

First Workday Events Set Positive Tone for 2026

Policy Express

By LIN Yuchen

As China's economy and society hit the ground running on the first working day of 2026, January 4, a series of major achievements and strategic initiatives across trade, business environment reform, industrial innovation, and regional development signaled strong momentum for the year ahead.

Qingdao's new shipping route

On January 4, the Qingdao Port in Shandong province in east China inaugurated its first direct foreign trade shipping route to Australia, linking China's key ports with Brisbane and Sydney.

The new service, with voyages taking about 20 days to Brisbane and 25 days to Sydney, significantly shortens transit times compared with traditional transshipment routes, which could take up to 30 days or even longer, enhancing logistics efficiency and strengthening direct maritime connectivity between China and a major Pacific trading partner.

The Qingdao Port now operates nearly 240 foreign trade routes, connecting more than 700 ports in over 180 countries and regions.

Shanghai's 26 new policies

Also on January 4, Shanghai held its annual business environment conference and released the *2026 Action Plan for Accelerating the Construction of a World-Class Business Environment*.



Vehicles are carried along the production line by robotic transporters at a factory of FAW Jiefang, January 4, 2026. (PHOTO: XINHUA)

The plan introduces 26 targeted measures across four pillars: government services, market competition, industrial ecosystem, and social co-governance. Officials say the reforms aim to make regulatory improvements more inclusive, fair and tangible for enterprises, reinforcing confidence in the city's economic prospects amid global uncertainties.

Shanghai has consistently ranked at the top of global business environment indicators, outperforming major international cities. Moreover, Shanghai Customs has rolled out the country's

first "low-risk special item intelligent auxiliary approval model," which compresses average approval times by roughly 70 percent while maintaining biosecurity standards.

Nanjing's AI integration

In Nanjing in east China, new industrial directives have been introduced to bolster AI integration across sectors. The city's initiatives prioritize the establishment of interdisciplinary innovation platforms and employ competitive mechanisms such as "challenge-led breakthroughs" to address core algorithm development and large-

scale deployment challenges.

Local leaders emphasize building AI ecological districts, deploying "compute power vouchers," and strengthening foundational support so that enterprises can pursue innovation with confidence.

Hainan's gateway role

In southern China, Hainan province held a high-profile New Year economic work meeting on advancing the high-standard construction of the Hainan Free Trade Port. The meeting underscored the urgency of deepening reform and opening up policies to attract investment and expand international cooperation.

Analysts observed that since the full implementation of free trade port operations, Hainan has enhanced market access and institutional innovation, reinforcing its role as a gateway for high-level opening up.

Nationally, upbeat tourism and consumption data from the New Year holiday further buoyed economic confidence. In Hainan, duty-free sales rose sharply, and transport and cultural markets saw strong activity, reflecting robust domestic demand and consumer enthusiasm at the start of 2026.

Taken together, these developments underscore China's proactive approach to economic governance in early 2026, combining infrastructure expansion, regulatory reform, industrial innovation, and regional openness to lay a solid foundation for sustained high-quality development throughout the year.

Case Study

Dujiangyan Irrigation System Nurtures Sichuan's Granary

By LI Linxu

The Dujiangyan irrigation system, located in the western part of the Chengdu Plain in southwest China, is an ecological engineering feat originally constructed around 256 BC.

As the only remaining grand water conservancy project in the world, it has withstood natural disasters such as floods and earthquakes, and is still in use today.

Characterized by dam-free water diversion, it has tamed floods, nourished farmlands, and sustained the prosperity of Sichuan province for over 2,000 years.

The system comprises two parts: the Weir Works, located at an altitude of 726 meters, the highest point of the Chengdu Plain, and the irrigated area.

Thanks to digital and intelligent transformation of the Dujiangyan irrigation system, such as digital twin reality modeling and automated water metering facilities, the management of the irrigated area has entered a new phase of "intelligent-driven and precise decision-making."

