steps to protect their intellectual property (IP) and successfully navigate complex data protection rules. In this article, **Tang Panpan** of **CMS China** outlines what foreign businesses should do to protect their brand in China.

China has a vast consumer base and a rapidly growing e-commerce market, presenting immense business opportunities for overseas companies. According to data from the China Business Intelligence Network, as of December 2024, the number of online shoppers in China was 974 million.<sup>1</sup> Data from the National Bureau of Statistics shows that total online retail sales in 2024 were Chinese yuan (CNY) 15.52 trillion, with a growth rate of 7.2 per cent.<sup>2</sup> China has now

<sup>1</sup> In 2024, the number of online shopping users in China will reach 974 million, accounting for 87.9% of the total number of Internet users, China Commercial Industry Research Institute, 15<sup>th</sup> March 2025, viewed 29<sup>th</sup> May 2025, <<https://www.askci.com/news/chanye/20250315/143000274202019921236654.shtml>>

<sup>2</sup> Statistical Communiqué of the People's Republic of China on National Economic and Social Development for 2024, 26<sup>th</sup> February 2025, viewed 29<sup>th</sup> May 2025, National Bureau of Statistics, <[https://www.stats.gov.cn/sj/zxfb/202502/t20250228\\_1958817.html](https://www.stats.gov.cn/sj/zxfb/202502/t20250228_1958817.html)>

been the world's largest online retail market for 12 consecutive years.<sup>3</sup>

Given this enormous e-commerce market, it is no surprise that the country is highly attractive to overseas companies – including those that have yet to enter the Chinese market and those already operating in China but that have yet to establish a significant presence on e-commerce platforms.

**974** MILLION

online shoppers in China as of December 2024, highlighting the country's vast consumer base.

**CNY 15.52** TRILLION

total online retail sales in 2024, with a 7.2% annual growth rate, showcasing the rapid expansion of China's e-commerce market.

**12** CONSECUTIVE YEARS

as the world's largest online retail market, underscoring China's dominant global position in e-commerce.



However, to build competitiveness and trust in a brand, companies must ensure they protect their IP and comply with the country's data protection laws. Ignoring these issues can damage a brand's reputation, reduce market share and expose a business to legal risks. To fully leverage the potential of China's e-commerce market and promote consumption, companies must prioritise the following:

## 1. Key considerations for intellectual property protection

China's e-commerce market is characterised by a diverse range of platforms, each catering to different consumer segments and offering unique opportunities for brands. Major platforms include Tmall, JD.com, Pinduoduo, Douyin, Xiaohongshu and WeChat. As a first step to entering the e-commerce space, companies should consider establishing an official presence on these platforms, particularly by setting up official flagship stores. This not only enhances brand visibility but also leverages the trust and traffic offered by these platforms.

### a) Trademark strategy as a crucial foundation

When it comes to onboarding new brands, major e-commerce platforms have similar authentication requirements, with trademarks being a key component. Most platforms require a registered trademark certificate for flagship store applications, while some may accept a trademark application receipt. Initially, the trademark provided must match the name of the flagship store. Later, when products are listed in the store, the brand owner must ensure that the certificate

or application receipt of the trademark that covers the products intended for listing has been properly recorded on the platform. Therefore, companies should prepare for the registration of their trademarks in China in advance.

Many overseas companies extend their international trademarks to China through the World Intellectual Property Organization (WIPO). However, this approach can be problematic. International trademarks may not cover goods that align with China's unique trademark classification standards. China has its own version of standard goods and services based on WIPO's Nice Classification, which is tailored to the domestic market. When extending the international trademark application to China, such extended applications may lead to registration delays or rejections, as the goods specified in the international application may not match the specific standard used for goods and services in China. Moreover, such trademarks may not seamlessly connect with the domestic consumer market. For example, the Chinese market often features more finely segmented products with more precise names for goods. For these reasons, it is generally advisable to register trademarks directly in China. By working with local professional trademark agencies, companies can receive guidance on selecting product names that better fit the Chinese market. This direct approach allows for greater control over the registration process in terms of both timing and outcomes.

<sup>3</sup> China's online retail industry has strong resilience and vitality and has become the world's largest market for 12 consecutive years, Insight and Info, 20<sup>th</sup> February 2025, viewed 29<sup>th</sup> May 2025, <<https://www.chinabaogao.com/market/202502/743306.html>>



Additionally, overseas companies should prioritise registering the Chinese version of their foreign trademarks. Chinese consumers are accustomed to identifying brands in Chinese, so registering a Chinese version of the brand name and using both Chinese and English names for flagship store names and social media accounts is an advisable long-term strategy.

#### **b) Contractual considerations with local partners**

For overseas brands utilising Chinese e-commerce platforms, a common business model involves operating through a domestic subsidiary or partnering with a professional e-commerce management company. One frequent issue that arises in this context is the need to replace underperforming partners. Without a clear mechanism for transitioning between partners, this process can become cumbersome and legally complex.

At the beginning of a partnership, both the brand authorisation documents submitted to the platforms and the commercial contracts with partners often fail to outline an efficient process for ending the agreement; for example, when the brand owner adopts a sample authorisation letter provided by the platforms, which typically does not include a clause on termination. However, a commercial contract may generally stipulate that the mutual consent of both parties can terminate an agreement. Still, it fails to establish a mechanism for the brand owner to unilaterally terminate an agreement. This oversight can create significant obstacles when it comes time to replace a partner. To avoid such complications, it

is essential to establish clear contractual provisions that facilitate a smooth transition between old and new partners.

#### **c) Proactive IP protection to combat infringement**

To effectively address the challenges of China's e-commerce landscape, brands must remain vigilant in protecting their IP from infringement by other sellers operating on Chinese e-commerce platforms. The vastness and dynamism of the country's e-commerce market mean that counterfeit products and unauthorised use of trademarks can pose significant risks to brand integrity and market share.

**Brands must remain vigilant in protecting their IP from infringement by other sellers operating on Chinese e-commerce platforms.**



To mitigate these risks, it is crucial for brands to engage with the IP protection mechanisms offered by major e-commerce platforms as early as possible. Most platforms provide tools and procedures for reporting and addressing infringement issues. Brands should also consider hiring dedicated teams or partnering with specialised agencies to monitor and handle infringement cases. Regular monitoring of listings, swift action against counterfeiters and proactive engagement with platform authorities can help maintain a brand's exclusivity and protect its market position.

#### **d) Compliance in marketing activities**

Effective marketing is crucial for success in China's e-commerce market. Brands must not only promote their products through their own social media accounts, but also collaborate with influencers and engage in co-branding activities. However, when creating engaging content, brands often overlook the importance of copyright protection.

Disputes over the copyright of images, fonts and texts are increasingly common. For example, a company might publish a promotional article on its WeChat account, only to receive a notice of copyright infringement for using a commercial font without paying the required licence fees. Such situations not only lead to legal disputes but also have a significant impact on a brand's reputation. To avoid these issues, brands must ensure that all creative content is either original or properly licensed. The marketing departments within companies should establish review protocols to scrutinise all

materials before they are used in marketing activities. Additionally, when collaborating with external service providers, it is crucial to have comprehensive contractual agreements that clearly outline the ownership and usage rights of all creative assets. This approach not only protects a brand from potential legal disputes but also maintains the integrity and consistency of a brand's messaging.

## 2. Key considerations for data protection

Over the past decade, China has gradually established a comprehensive legal framework for data protection, emphasising the importance of safeguarding personal information and ensuring data security. The Cybersecurity Law, the Data Security Law and the Personal Information Protection Law form the backbone of this regulatory environment. Given that e-commerce involves handling vast amounts of consumers' personal information, e-commerce companies operating in China must comply with these laws to avoid legal risks. Moreover, effective data protection also plays a crucial role in fostering consumer confidence. When consumers feel that their personal information is secure and handled responsibly, they are more likely to engage in online transactions and continue to support e-commerce platforms. By demonstrating a commitment to safeguarding consumer data, companies can differentiate themselves in a competitive market and attract a broader customer base. This, in turn, promotes sustainable business growth and contributes to the overall health of the e-commerce ecosystem.

### a) User consent as a precondition

China's data protection laws generally require that the legal

## China's data laws place strict regulations on the transfer of personal information and important data outside the country.



basis for processing personal information is premised on obtaining individual consent. E-commerce companies must obtain explicit consent from consumers when collecting their personal information. This consent must be informed, voluntary and specific, meaning that users must clearly understand the purpose of data collection, how their data will be used, and the scope of the data being collected. Companies should implement transparent data collection practices and provide users with easy-to-understand privacy policies. It is equally important to ensure that consent mechanisms are user-friendly and accessible, allowing consumers to make informed decisions about their data.

The implementation of this requirement varies between company-owned platforms

and third-party platforms. For companies operating stores on third-party e-commerce platforms, the platform's own privacy policy typically covers the basic scenarios of consumer information collection. However, if companies need to collect or process additional personal information, they must develop and implement their own privacy policies. As for company-owned platforms, such as official websites, apps or WeChat mini-programs, companies must independently formulate and implement appropriate privacy policies for all consumer personal information collection scenarios and obtain user consent.

### b) Cross-border data transfers

For overseas companies operating in China, the issue of cross-border data transfer (CBDT) is particularly important. China's data laws place strict regulations on the transfer of personal information and important data outside the country. When personal information involves sensitive personal information (even one piece) or general personal information reaches a certain volume (more than 100,000 people in a year), companies must obtain necessary approvals from or complete relevant registrations with the relevant cybersecurity authorities before transferring data out of China. This process often involves working closely with Chinese regulatory authorities to ensure compliance. It is advisable to localise data storage in China whenever possible to avoid potential legal and operational complications.

