

## INSIGHTS

## Blocking Ford's China Battery Ties to Hurt U.S. Industry

Clear Voice

By LIANG Yilian &amp; HU Dingkun

Recently, John Moolenaar, chairman of the U.S. House select committee on China, sent a letter to Ford Motor Company CEO Jim Farley, questioning Ford's cooperation with Chinese battery manufacturers such as Contemporary Amperex Technology Co., Ltd. (CATL).

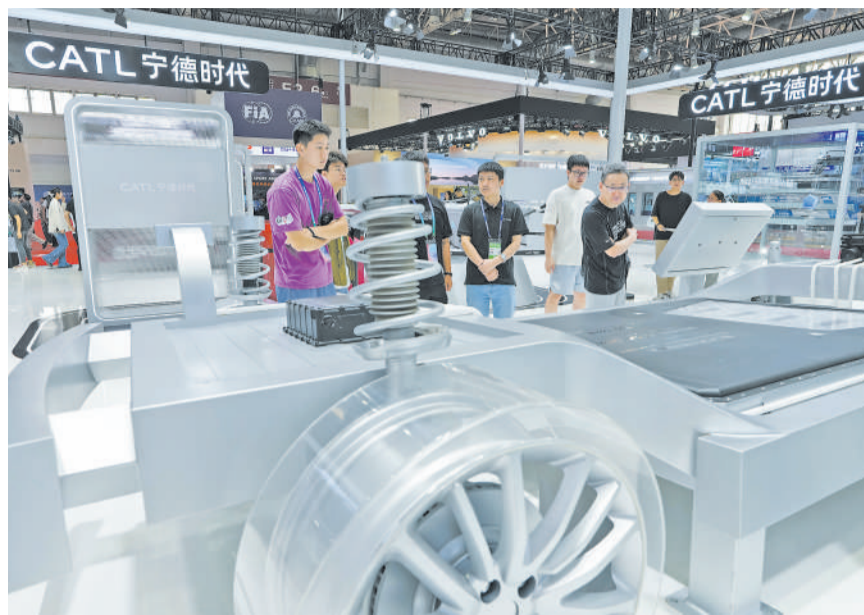
Moolenaar portrayed China as a grave threat to U.S. supply chain independence and economic security, and raised alarmist concerns about China "exploiting" key U.S. industries and the alleged risks of deploying batteries based on Chinese technology in critical American infrastructure.

The intent behind this move is clear: to exert political pressure on Ford and obstruct its technological cooperation with Chinese battery companies.

Last December, Ford announced plans to produce lithium iron phosphate (LFP) batteries under a licensing agreement with CATL for use in energy storage systems. On January 15 this year, *The Wall Street Journal* reported that Ford was also in talks with Chinese high-tech company BYD for a battery deal for hybrid vehicles.

That same day, Moolenaar issued a statement calling the cooperation a serious "security risk" and insisting that Ford should work with U.S. allies rather than so-called adversaries.

In reality, the U.S. battery industry lags far behind China in both scale and technological capability. In January, the internationally renowned investment research firm Bernstein projected that by 2026, the U.S. would account for only about 10 percent of



People visit CATL's superfast charging battery at the third China International Supply Chain Expo. (PHOTO: XINHUA)

global battery production capacity, while China's share would reach as high as 80 percent.

Across major battery segments — including lead-acid, lithium-based, sodium-ion, and nickel-metal hydride — China holds a commanding lead over the U.S. in patent ownership.

As a legacy automaker with decades of deep engagement in the Chinese market, Ford's pursuit of battery technology cooperation with CATL and BYD is not only rational but strategically sound.

In recent years, LFP batteries — thanks to their superior safety profile and cost advantages — have come to dominate the energy storage sector, capturing more than 90 percent of the global market.

They are also increasingly becoming the mainstream solution for electric vehicles, with global market share exceeding 50 percent by 2025. CATL is the

undisputed leader in LFP technology, accounting for 48 percent of global installed capacity. In the hybrid vehicle battery segment, BYD ranks among the world's leaders, with its market share approaching 30 percent in the third quarter of 2025.

Cooperation with Chinese companies is therefore critical to Ford's transition toward new energy. In a June 2025 media interview, Lisa Drake, Ford's vice president for electric vehicle industrialization, explained the rationale behind introducing CATL's technology: "It's hard to innovate something when you've never seen it with your own eyes. That's why we need to bring it here."

Throughout its cooperation with Ford, the Chinese side has demonstrated confidence and openness. There has been no fear that licensing certain technologies to the United States would undermine China's leading position, nor has there been any attempt to stoke

paranoia about American companies "stealing" advanced Chinese battery technologies — tactics frequently employed by U.S. politicians against Chinese firms.

On the contrary, a CATL representative stated plainly: "We are committed to supporting the global energy transition, including the U.S. market."