"The irrigated area of the Dujiangyan irrigation system is continuously expanding," Li Yanfu, deputy secretary of the Party committee of the Sichuan Dujiangyan Water Conservancy Development Center, said.

Its effective irrigated area has increased from 2.86 million mu (1 mu

equals 666.7 m²) in the early years of the People's Republic of China to 11.65 million mu in 2025, serving a population of more than 30 million across eight cities and 41 counties (county-level cities, districts) in Sichuan, according to Li.

Zizhong, a county in the central Sichuan Basin, is one of the beneficiaries of such an increase. Agriculture in the county's towns such as Falun and Qiuxi was long dependent on rainfall. But the arrival of water from the Minjiang River changed the situation.

In October 2025, the nearly 30-kilometer-long Sanhuang branch canal officially started operation, delivering water from the Minjiang River via the Dujiangyan irrigation system to the Dongfeng reservoir in Zizhong. This injects vital hydraulic power for developing high-quality grain, oil, fruit and vegetable industries in the area.

"Now that water is easily accessible, I feel much more confident about a bumper harvest!" Lv Desheng, a farmer from Qiuxi town, said.

At present, the annual water supply of the irrigated area is stabilized at over seven billion cubic meters.

"The irrigated area is a veritable grain barn and wealth reservoir," Li said. "With less than one-twentieth of Sichuan province's land area, it now produces nearly one-quarter of the province's grain output and contributes almost half of its regional GDP."



Baopingkou, an artificially excavated water inlet, at the Dujiangyan scenic area in Chengdu, southwest China's Sichuan province. (PHOTO: XINHUA)

New Policy to Propel Data Innovation

By LIN Yuchen

On December 27, 2025, the National Data Administration of China released a policy document for strengthening sci-tech innovation on data. The primary objective of this policy is to enhance the development of data-driven technologies, fortify data resource systems, and unlock the multiplier effect of data elements.

China aims to achieve significant progress in its digital transformation by focusing on high-level technology breakthroughs and fostering a thriving data innovation ecosystem.

It is a clear vision for the next decade, aiming to build a series of supportive data science and technology innovation platforms by 2027. These platforms will foster deep integration of industry, academia, research and application, creating an efficient innovation mechanism for establishing a data-driven industrial innovation system.

Technological breakthroughs will be sought in data supply, circulation, utilization and security. By 2030, China expects its core data technologies to reach advanced international levels, while its data science innovation and industrial ecosystem will see a comprehensive upgrade.

This will provide support for building the data element market system and demonstrate the power of data elements in driving high-quality economic and social development.

Critical technological challenges will be addressed and high-level applications fostered. Research and breakthroughs will be strengthened in key data technologies, incorporating data science and technology research into the national science and technology planning system.

The development of key technologies will be accelerated in areas such as data supply, circulation, utilization and security, and domestic capabilities in critical data infrastructure will be strengthened.

Additionally, efforts will be increased to scale up data science innovation, promoting the efficient conversion of research outcomes into practical applications.

To nurture a robust data science innovation ecosystem, a comprehensive innovation platform system would be established in the data field. The policy encourages the formation of innovation consortia led by national laboratories, enterprises, universities and research institutes. These consortia will take the lead in national data science research tasks and the construction of major innovation platforms, tackling the key

challenges in the sector.

The document also highlights the importance of strengthening foundational support for data science innovation. This includes accelerating the development of a national integrated computing power network, and pooling and intelligently scheduling diverse computing resources to support data science research and testing.

Moreover, a robust standards system in key data fields would be developed, ensuring that data infrastructure, service capabilities, and high-quality data sets are aligned with technological advancements and industry promotion.

The National Data Administration will establish a coordination mechanism to coordinate technological breakthroughs and resource allocation. It will also formulate an evaluation system for data sector achievements and regularly assess outstanding outcomes from academia, research and application to incentivize innovation and progress in the field.