However, in practice, while e-commerce platforms may store user information locally, many

European companies still need to transfer this data overseas through their own tools. This is especially true for companies using global management software like SAP, which often has servers located outside China. Whether data is directly input into such software, resulting in storage overseas, or overseas entities access data stored in China through this software, it constitutes CBDT of personal information under China's data laws. Companies must either completely block such data flows or implement effective anonymisation measures. Otherwise, they must undertake the necessary preparatory work to comply with CBDT-related legal requirements. The specific requirements vary depending on whether the data involves sensitive personal information and the number of individuals concerned. These include informing consumers about cross-border transfers in privacy policies and obtaining separate consent, signing standard contracts between domestic and overseas entities, conducting personal information protection impact assessments for data transfers, and registering with or obtaining approval from cybersecurity authorities as required.

#### c) Contractual considerations with service providers

The operation of e-commerce involves numerous aspects and processes. In addition to the operation of stores on e-commerce platforms, companies must collaborate with a variety of service providers. These include logistics suppliers, warehousing providers, membership management services and application developers. Inevitably, the personal information that companies collect

will be further shared with these service providers, constituting a form of entrusted processing of personal information.<sup>4</sup>

China has specific regulations regarding entrusted processing. It is essential for companies to review the data protection capabilities of these service providers. Before sharing any data, companies should clearly define the data protection obligations through contractual agreements. This ensures that all parties are aware of their responsibilities and helps safeguard the privacy and security of personal information.

### 3. Outlook and suggestions

China's e-commerce market continues to hold immense potential for promoting consumption, but companies must navigate complex regulatory and operational landscapes to succeed. For overseas companies looking to enter or expand in China's e-commerce market, the following is vital:

- **Strengthen IP protection:** Prioritise trademark registration in China, conduct thorough IP reviews of all marketing materials and ensure compliance with local IP laws. This not only protects a brand but also builds consumer trust, which is essential for driving consumption.
- **Enhance data protection measures:** Implement strong data protection practices, including obtaining user consent, localising data storage and ensuring compliance with CBDT regulations. Transparent and secure data handling can significantly boost consumer confidence.
- **Build strong partnerships:** Choose reliable local partners and service

providers, and establish clear contractual agreements to manage transitions smoothly and clarify data protection responsibilities. Effective partnerships can enhance operational efficiency and consumer satisfaction.

- **Monitor and adapt:** Stay updated with the latest regulatory changes and market trends. Regularly monitor your brand's presence on e-commerce platforms to promptly detect and address any IP and data protection issues.

By addressing these key considerations and adopting a proactive approach, overseas companies can better position themselves in China's e-commerce market, build consumer trust and ultimately promote sustainable consumption. [E&B](#)



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<sup>4</sup> Entrusted processing refers to a situation where one party entrusts another party to handle or process data on their behalf. The entrusted party acts according to the instructions of the entrusting party and is typically bound by contractual obligations to ensure the security and confidentiality of the data.





Establish a complete-value-chain employment service framework for individuals with disabilities, including skills development, employment counselling, and on-the-job support.

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people with disabilities

8.816 million  
certified individuals with  
disabilities were in employment  
( 50 per cent of those certified)

12 million  
people with intellectual  
and developmental disabilities  
(including autism and Down syndrome)

Less than 5 per cent  
of the 4.92 million working-age  
individuals with intellectual and  
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# Culture shift

European brands need to rethink how they reach Chinese consumers

European consumer brands long flourished in China with minimal cultural adaptation. But as growth slows and competition intensifies, once helpful assumptions have started to hold companies back. **Gabor Holch** explains how a deeper understanding of local culture can help European firms reorientate their strategies, innovate more effectively and connect with today's Chinese consumers.

For many European brands, China's past two decades offered an extraordinary opportunity: enter a vast, fast-growing market in which Western products were often embraced with enthusiasm and trust. Since upwardly mobile Chinese consumers aspired to lifestyles that resembled traditional Western markets, European firms in industries from fashion to food achieved success without fundamentally adjusting their value propositions to local realities.



Today, that landscape has shifted. What once worked by default now requires deliberate design. Consumers are more informed, competition is fierce, and national pride and political sensitivities feature more strongly in consumer choices. Consequently, the cultural blind spots that once went unnoticed now cost brands market share, loyalty and reputation.

Despite ambitions to decouple, promoted in certain political and commercial decision-making circles on both the European and Chinese sides, most European consumer brands need China to subsist and develop. To remain competitive in a changing China, they need new leadership approaches that place intercultural insight at the centre of strategy, product development and promotion.

As usual, the hardest part of adopting new mindsets will be abandoning old beliefs about China and the brands themselves. But it is possible to ditch outdated assumptions and replace them with better-informed practices.

## 1. Strategy: Prestige is no longer granted

**Myth:** *Western brands are always aspirational in China.*

Many brand leaders continue to believe that a European label is enough to attract customers in China. True, for many years, affluent Chinese competed for suitcase-traded ‘daigou’ imports from Europe, and upgraded from locally made to imported German cars. Those days are gone. Prestige today is not inherited – it is earned through relevance and engagement.

Fast fashion firms rode the waves of Europe’s brand power to popularity in

China, but later failed to keep up with changing tastes, social expectations, competitive pressure from domestic labels and, in some cases, necessary public relations practices. Loss of cultural resonance led to loss of business.

In contrast, IKEA executives noticed space constraints and different living habits in Chinese cities. The firm adapted by launching compact stores, adding delivery services and collaborating with local designers. While the brand continues to attract curious urban consumers with its invitation to a Swedish lifestyle, its products are customised for a specifically Chinese experience.

**What leaders can do:** Develop strategies that treat cultural relevance as a core asset, not a ‘nice-to-have’ side issue. Success in China today depends less on legacy reputation and more on how well a brand aligns with evolving local values and lifestyles.

## 2. Product: Local symbolism is not enough

**Myth:** *Adding Chinese motifs makes a product local.*

Each year, Western brands release red-and-gold packaging or zodiac-themed products for the Chinese New Year. That worked for decades: veteran foreign residents remember long queues for Häagen-Dazs mooncakes and special edition Swiss luxury watches. Today, such gestures are expected but no longer sufficient. Real localisation must go deeper into everyday use, sensory preferences and social habits.

Many European skincare and cosmetic brands continue to promote products formulated for European

skin tones and climates, often featuring Western models in their commercials. Meanwhile, more successful competitors address more timely consumer concerns like sensitivity to pollution, skin-brightening routines and specifically Asian wrinkle treatment habits that dominate local demand.

Confectionery brand Lindt succeeds by tailoring product choices and packaging to local gift-giving culture and holidays. Rather than relying solely on Western associations of indulgence and craftsmanship, the Swiss chocolate maker has customised premium gift boxes with occasion-specific colours and messaging, and collaborates with local artists to position itself in line with both modern and traditional Chinese values.

**What leaders can do:** Involve local management, distributors and consumers in product design from the beginning. Gather insights through testing, feedback loops and partnerships with local creators. Localisation is structural, not seasonal.

## 3. Promotion: Translations do not tell local stories

**Myth:** *Sustainability and quality sell themselves.*

Even the most well-crafted global campaigns fall flat in China if they miss the tone, traditions or platform-specific style that consumers expect in the given segment. Successful promotion today is not about translating slogans – it is about joining social conversations.

Several European brands have tried to highlight their environmental credentials or craftsmanship using repurposed global ads. But without



clear local context or relevance to Chinese values, these messages feel generic at best, completely out of context or outright offensive at worst.

As a creative example, Adidas has embraced short-form video, influencer partnerships and subcultural aesthetics on platforms like Douyin and Xiaohongshu. Their best campaigns feel native, not imported, speak directly to the communities they aim to reach, and often go viral for instantly obvious reasons.

**What leaders can do:** Build marketing teams that combine global consistency with local voices. That means hiring or partnering with content creators who understand the nuances of Chinese platforms, humour and emerging consumer groups.

#### 4. Image: Political tact and tactics can save brands

**Myth:** *Modern China prioritises capital over communism.*

Each generation at European headquarters has misconceptions about China's modernisation. Executives over 40 recall the 2010 Shanghai World Expo motto to "welcome the world with open arms". Younger managers engaged China with the Great Firewall already in place. Most struggle with the stark contrast of tightening Party control over business and government messaging that emphasises reform and opening.

China's march towards a self-sustaining national economy inadvertently entangles foreign brands. Executives must accept that unlike in the European Union (EU) or the United States, politics are beyond their control. EU firms have suffered hostile publicity, fines and closures for



**Foreign nationals in the country shrink and local brands mature, decade-old campaigns can feel woefully anachronistic.**

their home government's policies, for violating 'socialist morality' or their websites listing Taiwan as a country. Legal compliance cannot prevent such attacks, but instant action may mitigate the damage.

Most political slips only reveal themselves in retrospect. When trouble strikes, executives must first assess whether the firm broke Chinese laws. Mostly that is not the case, and a legal remedy is unnecessary. Pressure may come from outraged authorities, public outcry or both – the difference is often obscure. Seasoned foreign executives learned from local firms that damage control requires fast and decisive outreach often called '*biaotai*', or publicly showing the right attitude.

**What leaders can do:** Multinational firms have gradually mastered local public relations techniques. Denying accusations puts firms on the defensive, e.g. Carrefour during protests against the 2008 Olympics in

France. In response, foreign executives have followed the local example and mastered the art of public apologies in various media, from press releases to videos of scripted regret.

#### Leadership: Co-authoring China's new chapter

What ties positive examples together is not just execution – it is mindset. Many European executives still rely on experience built during China's boom years. But as China's global confidence grows, foreign nationals in the country shrink and local brands mature, decade-old campaigns can feel woefully anachronistic. The new era of consumer behaviour demands a different approach that relies less on managing brand legacy and more on co-creating relevance with local insight.