The real irony lies in the fact that some U.S. lawmakers are disregarding the interests of their own companies, repeatedly intervening to obstruct legitimate business cooperation. They seem oblivious to the reality that Ford stands to gain the most from such partnerships — and to lose the most if they are delayed or derailed.

Even without cooperation with Ford, CATL and BYD would remain global leaders in the battery industry. For Ford, however, every day of delay means falling further behind in acquiring high-performance LFP technology and entering the rapidly expanding energy storage market, with inevitable spillover damage to related U.S. industries.

At the root of these misguided actions is an obsessive tendency to over-generalize national security concerns, driven by the paranoid assumption that the use of Chinese technology or products is inherently risky. This mindset reflects a classic case of projecting suspicion onto others.

Such U.S. politicians would do well to acknowledge the reality of China's technological progress, recognize the necessity of China-U.S. cooperation in science, technology, and industry, and stop interfering in normal commercial exchanges between companies.

Continuing down the current path will only delay U.S. industrial development and compound the difficulties a shrinking American manufacturing sector already faces.

## Opinion

## Future Industries Power Next Development Phase

By Staff Reporters

With the world entering a new era of technological and industrial transformation, future industries are key to long-term advantage — and China is moving fast to build them.

**Reinforcing the digital foundation**

Quantum technology and 6G are widely regarded as the pillars of the next-generation digital infrastructure. On January 21, the Ministry of Industry and Information Technology (MIIT) announced the launch of the second phase of 6G technology trials, laying the groundwork for commercial deployment before 2030.

China currently accounts for 42 percent of the world's declared standard-essential patents for 6G, ranking first globally.

Quantum computing is moving steadily out of laboratories and into real-world applications. According to a recent report by the China Academy of Information and Communications Technology, more than 800 quantum information enterprises have been established worldwide, over 140 of them in China.

"China's quantum technology has long been at the global forefront, and its application scenarios are continuing to expand," said Guo Guoping, professor at the University of Science and Technology of China.

However, the commercialization of quantum technology still faces challenges in core components, system integration, and the maturity of industrial ecosystems.

"Overcoming these obstacles requires driving technological iteration through pilot projects in real-world scenarios, while simultaneously building an independent and controllable manufacturing chain and developer ecosystem," Guo said.

"To enable these foundational industries to provide sustained support and broad spillover effects, long-term efforts are needed across technological R&D, capital investment, and standards-setting," said Yang Zhen, associate research fellow at the Institute of Industrial Economics of the Chinese Academy of Social Sciences.

**Reshaping the material base**

Alongside digital technologies, breakthroughs in energy and materials are redefining the physical foundations of industrial development. The energy transition driven by green hydrogen and the materials revolution centered on synthetic biomanufacturing are jointly reshaping global industrial structures, with implications for national energy security and resource autonomy.

China has already established a strong position in the hydrogen energy sector. Nationwide, 380 hydrogen refueling stations have been built, accounting for about 40 percent of the global total. By 2025, the global hydrogen market is expected to reach 320 billion USD, with China contributing more than 35 percent.

"The global fusion industry is developing rapidly, and China is showing particularly strong momentum," said Liu Zhihong, secretary-general of the

Anhui Province Fusion Industry Federation.

China's fusion energy development model is also evolving. What was once dominated by state-led "national teams" is now increasingly driven by a combination of public institutions and private capital. Controlled nuclear fusion is currently at a critical transition point from laboratory research to engineering and commercialization, with expectations that the first fusion-powered electricity could be realized around 2030.

In biomanufacturing, growth has been equally striking. MIT data shows that the global biomanufacturing market has surpassed 350 billion USD, with a compound annual growth rate exceeding 15 percent.

China's biomanufacturing sector has reached a scale of 1.1 trillion RMB, and its biotechnological fermentation products account for more than 70 percent of global output.

"Only by continuously tackling key technologies, building independent industrial chains, fostering innovation ecosystems, and conducting large-scale validation in representative scenarios can laboratory breakthroughs be transformed into powerful drivers of growth," said Yang.

**Expanding the boundaries of intelligence**

Breakthroughs in brain-computer interface (BCI) and embodied intelligence are redefining the relationship between humans, machines, and the physical world. Once confined to science fiction, the deep integration of AI, robotics, and human cognition is increasingly shaping real-world applications.

In a rehabilitation center in Tianjin, a 67-year-old stroke patient recently regained partial movement in his left arm with the help of the world's first interventional BCI clinical trial designed to restore motor function.

The system uses minimally invasive vascular surgery to install microelectrodes in target areas in the brain, enabling stable and precise neural signal acquisition without damaging the skull, according to Duan Feng, a professor at Nankai University who led the project.

Beyond technical challenges, ethical and safety considerations remain central. "The proximity of this technology to the human brain makes it fundamentally different from other industries," Duan said, warning against uncritical replication of conventional expansion models.

Embodied AI, by contrast, is already integrating rapidly into daily life. From robotic vacuum cleaners capable of sorting objects to humanoid robots performing power inspection tasks, applications are expanding across industries.