This strategic move underscores China's commitment to advancing data-driven innovation not only for its own digital transformation but also to contribute to global digital governance, interoperable data ecosystems, and inclusive technological progress.



A staff member operates a robot to collect data in a coffee shop scenario at a humanoid robot innovation center in the Wuhan East Lake High-tech Development Zone in Wuhan, central China's Hubei province. (PHOTO: XINHUA)

China Accelerates Smart Grid Development

By SUN Jin

China's National Development and Reform Commission and the National Energy Administration jointly issued a policy roadmap recently, with the goal of developing an integrated smart power grid by 2030.

The next-generation system will combine main transmission grids and distribution networks as its core infrastructure, supplemented by smart microgrids.

There are clear targets for 2030: expanding the west-to-east power transmission network capacity exceeding 420 GW, boosting cross-provincial power sharing by 40 GW, raising renewable energy's share to 30 percent of total generation, and accommodating 900 GW of distributed new energy.

The guideline also outlines measures in seven aspects, including defining functional architecture for the smart grid platform, establishing modernized dispatch systems, and implementing

technology-driven infrastructure upgrades. It proposes to develop smart microgrids tailored to local conditions, and increase investment in power grids.

"The collaboration between main grids, distribution networks, and microgrids enables the development of new power grid forms," said Zhang Lin, director of the Department of Planning and Development at the China Electricity Council.

As diverse new energy forms connect at different voltage levels, the grid

is evolving from a traditional one-way hierarchical structure into a more flexible, multi-directional and bidirectional hybrid system.

To support the development of the new power grid forms, it's necessary to enhance the interaction capability between the main grid, distribution networks and microgrids, strengthen grid security and backup capacity, and accelerate intelligent upgrades.



Intelligent Mining of Super Thin Coal Seams

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"Just like putting a base station in a matchbox, it needs to be both compact and have a full signal," said Yang Qingjiang, professor at USTH, who is in charge of communication technology.

After numerous failed attempts, the team came to a deadlock. USTH Professor Liu Fugang suggested using leaky-wave antennas, which can reduce the volume without affecting the signal.

The team integrated multiple previously used devices into a single unit, significantly reducing its volume and weight. They replaced traditional antennas with leaky-wave antennas and laid them along the gaps of the brackets to achieve uniform signal coverage in the operation area.

After three months of installation and commissioning, data showed that key technical indicators such as the uplink and downlink rates and latency of 5G signals in extremely thin coal seam working faces all meet the national standards. This is the first successful deployment of 5G in extremely thin coal seam working faces in China.

Real-time scenes and equipment status can all be transmitted to the surface without any delay, laying a solid foundation for remote intelligent control, said Yang.

Precise mining

The occurrence of extremely thin coal seams (referring to their existing state and distribution characteristics in the stratum) is unstable, so a slight

mistake can lead to the shearer cutting into the rock, which not only easily damages the equipment but also may cause accidents.

Therefore, building a high-precision geological model is the prerequisite for intelligent mining, said USTH Professor Liu Yongli, who is in charge of geological modeling for this project.

Within a space of 0.7 to one meter high, technicians could only crawl forward. Every time they went down the mine, they had to carry over 10 pounds of detection instruments, self-rescuers and miners' lamps.

During the crawling exploration, the team accumulated a vast amount of geological data and integrated drilling and geophysical exploration data to build a three-dimensional geological model of the extremely thin coal seam, with an accuracy of 0.1 meter. It was akin to giving the coal seam a "CT scan," which made all details clearly visible.

With the 3D built precise model, the coal shearer can plan the path in advance, automatically adjust the height and reduce risks, realizing precise mining in the thin coal seams.

To date, this technology has been promoted in Heilongjiang, Yunnan, Shaanxi and other provinces. The mining efficiency of extremely thin coal seams has increased by 200 percent, with an additional production capacity of over 1.5 million tonnes, and an additional revenue of over 600 million RMB.