Leadership teams that manage that transition for European brands must become more culturally agile. That does not mean abandoning global values, but rather interpreting them in ways that speak to today's China – a market where loyalty is earned every day, not assumed from the past. Brands that rely on multinational teams on all levels, listen to all relevant voices and craft truly localised brand experiences will earn their seat in the writer's room of China's next, doubtlessly fascinating commercial chapter. **EB**

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# China's 2025 Action Plan for Stabilising Foreign Investment: Shanghai as an FDI gateway

Amidst ongoing geopolitical tensions and a sluggish global recovery, cross-border investment remains subdued, contributing to China's significant decline in foreign direct investment (FDI).<sup>1</sup> Recognising these challenges, China's State Council adopted the *Action Plan for Stabilising Foreign Investment in 2025 (Action Plan)* on 10<sup>th</sup> February 2025.<sup>2</sup> In this article, **Carlo Diego D'Andrea** of **D'Andrea and Partners Legal Counsel** assesses the scope, significance and practical implications of the *Action Plan* for foreign investors while suggesting policy recommendations to further consolidate China's position as an attractive destination for FDI, with Shanghai as its main hub.

The *Action Plan* outlines 20 targeted initiatives to reinforce China's openness to global capital and address hindrances to foreign investment. It reaffirms China's commitment to providing a more open, stable and predictable business environment for investors,<sup>3</sup> especially in the current context of global geoeconomic fragmentation and market turmoil.

## A commitment to continued reform

Building upon existing policy frameworks, the *Action Plan* introduces significant refinements that indicate a transition from focussing solely on the scale of FDI to emphasising quality-

orientated, rules-based opening up of the domestic economy.<sup>4</sup>

Key initiatives encompass the expansion of pilot programmes to areas previously restricted to international investment, such as telecommunications, healthcare and education, indicating a broader commitment to the further opening up of China's domestic economic environment.<sup>5</sup> For instance, the *Action Plan* seeks to ease financing restrictions for foreign-invested

<sup>1</sup> World Investment Report 2024, United Nations Conference on Trade and Investment, 2024, viewed 22<sup>nd</sup> May 2025, <[https://unctad.org/system/files/official-document/wir2024\\_en.pdf](https://unctad.org/system/files/official-document/wir2024_en.pdf)>

<sup>2</sup> Action Plan for Stabilising Foreign Investment in 2025, State Council, 22<sup>nd</sup> February 2025, viewed 22<sup>nd</sup> May 2025, <[https://english.www.gov.cn/news/202502/22/content\\_WS67b9044dc6d08684e8efdf.html](https://english.www.gov.cn/news/202502/22/content_WS67b9044dc6d08684e8efdf.html)>

<sup>3</sup> Ibid.

<sup>4</sup> Foreign Investment Guide of the People's Republic of China, Ministry of Commerce, 2024, viewed 22<sup>nd</sup> May 2025, <<https://fdi.mofcom.gov.cn/resource/pdf/wx2024/2024EN.pdf>>

<sup>5</sup> Action Plan for Stabilising Foreign Investment in 2025, State Council, 22<sup>nd</sup> February 2025, viewed 22<sup>nd</sup> May 2025, <[https://english.www.gov.cn/news/202502/22/content\\_WS67b9044dc6d08684e8efdf.html](https://english.www.gov.cn/news/202502/22/content_WS67b9044dc6d08684e8efdf.html)>





enterprises (FIEs) while revising the scope of the ‘Negative List’, seeking to expand market access.<sup>6</sup>

Furthermore, the *Action Plan* underscores institutional opening by promoting alignment with international rules—particularly within pilot free trade zones—and by supporting foreign participation in strategic areas such as biomedicine.<sup>7</sup> These developments reflect the government’s broader efforts to further spur economic upgrading by supporting high-quality, innovation-led growth, which has been one of the pillars of China’s 14<sup>th</sup> Five-year Plan (2021–2025) within the framework of the ‘Dual Circulation’ strategy.<sup>8</sup>

These initiatives showcase the government’s renewed attention to FDI as a key driver for China’s economic dynamism, especially in the Yangtze River Delta economic zone.

## Expected impact of the measures

China remains one of the world’s top FDI destinations, bolstered by its substantial domestic consumer market of 1.4 billion people (whose potential is yet to be fully unleashed),<sup>9</sup> advanced industrial capabilities, a vast pool of skilled workers, and continually improving logistics and digital infrastructure. These structural strengths are likely to sustain China’s appeal for high-value manufacturing and cutting-edge technology investments.<sup>10</sup>

Furthermore, in response to recent global trade disruptions, China has sought to present itself as a bulwark of globalisation. It signalled its continued receptiveness to FDI, enhancing the attractiveness of the Chinese domestic market amidst ever-growing fragmentation in global investment flow patterns.<sup>11</sup>

In particular, the prevailing trend of supply chain ‘de-risking’ and the resulting adoption of localised strategies (such as ‘in China, for China’) by an

increasing number of multinational corporations (MNCs) could benefit China’s investment landscape, especially if the government continues to address access barriers and transparency issues. FIEs are increasingly more invested in hedging against geopolitical risk,<sup>12</sup> particularly after long-standing United States (US)-China trade disputes escalated into an outright trade war in April 2025.<sup>13</sup>

Nonetheless, investor concerns around an uneven business environment—particularly the preferential treatment afforded to Chinese state-owned enterprises and local firms—were deemed one of the main reasons behind the sharp decline in FDI inflow into the Chinese market, which fell 29.1 per cent year-on-year in early 2024.<sup>14</sup> Foreign investors have also long lamented the lack of intellectual property (IP) protection, opaque administrative procedures and unequal market access.

Hence, the *Action Plan*’s effectiveness will largely depend on its actual implementation, especially the ability of local governments to deliver greater regulatory predictability, facilitate capital flows and ensure a level playing field for foreign firms seeking to expand their activity into the Chinese market.<sup>15</sup>

# 29.1%

China’s year-on-year fall  
in FDI recorded in early 2024.

<sup>6</sup> *Ibid.*

<sup>7</sup> *Ibid.*

<sup>8</sup> *Foreign Investment Guide of the People’s Republic of China*, Ministry of Commerce, 2024, viewed 22<sup>nd</sup> May 2025, <<https://fdi.mofcom.gov.cn/resource/pdf/wx2024/2024EN.pdf>>

<sup>9</sup> *The China Imperative for Multinational Corporations*, McKinsey Global Institute, 2023, viewed 13<sup>th</sup> June 2025, <[https://www.mckinsey.com/~/media/mckinsey/mckinsey%20global%20institute/our%20research/the%20china%20imperative%20for%20multinational%20companies/the-china-imperative-for-multinational-companies\\_v2.pdf](https://www.mckinsey.com/~/media/mckinsey/mckinsey%20global%20institute/our%20research/the%20china%20imperative%20for%20multinational%20companies/the-china-imperative-for-multinational-companies_v2.pdf)>

<sup>10</sup> *Foreign Investment Guide of the People’s Republic of China*, Ministry of Commerce, 2024, viewed 22<sup>nd</sup> May 2025, <<https://fdi.mofcom.gov.cn/resource/pdf/wx2024/2024EN.pdf>>

<sup>11</sup> Leahy, J. and McMorrow, R., *Xi Jinping pitches China to global CEOs as protector of trade*, *Financial Times*, 29<sup>th</sup> March 2025, viewed 22<sup>nd</sup> May 2025, <<https://www.ft.com/content/c1d485e-5a37-4fcc-ac98-a7f03d33b7b9>>

<sup>12</sup> *The China Imperative for Multinational Corporations*, McKinsey Global Institute, 2023, viewed 13<sup>th</sup> June 2025, <[https://www.mckinsey.com/~/media/mckinsey/mckinsey%20global%20institute/our%20research/the%20china%20imperative%20for%20multinational%20companies/the-china-imperative-for-multinational-companies\\_v2.pdf](https://www.mckinsey.com/~/media/mckinsey/mckinsey%20global%20institute/our%20research/the%20china%20imperative%20for%20multinational%20companies/the-china-imperative-for-multinational-companies_v2.pdf)>

<sup>13</sup> *US–China trade snarls as world’s biggest economies brace for divorce*, *Financial Times*, 10<sup>th</sup> April 2025, viewed 22<sup>nd</sup> May 2025, <<https://www.ft.com/content/e607ad7b-1fc0-4664-9982-b93605baba0b>>

<sup>14</sup> *European Business in China Position Paper 2024/2025*, European Union Chamber of Commerce in China, 11<sup>th</sup> September 2024, viewed 22<sup>nd</sup> May 2025, <[https://www.eurochamber.com.cn/en/publications-archives/1269/European\\_Business\\_in\\_China\\_Position\\_Paper\\_2024\\_2025](https://www.eurochamber.com.cn/en/publications-archives/1269/European_Business_in_China_Position_Paper_2024_2025)>

<sup>15</sup> *Ibid.*

## Shanghai's response to the Action Plan

As a key hub for international capital as well as the main recipient of foreign investment into mainland China, with FIEs accounting for more than one quarter of the city's gross domestic product,<sup>16</sup> Shanghai has moved swiftly to operationalise the *Action Plan*.

Local strategies include the following initiatives.