Still, experts caution that intelligence software has yet to fully match advances in hardware.

"Robots still face clear limitations in long-sequence behavior planning and cross-scenario generalization, while safety constraints remain largely physical," said Zhang Weinan, executive dean of the School of AI at Harbin Institute of Technology. "True industrial maturity will be marked by safety and reliability."

## Euro Businesses Step Up Investment in China

## Voice of the World

Edited by QI Liming

Since 2025, trade and investment between China and Europe has remained on a steady upward trajectory, with the current investment boom from European companies in China showing no signs of slowing down.

Data from China's Ministry of Commerce (MOC) shows that in 2025, British investment in China increased by 15.9 percent and Swiss investment by 66.8 percent. A report from the German Economic Institute (IW) indicates that Germany's new investment in China between January and November of 2025 was approximately seven billion euros, an increase of over 55 percent compared to 2024, reaching the highest level since 2021.

**Shifting more production processes to China**

The latest British Business in China Sentiment Survey 2025-2026, released by the British Chamber of Commerce in China, shows that the expectations for development of British companies in China for 2026 have peaked since 2020,

and around one-third of companies plan to increase investment in 2026.

Recently, the French Air Liquide Group announced a 25 million euro investment to carry out an electrification transformation of their air separation plant in Yulin, Shaanxi province, northwest China. Once the project is completed, it will achieve both emissions reduction and production increases.

An article in the *Financial Times* said that "A complete industrial chain ecosystem, continuously upgraded manufacturing capabilities, and an extremely large market, together constitute the strong pull of the Chinese market on European enterprises. An increasing number of European enterprises are now looking eastward with a more pragmatic attitude."

**Combining cost and effectiveness**

The *Business Confidence Survey Report 2025/26*, released by the German Chamber of Commerce in China in December 2025, showed that 93 percent of German companies in China plan to continue to engagement in the Chinese market, and 56 percent of the companies have explicitly stated that they will increase their investment. This data reflects the strong resilience of China-Europe economic

and trade cooperation.

In November 2025, the German chemical giant BASF invested in Zhanjiang, Guangdong province, southeast China, and built the core facilities of an integrated base. The first batch of products has successfully gone into production, marking a crucial step for this company's largest single investment to date.

"For the global supply chain, China is an ideal choice that offers both cost-effectiveness and an optimal industrial ecosystem," Jens Eskelund, president of the European Union (EU) Chamber of Commerce in China, said. China's competitive edge has evolved from the traditional cost advantage to an all round advantage consisting of "comprehensive industrial chain support, large-scale production capacity, and mature industrial infrastructure."

**Integrating deeply through investment and cooperation**

The industries of China and Europe have achieved solid integration in investment and cooperation. This integration not only benefits both sides, but also injects valuable certainty into the uncertain global economy.

The *Business Confidence Survey Report 2025/26* of the German Chamber

of Commerce in China also shows that 68 percent of the surveyed German companies have already carried out overseas business cooperation with Chinese enterprises.

In addition, a survey by U.S. Rhodium Group shows that since 2021, direct investment by the EU's manufacturing sector in China has continued to increase.

In the second quarter of 2024, the greenfield investment by the EU's manufacturing sector in China reached 3.6 billion euro, setting a new record. According to data from the MOC of China, as of the end of 2024, the cumulative actual investment by EU enterprises in China had exceeded 150 billion USD.

Since entering the Chinese market in 2014, the German engineering giant, the Siempelkamp Group has expanded its Qingdao base three times. The fourth phase of the project is scheduled to commence in 2026. Konstantinos (Kosta) Karakolidis, CEO at Siempelkamp (Qingdao) Machinery & Equipment Co., Ltd., said the growth potential of the Chinese market is clearly evident to all. They are willing to share the development benefits through continuous investment.

## Soil-free Strawberry Grown on Shelves

## Hi-Tech

By QI Liming

Strawberries from Pinglu, a county in Yuncheng city in Shanxi province, northwest China, have entered their har-

vest period. Different from the traditional ground planting, these strawberries are grown in hanging belts on scaffolding in greenhouses.

Compared with the traditional ground planting, strawberries grown on shelves yield over 30 percent more per unit area, and the incidence of pests and diseases has decreased.

The strawberries are cultivated without soil, using high organic matter substrates such as peat and vermiculite. A combination of automated irrigation and fertilizing ensures precise fertilization, water saving and fertilizer reduction.

The greenhouses have intelligent monitoring equipment, which collects real-time data such as temperature and hu-

midity, substrate electrical conductivity value and nutrient content. Thanks to this, the cultivation is done scientifically, with a significant reduction of pesticides.

Strawberries grown on shelves have also created a new leisure agricultural scene, integrating "production, picking and sightseeing." Tourists can enjoy a stroll and pick the fruit.



An engineer demonstrates a BCI rehabilitation system during a themed exhibition in Beijing. (PHOTO: XINHUA)