- **List of major foreign investment projects**

A key component of the new policy is the creation of a dedicated list of major foreign investment projects in Shanghai for 2025. This approach aims to increase administrative efficiency and ensure that strategically significant foreign-funded projects receive tailored support.<sup>17</sup>

By promoting high-level engagement with MNCs and foreign chambers of commerce, this list allows foreign investors to better navigate Shanghai's FDI policy orientation. If enacted effectively, the measure could instil confidence among investors seeking efficiency and clarity, but international entrepreneurs have often pointed out the lack of actual implementation. Indeed, while the Chinese Government has made many promises to enhance the transparency and efficiency of the operational framework for foreign enterprises, such commitments have seldom been coupled with concrete actions. This led many foreign investors to gradually lose faith in the Chinese market as a principal investment destination, as highlighted by the European Chamber.<sup>18</sup>

- **Overseas integrated service platform: Supporting 'go global' strategies**

The policy package also emphasises the international expansion of firms headquartered in Shanghai as part of a broader government effort to promote Chinese investment internationally, as exemplified by the Belt and Road Initiative. By expanding its overseas integrated service platform, the government aims to facilitate outbound investment through more open access to legal, financial and market services.<sup>19</sup>

While modest in scope, if executed effectively, these measures could significantly reduce transaction costs and mitigate risks for overseas ventures, helping to position Shanghai as a two-way investment gateway. Further

institutional support—including dedicated staff in key overseas markets and enhanced coordination platforms—would help expand its reach and effectiveness.<sup>20</sup>

- **New incentives to boost the 'debut economy'**

In a bid to stimulate consumer spending and promote brand innovation, Shanghai Municipality recently unveiled a set of measures to strengthen its 'debut economy'. These policies aim to stimulate domestic aggregate demand in key urban centres by incentivising international and domestic brands to launch new products or flagship stores in Shanghai,<sup>21</sup> often in conjunction with sports, tourism or cultural events.

These target incentives constitute a pragmatic response to subdued consumption levels. Although they may not revive consumer appetite for high-end and luxury goods, they could be effective for emerging brands seeking regional visibility.

# 1/4

FIEs account for more than one quarter of the Shanghai's GDP.



## Policy recommendations for the government

While the *Action Plan* is a significant step forward, additional reforms

<sup>16</sup> Overview of Foreign Investment Policies in Shanghai, Shanghai Municipal Commission of Commerce, 2023, viewed 22<sup>nd</sup> May 2025, <<https://english.shanghai.gov.cn/assets/Download/f443467472adb0f9de2ecd3e53885.pdf>>

<sup>17</sup> Action Plan for Stabilising Foreign Investment in 2025, State Council, 22<sup>nd</sup> February 2025, viewed 22<sup>nd</sup> May 2025, <[https://english.www.gov.cn/news/202502/22/content\\_WS67b9044dc6d0868f4e8efdf.html](https://english.www.gov.cn/news/202502/22/content_WS67b9044dc6d0868f4e8efdf.html)>

<sup>18</sup> European Business in China: Position Paper 2024/2025, European Union Chamber of Commerce in China, 11<sup>th</sup> September 2024, viewed 13<sup>th</sup> June 2025, <[https://www.eurochamber.com.cn/en/publications-archives/1269/European\\_Business\\_in\\_China\\_Position\\_Paper\\_2024\\_2025](https://www.eurochamber.com.cn/en/publications-archives/1269/European_Business_in_China_Position_Paper_2024_2025)>

<sup>19</sup> Foreign Investment Guide of the People's Republic of China, Ministry of Commerce, 2024, viewed 22<sup>nd</sup> May 2025, <<https://fdi.mofcom.gov.cn/resource/pdf/wx2024/2024EN.pdf>>

<sup>20</sup> Shanghai Issued Measures to Stabilize Foreign Investment in 2025, D'Andrea & Partners Legal Counsel, 25<sup>th</sup> March 2025, 22<sup>nd</sup> May 2025, <<https://www.dandreapartners.com/shanghai-issued-measures-to-stabilize-foreign-investment-in-2025/>>

<sup>21</sup> Shanghai blazes path in growing debut economy, State Council, 30<sup>th</sup> December 2024, viewed 22<sup>nd</sup> May 2025, <[https://english.www.gov.cn/news/202412/30/content\\_WS6772041fcd0868f4e8ee5ec.html](https://english.www.gov.cn/news/202412/30/content_WS6772041fcd0868f4e8ee5ec.html)>

may be required to address investor apprehensions and fully harness China's FDI potential, including:

**a. Promoting legal transparency and accessibility:** Establishing clear guidelines and streamlined processes for foreign investors can mitigate uncertainties and foster a more alluring business environment.<sup>22</sup>

The Shanghai Municipal Commission of Commerce could enhance transparency by publicly releasing detailed information on sectoral openness, project eligibility and approval procedures while reducing the scope of the 'Negative List' and enhancing its transparency. Regular stakeholder consultations and transparent policymaking would also reduce uncertainty and convey openness to foreign investment, especially in sectors undergoing regulatory change.<sup>23</sup>

**b. Ensuring fair competition and regulatory clarity:** Foreign investors continue to report discrimination in government procurement and inconsistent enforcement of regulations, often tilted in favour of domestic firms.<sup>24</sup>

To address these issues, Shanghai may consider adopting local-level guidelines promoting non-discriminatory procurement processes and issuing binding commitments to level the playing field for both foreign and Chinese enterprises, reinforcing IP protection and dispute resolution mechanisms.

**c. Boosting investment upgrading through innovation:** FDI inflows ought to be better aligned with national development goals such as industrial upgrading, and research and development cooperation, as

acknowledged by the Shanghai Municipal Commission of Commerce.<sup>25</sup>

The city's framework for MNC headquarters supports this objective, as exemplified by districts such as Pudong, Jinshan, Yangpu and Qingpu, which are already exploring new models for attracting high-tech and service-sector FDI by using targeted financial and regulatory tools to strengthen their global competitiveness.<sup>26</sup> However, deeper incentives for innovation partnerships between FIEs and domestic firms would further enhance cooperation.

**d. Enhancing institutional capacity and local coordination:**

While decentralisation has streamlined approval processes, fragmentation across agencies appears to remain a key factor denting investor confidence.<sup>27</sup>

Shanghai may consider establishing a unified foreign investment coordination office to manage large-scale projects, provide cross-departmental and inter-agency support, and act as a point of contact for dispute resolution.<sup>28</sup>

**e. Encouraging responsible**

**business conduct:** FDI research also emphasises the importance of promoting responsible business conduct (RBC) standards to ensure long-term sustainability goals of FIEs while further consolidating their social licence to operate in the Chinese market.<sup>29</sup> Shanghai may integrate RBC criteria into its major project list and offer support on environmental, social and governance practices for foreign firms to align with global sustainability trends.<sup>30</sup>

In sum, the *Action Plan* reflects a determined and pragmatic approach to stabilising foreign investment amidst heightened external pressures. It builds on China's structural strengths—such as its advanced industrial base, central position in key supply and value chains, and vast consumer market—while addressing long-standing investor concerns through more targeted, rule-based reform.

More specifically, aligning regulatory practices with international expectations, enhancing transparency and reinforcing legal guarantees will be essential for guaranteeing sustainable FDI growth in the near future. By further improving transparency, inclusiveness and institutional support for foreign investors, Shanghai is well-positioned to reinforce its role as a gateway to China and a core node in global investment networks. 

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**D'Andrea & Partners Legal Counsel** is a leading international law firm, with European headquarters situated in Milan, Italy, and Asia-Pacific headquarters based in Shanghai, China. The firm has a strong presence across major cities in China. The firm is one of the very few international law firms in China duly authorised by the Ministry of Justice of the PRC to operate as a Representative Office of a foreign law firm in China.

<sup>22</sup> China: *Foreign Investment*, Santander, March 2025, viewed 22<sup>nd</sup> May 2025, <<https://santandertrade.com/en/portal/establish--overseas/china/foreign--investment>>

<sup>23</sup> *European Business in China Position Paper 2024/2025*, European Union Chamber of Commerce in China, 11<sup>th</sup> September 2024, viewed 22<sup>nd</sup> May 2025, <[https://www.eurochamber.com.cn/en/publications--archive/1269/European\\_Business\\_in\\_China\\_Position\\_Paper\\_2024\\_2025-](https://www.eurochamber.com.cn/en/publications--archive/1269/European_Business_in_China_Position_Paper_2024_2025-)

<sup>24</sup> *Ibid.*

<sup>25</sup> *Overview of Foreign Investment Policies in Shanghai*, Shanghai Municipal Commission of Commerce, 2023, viewed 22<sup>nd</sup> May 2025, <<https://english.shanghai.gov.cn/assets/download/f443467472adbd0f9de2ecd3e53885.pdf>>

<sup>26</sup> *Ibid.*

<sup>27</sup> China: *Foreign Investment*, Santander, March 2025, viewed 22<sup>nd</sup> May 2025, <<https://santandertrade.com/en/portal/establish--overseas/china/foreign--investment>>

<sup>28</sup> *European Business in China Position Paper 2024/2025*, European Union Chamber of Commerce in China, 11<sup>th</sup> September 2024, viewed 22<sup>nd</sup> May 2025, <[https://www.eurochamber.com.cn/en/publications--archive/1269/European\\_Business\\_in\\_China\\_Position\\_Paper\\_2024\\_2025-](https://www.eurochamber.com.cn/en/publications--archive/1269/European_Business_in_China_Position_Paper_2024_2025-)

<sup>29</sup> Bell, M., *Why ESG performance is growing in importance for investors*, EY, 9<sup>th</sup> March 2021, viewed 13<sup>th</sup> June 2025, <[https://www.ey.com/en\\_gl/insights/assurance/why-esg-performance-is-growing--in-importance--for--investors](https://www.ey.com/en_gl/insights/assurance/why-esg-performance-is-growing--in-importance--for--investors)>

<sup>30</sup> *European Business in China: Position Paper 2024/2025*, European Union Chamber of Commerce in China, 11<sup>th</sup> September 2024, viewed 13<sup>th</sup> June 2025, <[https://www.eurochamber.com.cn/en/publications--archive/1269/European\\_Business\\_in\\_China\\_Position\\_Paper\\_2024\\_2025-](https://www.eurochamber.com.cn/en/publications--archive/1269/European_Business_in_China_Position_Paper_2024_2025-)

# China's post-COVID travel recovery still a work in progress

While the swift post-pandemic economic recovery that many had hoped China would see has failed to materialise, the return of international travel to the country has, so far, stood out as a relative success. Instead of a simple reopening, policymakers have gone to great lengths to undo damage done by several years of travel restrictions under the zero-COVID policy, with a rollout of visa optimisations as well as other policies aimed at making it easier for foreign nationals to visit China. In this article, **Austin Bliss** of the **European Chamber** outlines the steps taken and the challenges that remain.

The measures the Chinese Government has taken to ease travel to China since the end of its zero-COVID policy have already had a meaningful impact, but it will take time before their full effect is felt. 2024 marked the first full calendar year since 2019 that travel to China was free of COVID restrictions.<sup>1</sup> While

<sup>1</sup> Selected travellers still underwent mandatory COVID-19 testing on arrival during 2024, but no action was required by the traveller prior to departure.





the zero-COVID policy came to an end in late 2022, lingering COVID-19 requirements for international travellers for most of 2023, as well as the time needed for international flight schedules to recover, meant that the year was more of a soft reopening.<sup>2</sup>

On 1<sup>st</sup> December 2023, the tone began to change when China unilaterally extended visa-free access to five European Union (EU) Member States – a surprising development which meant that in less than a year, the country went from banning visits by most foreign travellers to proactively offering visa-free travel. Throughout 2024, China made additional announcements on visa-free travel, ultimately expanding the offering to all but three EU Member States.

Riding a wave of announcements about visa-free travel and a clean break from COVID restrictions,<sup>3</sup> 2024 saw 64.9 million entries and exits by foreign nationals, an 82.9 per cent jump compared to 2023 according to the National Immigration Administration (NIA).<sup>4</sup> However, the figure is still short of the 97.7 million entries and exits reported by the NIA in 2019,<sup>5</sup> the last year unaffected by COVID-19 travel restrictions, indicating that a full recovery has yet to be achieved.

## Visa-free policies

China saw over 20 million visa-free arrivals in 2024 according to the NIA,<sup>6</sup> meaning that a majority of foreign nationals who visited the country benefitted from this policy,<sup>7</sup> indicative not only of the convenience of visa-free travel, but also the relative inconvenience of having to obtain a visa.

The visa-free regime that applies to 24 of the 27 EU Member states is straightforward, providing access to all of the Chinese mainland—except where other restrictions on foreign nationals apply—for 30 days if the trip is for business, tourism, visiting family and friends, transit or some other types of exchanges.

However, the decision to withhold the privilege from three EU Member States for what appears to be political reasons, as well as the fact that the scheme is temporary and must be renewed,<sup>9</sup> raises doubts about whether it will continue to be available to travellers in the long-term.

China's second visa-free scheme, which provides 10-day transit without visa (TWOV) access to individuals from 54 countries—including all EU Member States—offers an alternative way to visit most of the country without the

need to obtain a visa. The scheme requires that travellers arrive from and depart to different countries or regions for their stay in China to be considered eligible for TWOV.

Currently, the 10-day TWOV scheme is only applicable to nine countries in practice, given that the other 45 countries that have access to the scheme also have regular visa-free travel privileges.<sup>10</sup> However, the fact that China still maintains that the scheme is applicable to 54 countries suggests that it would serve as an alternate, less convenient option should one of the other 45 countries lose access to regular visa-free travel.

The TWOV scheme—which has long been criticised for its complexity—saw a significant upgrade in late 2024 when the limit of stay was extended from six to 10 days and the various regions of stay were abolished, allowing travellers to move freely between participating cities and provinces for the first time.<sup>11</sup> However, the scheme still only applies to certain ports of entry and travellers are required to stay within cities and provinces that participate, although

<sup>2</sup> Regular visa issuance did not resume until March 2023, meaning that for a quarter of 2023 international travel was still heavily curtailed. COVID tests for international travellers—first PCR tests and later rapid antigen tests—were required until late August 2023 and health declarations were required until 1<sup>st</sup> November 2023. While these lingering restrictions were a significant improvement over lengthy quarantines, they still presented additional barriers to travel. See: Consular Department of the Ministry of Foreign Affairs: Starting from 15 March, the visa authorities resumed issuing all kinds of visas for foreigners to go to China, *ChinaNews.com*, 14th March 2023, viewed 27th May 2025, <<https://www.chinanews.com.cn/gn/2023/03-14/9970999.shtml>>; General Administration of Customs: Nucleic Acid or Antigen Tests Not Required for Entry of Persons from 30 August onwards, Xinhua, 29th August 2023, viewed 27th May 2025, <[https://www.gov.cn/zhengce/jiedu/tuijie/202308/content\\_6900830.htm](https://www.gov.cn/zhengce/jiedu/tuijie/202308/content_6900830.htm)>; General Administration of Customs Announcement No. 151 of 2023 (Announcement on Optimising and Adjusting the Health Declaration Model), General Administration of Customs, 26th October 2023, viewed 27th May 2025, <<http://gdtm.customs.gov.cn/customs/302249/2480148/5457761/index.html>>.

<sup>3</sup> Selected travellers still underwent mandatory COVID-19 testing on arrival during 2024, but no action was required by the traveller prior to departure.

<sup>4</sup> 610 million entries and exits in 2024, up 43.9 per cent year-on-year; National Immigration Administration, 14<sup>th</sup> January 2025, viewed 27<sup>th</sup> May 2025, <<https://www.nia.gov.cn/n41440/n41567/c1693512/content.html>>.

<sup>5</sup> 670 million arrivals and departures in 2019, National Immigration Administration, 6<sup>th</sup> January 2020, viewed 27<sup>th</sup> May 2025, <<https://www.nia.gov.cn/n41440/n41567/c1199336/content.html>>.

<sup>6</sup> 610 million entries and exits in 2024, up 43.9 per cent year-on-year; National Immigration Administration, 14<sup>th</sup> January 2025, viewed 27<sup>th</sup> May 2025, <<https://www.nia.gov.cn/n41440/n41567/c1693512/content.html>>.

<sup>7</sup> The NIA reported only the number of visa-free entries, while it reported a combined exit and entry figure for foreign nationals overall. Given that 20 million visa-free entries entails about 20 million subsequent exits, it is likely that the majority of the 64.9 million foreign national entries and exits came from visa-free travellers. *Ibid.*

<sup>8</sup> Foreign nationals must obtain a permit to visit Tibet. Other parts of China, including parts of Qinghai, Sichuan, Xinjiang and some border regions, are often closed to foreign nationals in practice.

<sup>9</sup> Wong, H. and Zhang, P. *China is visa-free for most of Europe, but not this EU trio. Why?*, *South China Morning Post*, 29<sup>th</sup> December 2024, viewed 27<sup>th</sup> May 2025, <<https://www.scmp.com/news/china/diplomacy/article/3292573/china-visa-free-most-europe-not-eu-trio-why>>.

<sup>10</sup> Czechia, Lithuania, Sweden, Russia, the United Kingdom, Ukraine, the United States, Canada and Mexico are the only countries that qualify for TWOV and do not also have access to regular visa-free travel.

<sup>11</sup> Announcement by the National Immigration Administration on Further Relaxing and Optimising the Visa-Free Transit Policy for Foreigners; NIA, 17<sup>th</sup> December 2024, viewed 30<sup>th</sup> May 2025, <<https://www.nia.gov.cn/n41440/n41542/c1688980/content.html>>.



some exceptions are possible for transit between regions.<sup>12</sup>

While the upgraded TWOV scheme allows for greater flexibility, given that users can now choose to, for example, arrive in Beijing and depart from Shanghai, its implementation still presents challenges. Users of the scheme continue to report that some airline staff overseas are unfamiliar with its details, hindering their ability to approve TWOV passengers for boarding. Once TWOV passengers arrive in China, many report difficulties identifying the correct immigration queue for TWOV due to unclear signage and airport staff unable to communicate in English. This is followed by lengthy wait times to process relevant paperwork, which is significantly more burdensome than for passengers arriving with a visa or who qualify for visa-free travel.

Adding a further layer of complexity, in addition to the 10-day TWOV scheme, China operates a 24-hour TWOV scheme available to all nationalities at all ports of entry,<sup>13</sup> however in practice certain ports of entry may be excluded.<sup>14</sup> Additionally, the 24-hour TWOV does not guarantee the ability to leave the port area, and specific requirements for obtaining an entry permit on arrival may not be clear in advance.

To add a final layer of complexity, beyond TWOV, China offers several other regional visa-free schemes, including some for tour groups as well as full visa-free entry to Hainan Province for 59 nationalities.<sup>15</sup>

While this expanding menu of visa-free offerings—tailored to different needs and situations—has made China more open for travel overall, its convenience can be lost on travellers, many of whom are accustomed to more straightforward visa-free travel

offerings by other countries.

## Accommodating foreign visitors

Throughout 2024, China rolled out a basket of policies aimed at ensuring a smoother experience for foreign visitors once they arrive in the country. Much like its visa-free schemes, good intentions often give way to complex interpretations and mixed experiences for users.

One of the most urgent problems foreign visitors face when arriving in China is payment. The near total transition to WeChat and Alipay payment in China's cities has left many visitors—who are accustomed to using either cash or card to pay in essentially every other country in the world—frustrated.

While a concerted effort has been made to improve support for foreign credit cards in business and tourist destinations, most visitors will struggle to rely on only a card during their trip. Cash is widely accepted, as Chinese law makes it illegal to refuse it, but merchants rarely have change, making its usefulness limited in practice.

This leaves visitors with no option but to download WeChat or Alipay

and link their account with a foreign card for payment. While the process of linking foreign cards on the platforms has improved, the inability to make transactions with personal accounts remains a barrier, as some smaller merchants use them to collect payment. Furthermore, the time spent setting up accounts on either of the platforms and ensuring that they work reliably is significant. This may be worthwhile for a tourist planning an extended trip but is less attractive for a business traveller with just a few days in the country.

Another problem that has been addressed but remains unsolved is unequal treatment in hotel accommodation, a long-standing issue in China where some hotels refuse to allow foreign nationals to check in. In May 2024, the Ministry of Public Security released a statement confirming that hotels could not turn down foreign nationals “on the grounds of not having foreign-related qualifications,”<sup>16</sup> a reason often cited for refusing to accommodate foreign nationals. Despite the announcement, travellers continue to report that some hotels, including in cities popular with foreign visitors, still refuse to provide accommodation.<sup>17</sup>

The root of the problems lies in the fact that foreign travellers, as well as most foreign residents in China, rely on a passport for identification. Hotels, which are required to register all guests with the police, have systems in place to quickly process guests with



<sup>12</sup> A representative of the NIA's assistance hotline confirmed that travellers may take a train that passes through an area excluded from the scheme in order to travel to another region covered by the scheme, provided they do not disembark the train outside the permitted travel area.

<sup>13</sup> Visa-Free Transit Policies for Foreign Nationals, NIA, 3<sup>rd</sup> July 2024, viewed 30<sup>th</sup> May 2025, <<https://en.nia.gov.cn/n147418/n147463/c156086/content.html>>

<sup>14</sup> There are reports of travellers being unable to use the 24-hour TWOV scheme at some points of entry, including airports in Huangshan (TXN), Mudanjiang (MDG), Xiamen (XMN) and Urumqi (URC).

<sup>15</sup> Regional Visa-Free Entry Policies for Foreign Nationals, NIA, 14<sup>th</sup> February 2025, viewed 30<sup>th</sup> May 2025, <<https://en.nia.gov.cn/n147418/n147463/c180637/content.html>>

<sup>16</sup> Ministry of Public Security and other departments respond to comments regarding 'inconveniences faced by foreign tourists staying at hotels', State Council, 24<sup>th</sup> May 2024, viewed 30<sup>th</sup> May 2025, <[https://www.gov.cn/hudong/2024/05/content\\_6952770.htm](https://www.gov.cn/hudong/2024/05/content_6952770.htm)>

<sup>17</sup> Wang, S., Hotels in China continue to knock back foreign tourists, ABC News, 4<sup>th</sup> May 2025, viewed 5<sup>th</sup> June 2025, <<https://www.abc.net.au/news/2025-05-04/hotels-in-china-continue-to-knock-back-foreign-tourists/105229128>>

Chinese resident identity cards—a type of national identity card—but must invest additional resources to process passports. While this can often be as simple as taking a photo of the document and sending it to police, the requirements vary locally, and hotels must work with authorities to ensure they are compliant. Hotels that see few foreign visitors or are unwilling to invest the additional resources to train staff often simply turn passport holders away.

However, hotel accommodation is only one of many seemingly immovable barriers foreign travellers can face. In the wake of a highly digitalised response to the COVID-19 pandemic, China has become increasingly saturated with online systems required for everything from ordering a coffee to visiting tourist attractions. While Alipay's translation function provides a way for users with no knowledge of Chinese to use many of these systems, real-name registration requirements, including registration with a Chinese phone number still leave many services out of reach.

Even when services offer English-language options, travellers often find themselves unable to use them. One example of this is China's 12306 railway ticket platform. Although the 12306 app offers an English interface, users who attempt to conduct real-name verification in English consistently report that the app crashes, meaning that in practice it is only possible to first complete verification in Chinese before switching to English. This bug effectively forces travellers who cannot read Chinese to buy tickets through an external agency for a hefty fee or head to a station and queue to purchase a ticket at the counter.

Some Chinese cities have attempted to address the complex web of



services travellers must set up and use for their stay in China by opening service centres for foreign visitors at international airports. While the centres appear to be popular, limited locations and opening hours mean that they can only capture a small portion of travellers. Furthermore, even with help, travellers must be willing to invest a significant amount of time setting up and learning about different services before they can enjoy any degree of convenience.

## Steps in the right direction

While it is commendable that China has made the effort to welcome additional travellers through a basket of visa-free policies, the complexity of the various schemes means that some travellers will inevitably experience problems using them. The ongoing expansion of regular visa-free travel, however, is a promising signal that China will continue to move towards being a more open and straightforward travel destination. One additional positive step would be for China to move from temporary visa-free access for EU Member States to a permanent scheme that does not need to be renewed.

WeChat and Alipay's improved useability for foreign visitors is another positive step that has allowed some independent travellers to complete basic tasks, but for the time being attempting anything more complex than ordering lunch will remain a daunting task for most visitors. Even visiting major international tourist attractions like Tian'anmen Square and the Forbidden City, something that was as simple as showing up and queuing before the pandemic, now requires travellers to either navigate a complex online registration process on their own or pay an agency to help them secure tickets.

China—in its uniqueness and complexity—will likely continue to remain a challenging destination for first-time visitors. It is clear, however, that the effort made so far to make it more accessible has delivered tangible benefits that go some way to offsetting the reputational damage done by the country's COVID-19 travel restrictions. However, a significant and ongoing investment needs to be made before the country can return to pre-COVID levels of accessibility. **EB**

**Austin Bliss** is a policy and communications coordinator at the **European Chamber's Beijing Chapter**.

# #BECAUSE OFUS

## Green power market reforms and Green Electricity Certificate upgrades:

Unlocking 100 per cent  
renewables for European  
businesses in China

As the independent voice of European business in China since 2000, the European Chamber actively participates in China's legislative process and our advocacy activities are widely recognised by the Chinese authorities.

We launched our #becauseofus campaign in 2019 to show our gratitude for the joint advocacy efforts of all stakeholders: governments, think tanks, member companies and our own working group and desk managers. In *EURObiz* in 2025, we will present some examples of our successful advocacy work.

In this edition, we look at **European companies' access to renewables in China.**

### Summary

According to the *European Business in China Business Confidence Survey 2024*, over half (54 per cent) of European companies in China are actively pursuing carbon neutrality. Most of these (82 per cent) are primarily decarbonising their energy use to achieve carbon neutrality – yet many face challenges accessing renewable energy, especially in major manufacturing hubs.

Since 2022, the European Chamber's Energy Working Group has been at the forefront of advocating for European businesses' access to renewables in China, through targeted **Position Papers, submissions of comments, and high-level engagements with Chinese and EU authorities**, alongside **business roundtables, clean energy tours and industry forums.**





These efforts have contributed significantly to critical policy advancements in 2024–2025, including:

- **unified national green power trading rules and standardised cross-provincial trading;**
- **the release of Power Purchase Agreement (PPA) templates;** and
- **clearer Green Electricity Certificate (GEC) regulations, including their linkage with the carbon market.**

RE100's (a global initiative bringing together the world's most influential businesses committed to using 100 per cent renewable electricity in their operations) **unconditional recognition of Chinese GECs** in March 2025 has further boosted their global credibility, enabling multinationals to leverage China-sourced renewables to meet corporate sustainability targets and maintain supply chain competitiveness.

**Zhonghua Xu, national chair of the Energy**

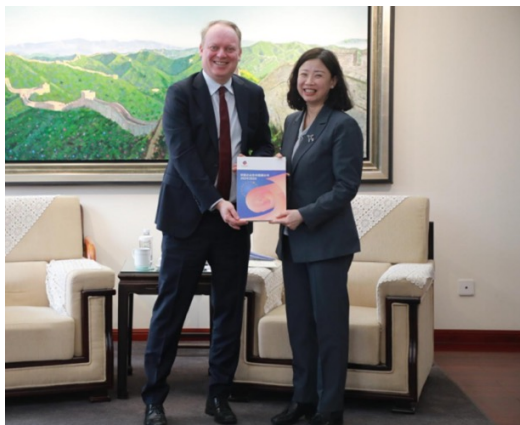
**Working Group**, said: "Our Working Group has played a pivotal role in shaping the policy breakthroughs that transformed China's green power policies – from unblocking renewable procurement channels and refining the GEC system to securing international recognition. Our persistent policy engagement has shown how public-private collaboration can accelerate the energy transition."

"These reforms address the structural challenges our members faced, particularly for multinationals operating across provinces/regions with complex energy needs, enabling more efficient renewable energy procurement and consumption nationwide," added **Vice Chair Kitty Xia**. [E](#)

**7<sup>TH</sup> MARCH**  
BEIJING

President Eskelund meets  
with Liang Nan  
**Photo: European Chamber**

## Chamber delegation meets deputy administrator of the CAAC



On 7<sup>th</sup> March 2025, a European Chamber delegation led by President Jens Eskelund met with Liang Nan, deputy administrator of the Civil Aviation Administration of China (CAAC).

Liang recognised the key role that the Chamber plays in bringing together interlocutors from the European Union (EU) and China in the civil aviation industry. Eskelund noted that the development of the sector in China has benefited from EU-China cooperation and welcomed the Chinese Government's determination to address economic challenges identified at the Two Sessions 2025.

The chairs of the Chamber's Aviation and Aerospace and Logistics working groups briefed Liang on their recommendations for advancing towards the goal of achieving sustainable aviation. The two sides also discussed the EU-China Bilateral Civil Aviation Safety Agreement, the market for computer reservation systems in China, the low-altitude economy and issues related to landing slots for cargo airlines. They agreed to continue to engage at the working-level.

**19<sup>TH</sup> MARCH**  
NANJING

The European Chamber  
participates in a roundtable  
with Zhao Jianjun, mayor of  
Wuxi  
**Photo: European Chamber**

## European Chamber participates in roundtable with Wuxi Mayor Zhao Jianjun



On 19<sup>th</sup> March, Vice Chair of the European Chamber's Nanjing Chapter Shan Jianhua, along with Shanghai Chapter board member Marc Horn, Nanjing Chapter board member Florian Hobelsberger and member

representatives, participated in a roundtable with Zhao Jianjun, mayor of Wuxi.

Shan expressed gratitude for the support provided by the Jiangsu and Wuxi governments to European companies operating in the region. He acknowledged improvements had been made when it comes to the accessibility of public services for foreigners in Jiangsu, while noting that members continue to experience challenges accessing green energy. Discussions between the two sides also covered local product certification requirements and issues relating to the recruitment of blue-collar workers. Zhao acknowledged the concerns raised and his department's commitment to maintaining regular communication with European businesses.

18<sup>TH</sup> MARCH  
SHANGHAI

Roundtable with Chen Jing, president of the Shanghai People's Association for Friendship with Foreign Countries  
Photo: European Chamber

## European Chamber participates in roundtable with SPAFFC President Chen Jing



On 18<sup>th</sup> March, Jens Ewert, vice chair of the European Chamber's Shanghai Chapter, participated in a roundtable with Chen Jing, president of the Shanghai People's Association for Friendship with Foreign Countries (SPAFFC), and Zhou Haiying, district mayor of the Yangpu District Government.

Ewert pointed out that the number of long-term foreign residents in Shanghai has declined in recent years. He called for improved access to services in order to attract more foreign nationals to work in Shanghai.

27<sup>TH</sup> MARCH  
BEIJING

A delegation led by President Jens Eskelund meets with Commissioner for Trade and Economic Security Maroš Šefčovič  
Photo: European Chamber

## European Chamber meets Commissioner for Trade and Economic Security Maroš Šefčovič



On 27<sup>th</sup> March, European Chamber representatives, led by President Jens Eskelund, met with Maroš Šefčovič during the latter's first visit to China as European Commissioner for Trade and Economic Security.

During a working lunch with Šefčovič, Eskelund highlighted challenges currently being experienced, such as the impact of China's growing trade surplus on the European Union, and provided recommendations on how to address them.

After lunch, Šefčovič met with members of the Chamber's Advisory Council, who briefed him on some of the key issues impacting their respective industries.

27<sup>TH</sup> MARCH  
SHANGHAI

Vice President Carlo D'Andrea meets with the President of the Italian Senate Ignazio La Russa  
Photo: European Chamber

## Meeting with President of the Italian Senate Ignazio La Russa



On 27<sup>th</sup> March, European Chamber Vice President Carlo D'Andrea met with the President of the Italian Senate Ignazio La Russa, during the latter's visit to Shanghai. The pair discussed the city's business landscape.

# Media Watch

## Chamber's comments on Two Sessions sought by domestic media

The 2025 Two Sessions—consisting of the Chinese People's Political Consultative Conference and the National People's Congress—were held from 4<sup>th</sup> to 11<sup>th</sup> March. On 5<sup>th</sup> March, the 2025 *Government Work Report* was released and included a directive on encouraging foreign investment. The directive mentions opening up sectors related to the internet and culture, and expanding trials to open other sectors including telecommunications, medical services and education.

On 5<sup>th</sup> March, the *Global Times* ran an article on the potential opportunities the *Government Work Report* provides to foreign businesses operating in China. Exploring the prospect of deepening EU-China cooperation, the publication quoted the Chamber's statement that both sides should focus on the areas where their interests overlap, such as the fight against climate change. European Chamber Secretary General Adam Dunnett also joined *CGTN*'s live coverage of the closing of the Two Sessions. He stressed the importance of market opportunities for European companies operating in China.

## Chamber president interviewed at China Development Forum

The 2025 China Development Forum was held in Beijing from 23<sup>rd</sup> to 24<sup>th</sup> March and focussed on topics including China's macroeconomic policies, technological innovation, artificial intelligence and sustainable development. In an interview with *CGTN*, Chamber President Jens Eskelund emphasised that, in order to restore business confidence, supply and demand in China needs to be more balanced.

## Foreign chambers see great potential in China's economy as Government Work Report unveils new opportunities

By GT staff reporters  
Published: Mar 05, 2025 07:42 PM



*Global Times* article on the Government Work Report

Media: *Global Times*

Date: 5<sup>th</sup> May 2025



*CGTN* interview with Secretary General Adam Dunnett

Media: *CGTN*

Date: 11<sup>th</sup> March 2025

## Beijing's China Development Forum displays tensions with the U.S.

MARCH 24, 2025 · 5:03 AM ET

HEARD ON MORNING EDITION

An audio piece ran by *NPR* on the forum

Media: *NPR*

Date: 24<sup>th</sup> March 2025



President Eskelund being interviewed by *CGTN*

Media: *CGTN*

Date: 24<sup>th</sup> March 2025





Secretary General Adam Dunnett speaking with CCTV on US-China tariffs

Media: **CCTN**

Date: 8<sup>th</sup> April 2025



President Eskelund being interviewed by CNBC on the US-China tariffs

Media: **CNBC**

Date: 9<sup>th</sup> April 2025

## China hits US imports with additional retaliatory tariff of 50%

Beijing to match new duties imposed by Donald Trump with effect from Thursday as trade war escalates

FT article on the US-China tariff war

Media: **FT**

Date: 9<sup>th</sup> April 2025

## China Hits Back Again at Trump, Bringing New Tariffs on U.S. Goods to 84%

Beijing announced a new round of 50 percent tariffs in response to President Trump's latest levies as the trade conflict between the superpowers escalates.

The NYT article on retaliatory tariffs levied by China on US imports

Media: **The NYT**

Date: 9<sup>th</sup> April 2025

## Chamber comments on US-China tariffs

On 2<sup>nd</sup> April, United States President Donald Trump announced significant tariffs would be levied on goods imported from China, sparking several rounds of tit-for-tat measures being adopted by both sides. Over the course of a week, US tariffs on Chinese imports jumped to 145 per cent, while Chinese duties on US imports were raised to 125 per cent.

The Chamber proactively published a statement on the development, which was updated as each side took additional action. The statement was widely adopted by media outlets, including the *FT* and *The NYT*. Chamber representatives including President Jens Eskelund and Secretary General Adam Dunnett were interviewed by *CNBC* and *CCTV* respectively on the evolving US-China tariff war, with both emphasising how it was contributing to an increase in the uncertainty faced by European companies operating in China.

## Chamber statement on EU Trade Commissioner Maroš Šefčovič's visit to China picked up by media

From 27<sup>th</sup> to 28<sup>th</sup> March, European Commissioner for Trade and Economic Security Maroš Šefčovič visited China to meet with Chinese Government representatives in Beijing, including Vice Premier He Lifeng, Minister of Commerce Wang Wentao and Customs Minister Sun Meijung. Discussions focussed on how to improve EU-China relations. On 27<sup>th</sup> March, the European Chamber proactively shared its stance on the visit with key media. The statement outlined the importance of strengthening EU-China relations and was quoted by media outlets including *Reuters* and the *SCMP*.

China hopes Europe will make 'rational choice' as transatlantic alliance shifts

By Reuters / Reuters

27 Mar 2025, 09:04 pm

Reuters article on Maroš Šefčovič's visit to China

Media: **Reuters**

Date: 27<sup>th</sup> March 2025

# Events Gallery

BEIJING, 1<sup>ST</sup> APRIL 2025

## Exclusive Dialogue with Professor Da Wei: Chinese Perspectives on Trump 2.0 and China-US Relations



- The Trump administration's policies are unpredictable and increasingly nationalistic, marked by a retreat from global economic and security commitments.
- The liberal international order is giving way to a more nationalistic economic landscape, with increased tariffs and trade barriers becoming the norm. This shift is altering major power dynamics, potentially improving EU-China relations.
- US-China relations under Trump were transactional, with fluctuating cooperation and hostility. China responded to US tariffs cautiously, focussing on minimising the economic impact while leveraging political effects.

BEIJING, 18<sup>TH</sup> APRIL 2025

## Exclusive Dialogue with Timothy P. Stratford: US Tariffs and Global Trade



- A rules-based international trade system is essential for fair competition.
- Challenges in the US-China trade negotiations include differences in economic systems, domestic political considerations and the lack of trust between negotiators.
- The US prioritises America-first policies over balanced and beneficial trade.
- High tariffs have significantly reduced trade between the US and China.

BEIJING, 23<sup>RD</sup> APRIL 2025

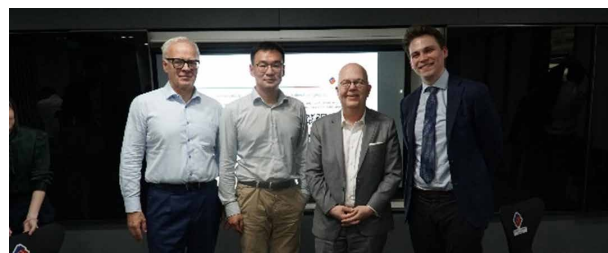
## Navigating the Future: Opportunities and Challenges of Importing Pet Products into China's Thriving Market



- China's pet industry offers significant opportunities due to a growing pet population and market expansion.
- Currently, the domestic pet food market is fragmented, with local players rising and geopolitical factors influencing trade.
- Future regulatory developments may include stricter penalties for non-compliant manufacturers, and approval of more ingredients and additives for use in pet foods.

SHANGHAI, 23<sup>RD</sup> APRIL 2025

## Driving the Way Forward: How the European Auto Industry Can Remain Competitive in China's Evolving Market



- The Chinese automotive industry prioritises making products more accessible and affordable, whereas the European auto industry tends to focus on enhancing profitability.
- Chinese manufacturers are rapidly advancing in the electric vehicle sector, presenting both challenges and opportunities for European automotive companies.
- Collaboration between European and Chinese firms, as well as embracing Chinese innovation, is crucial for success in the evolving global automotive market.

SHANGHAI, 9<sup>TH</sup> MAY 2025

## EU Day – Exclusive meeting with Ambassador Toledo: Reshaping EU-China Relations



- European Union (EU) Ambassador to China Jorge Toledo emphasised the importance of establishing a balanced economic relationship between the EU and China, with a level playing field for both European and Chinese companies.
- The 50-year evolution of EU-China relations has been remarkable, transforming from initial diplomatic contacts into one of the world's most significant bilateral partnerships, despite ongoing disagreements.
- Global trade tensions continue to create uncertainty.

NANJING, 10<sup>TH</sup> MAY 2025

## 2025 European Chamber Spring Cycling



- The event featured 14 teams from companies including Ericsson, Siemens and DB Schenker.
- Two Ericsson teams won first and second place, with Schenker Nanjing clinching third place.
- Zou Yijie and Mauro Guidetti, both from Ericsson Nanjing, were awarded the Best Female and Best Male respectively.

SOUTH CHINA, 10<sup>TH</sup> APRIL 2025

## Marcom Conference: Marketing & Branding in Uncertain Times



- Internal culture, leadership integrity and employee engagement all contribute meaningfully to how a brand is experienced inside an organisation and, ultimately, how the outside world perceives it.
- Artificial intelligence (AI) and automation enhance marketing productivity, but long-term brand value still depends on clear strategy, human creativity and authenticity.
- As AI increasingly enables customers to better understand and select products based on their needs, marketing must evolve beyond traditional persuasion.

SOUTH CHINA, 17<sup>TH</sup> APRIL AND 24<sup>TH</sup> APRIL

## EU SMEs in South China: Government Partnerships and Green Transition Opportunities



- Effective EU-Shenzhen small and medium-sized enterprise collaboration requires sustained business-government dialogue to overcome regulatory and operational barriers.
- Targeted policies and public-private partnerships are key to unlocking growth in emerging sectors.
- China's green transition offers significant potential in renewables, cleantech, and environmental, social and governance services – but demands careful navigation of local regulations and alignment with regional priorities such as decarbonisation and circular economy goals.



# Advisory Council News

## Winners of the 2024 Boehringer-PKU Researcher Award, Postdoctoral Fund Award announced

On 31<sup>st</sup> March 2025, Boehringer Ingelheim and Peking University announced the winners of the 2024 'Boehringer Ingelheim Researcher Awards' and 'Postdoctoral Fund Awards'. As a cornerstone of the strategic partnership between Peking University and Boehringer Ingelheim, the awards have honoured 34 researchers since their inception in 2017, with over 20 papers published in top-tier journals such as *Cell*, *Nature* and *Science*. Postdoctoral awardees also receive mentorship from Boehringer Ingelheim scientists, fostering a 'dual-mentor' system that combines academic and industry expertise. Several research outcomes have since been integrated into Boehringer Ingelheim's research and development pipeline.



Photo: Boehringer



Photo: Bayer

## Bayer China Academic Collaboration Award 2024 unveiled

Bayer, together with Tsinghua University and Peking University, recently unveiled the Bayer China Academic Collaboration Award 2024, including Bayer Endowed Chair, Bayer Investigator, Bayer Microfunding as well as Bayer Postdoc. The Bayer China Academic Collaboration Award aims to work closely with prestigious Chinese universities to honour and fund distinguished scholars with outstanding achievements in life sciences, medical science, and drug research and development. It aims to strengthen communication and coordination between the pharmaceutical industry and academia, and to advance the application and translation of fundamental research to drug discovery and development, thus accelerating breakthrough innovations that will benefit patients.

This year, the scientists awarded the Bayer Endowed Chair are Professor Chunhua Yan from the College of

Chemistry and Molecular Engineering (CCME) of Peking University, and Professor Feng Qian from the School of Pharmaceutical Sciences of Tsinghua University. A total of nine scientists from Peking University and Tsinghua University became Bayer Investigators through the selection of the Joint Steering Committee (JSC) composed of Bayer experts and senior scholars from the top two universities in China. Assistant Professor Kai Ma from the School of Biomedical Engineering, Associate Professor Zhihua Liu from the School of Basic Medical Sciences, and Associate Professor Xia Wang from the School of Pharmaceutical Sciences of Tsinghua University received funding support from the Bayer Microfunding programme for their scientific research projects. In addition, three outstanding young researchers from Peking University became Bayer Postdocs.

"I would like to congratulate all the Chinese scientists who have won the Bayer China Academic Collaboration Award. It is your unrelenting endeavours that has driven the rapid advancement of China's basic scientific research and innovation capabilities," said Dr. Anastasia Hager, a JSC member for Bayer Academic Collaborations in China and senior vice president of Research and Development and head of Drug Discovery Sciences of Bayer's Pharmaceuticals Division.

As an integral part of its long-term commitment in China, Bayer attaches great importance to and continues to pay attention to local scientific



collaboration and strongly supports China's original innovation and new drug research and development. The company has established long-term strategic partnerships with Tsinghua University and Peking University since 2009 and 2014, respectively. The partnerships pioneer scientific research collaborations between multinational pharmaceutical companies and local academic institutions, and set examples of the synergetic development and collaborations between industry and academia on advancing drug innovation.

## ABB plans to spin off its robotics division as a separately listed company

ABB recently announced that it will launch a process to propose a 100 per cent spin-off of its robotics division at its Annual General Meeting 2026. The intention is for the business to start trading as a separately listed company during the second quarter of 2026.

ABB Robotics is a technology leader and provides intelligent automation solutions to help its global customer base achieve improved productivity, flexibility and simplicity to solve operational challenges, including labour shortages and the need to operate more sustainably. Customer value is created through the differentiated offering of the broadest robotics platforms, including autonomous mobile robots, software and artificial intelligence (AI), combined with proven domain expertise to a broad range of traditional and new industry segments. More than 80 per cent of the offering is software/AI-enabled.

The ABB Robotics division has approximately 7,000 employees. With 2024 revenues of United States dollar



Photo: Bayer

(USD) 2.3 billion, it represented about seven per cent of ABB Group revenues and had operational earnings before interest, taxes, depreciation and amortisation of 12.1 per cent.

If shareholders decide in favour of the proposal, the spin-off is planned to be completed through a share distribution, whereby ABB's shareholders will receive shares in the company to be listed (working name: ABB Robotics) as a dividend in-kind in proportion to their existing shareholding.

## Philips collaborates with NVIDIA to improve patient care with AI

From cutting scan times, to speeding up workflow and improving image quality, Philips is already empowering healthcare providers with artificial intelligence (AI)-powered solutions to deliver faster, more accurate diagnoses for their patients. At the recently held industry gathering ISMRM, the company announced a new breakthrough collaboration with NVIDIA to harness cutting-edge advances in AI for magnetic resonance (MR) imaging.

Philips and NVIDIA will build a foundational model for magnetic resonance imaging (MRI), powered by NVIDIA's advanced AI computing

platform. A large deep learning neural network trained on massive datasets, the foundational model will lay the groundwork for a new generation of applications set to significantly enhance MR image quality, accelerate scan times, and improve diagnostic workflow and accuracy across a wide range of clinical applications.

The foundational model will enable zero-click planning of scans across different anatomies, with the potential to dramatically speed up workflows and increase throughput. Interactive image enhancement capabilities, such as denoising, super-resolution and sharpening, will allow for more precise diagnoses. Radiologists will also be able to preview images and adjust quality and speed parameters before the actual scan, further helping to streamline the process. Additionally, the model will be able to facilitate automatic detection and interpretation of image findings, potentially making the diagnostic process more efficient and reliable.

The collaboration aims to develop a solution that can be seamlessly integrated into existing MR workflows. Philips will build on NVIDIA's VISTA-3D, a specialised interactive foundation model for 3D medical imaging and MAISI, a state-of-the-art 3D model designed to generate high-quality synthetic images with or without anatomical annotations. Together, these technologies will create a domain-specific solution tailored to the unique challenges of MR imaging. [Read more](#)

### Tell Us Your Big News

European Chamber members are welcome to add news items on their own activities to our website, and share it with over 1,700 members.

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**Adam Dunnett**

Listed in alphabetical order.

The chairs and vice chairs are responsible for carrying out the working group's overall leadership through hosting working group meetings, leading advocacy meetings, co-leading on the annual *Position Paper*, recruiting new members and representing the group in front of media.



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## of the European Chamber

The members of the European Chamber's Advisory Council are active in representing and advising the Chamber, and make an enhanced contribution to the Chamber's funding.







European Chamber

# **CARBON NEUTRALITY ACTION**

WORKING WITH CHINA TOWARDS 2060

## Join our working groups to make your contribution

- Advocating for EU-China cooperation on decarbonisation
- Facilitating coordinated efforts among the Chamber's membership
- Working with China to achieve its 2060 carbon neutrality goal