

INSIGHTS

China's Role in Global Innovation Enters New Phase

Voice of the World

By Staff Reporters

From humanoid robots developed by Chinese companies making a strong debut at the 2026 International Consumer Electronics Show in Las Vegas, the United States, to stunning performances on the Chinese New Year Gala stage, and from large AI models evolving from simple conversation to task execution and creative generation, China's AI sector has entered 2026 with remarkable momentum. A number of AI firms have gone public or secured multiple rounds of financing, drawing widespread international attention.

Global observers note that China's high level of social acceptance of new technologies has created fertile ground for rapid AI experimentation and deployment in areas such as healthcare, education and poverty reduction. This broad societal consensus is increasingly viewed as a structural advantage underpinning the country's long-term AI competitiveness.

Yet AI is only part of a broader wave of breakthroughs.

Chinese researchers recently built the world's first scalable quantum network relay node, enabling secure communication over 100 kilometers. The "Caihong YH-1000S," the world's first hybrid-powered unmanned cargo aircraft, completed its maiden flight in Chongqing.



Engineers work on the transmission lines of the China-Laos 500-kilovolt interconnection project. (PHOTO: XINHUA)

A 300-megawatt-class F-grade heavy-duty gas turbine prototype has generated 196 million kilowatt-hours of grid-connected electricity, validating its operational stability. A series of "firsts" across multiple fields has captured global attention at the start of the year.

Behind these early 2026 milestones stands a strong 2025 performance. China's national innovation index ranking entered the global top 10 for the first time. The country has led the world for three consecutive years in the number of top 100 global innovation clusters.

Several basic research achievements were recognized internationally as major scientific breakthroughs. Re-

searchers from the Chinese mainland now account for the second-largest share of highly cited scientists worldwide, and six of the world's top 10 leading research cities are located in China.

International discourse increasingly reflects this shift. A report released by Clarivate Analytics says China's scientific collaboration network is expanding across Asia-Pacific, the Middle East and Africa, while China-Europe research partnerships have strengthened steadily, with their citation impact comparable to that of U.S.-Europe cooperation.

This trend is particularly visible in electric vehicles, batteries and clean energy. In December 2025, Ford Motor

Company announced plans to produce lithium iron phosphate batteries in Michigan using technology licensed from Chinese company Contemporary Amperex Technology Co., Limited. BloombergNEF reported that production of solid-state battery cells and key components in 2025 was highly concentrated in China.

Beyond products, China's model of translating technology into industry and ecosystem development — focused on addressing real-world livelihood needs — has gained traction in Africa, Latin America and Southeast Asia.

At a recent lecture, Shahbaz Khan, director of the East Asia Regional Office of UNESCO, showcased a Chinese-brand smartphone assembled locally in Lahore, Pakistan, highlighting how technology transfer can create jobs and improve livelihoods.

Many foreign analysts say China is not only offering cost-effective technical solutions but also promoting an approach centered on inclusiveness, sustainability and shared growth.

He Guangxi, a scholar at the Chinese Academy of Science and Technology for Development, said the country's global technological influence is evolving from "product substitution" to "solution provision" and increasingly toward shared development concepts.

Taken together, the developments suggest that China's role in the global innovation system is entering a new phase, one defined not merely by scale, but by systemic impact.

FCC Covered List Is Flawed

Clear Voice

By LIANG Yilian & HU Dingkun

China's leading drone manufacturer DJI has filed an appeal with the U.S. Court of Appeals for the Ninth Circuit, seeking to overturn a decision by the U.S. Federal Communications Commission (FCC) to place DJI drones and related components on its Covered List on December 22, 2025. DJI argues that the decision exceeded the FCC's statutory authority, violated required procedures, and breached the Fifth Amendment of the U.S. Constitution. The FCC uses the Covered List for any telecommunications equipment it deems an unacceptable national security risk.

Before resorting to litigation, DJI attempted to resolve the matter through administrative channels. In January, it formally requested the FCC to reconsider the decision, outlining its legal deficiencies.

DJI's lawsuit advances three main arguments. First, the FCC acted beyond its authority. Under U.S. law, the FCC may only place specific products on the Covered List after a concrete determination that they pose a national security risk. In this case, the FCC relied solely on a generalized "interagency assessment" discussing risks about foreign-made drones, without naming DJI or evaluating any of its products. Moreover, the agencies involved were not authorized by Congress to assess DJI.

Second, the FCC failed to follow due process. DJI received no prior notice of the listing, was not informed which agencies conducted the assessment, and was given no opportunity to respond to any evidence. DJI argues that even in national security matters, due process requires notice and an opportunity to rebut non-classified allegations — rights the FCC denied.

Third, DJI challenges the constitutionality of the legal basis for the decision. The FCC relied on Section 1709 of the FY2025 National Defense Authorization Act, which requires DJI to be placed on the Covered List even if no security

risk is identified within a one-year review period. DJI contends this provision amounts to punishment without due process, in violation of the Fifth Amendment.

On February 24, U.S. drone industry outlet *DroneXL* highlighted DJI's simple but compelling argument: the FCC has never demonstrated that DJI poses a national security threat. This is imperative as U.S. law requires such a determination before equipment can be listed. If the court finds the FCC failed to follow its own rules, DJI's chances of success are strong.

Questions about the lack of evidence have persisted throughout the process. Despite DJI's repeated requests for security reviews in March, June, and December 2025, no U.S. agency initiated an investigation, collected any evidence or reached any conclusions. DJI's inclusion on the Covered List was merely the result of "a bureaucratic deadline being reached."

The consequences of the FCC's decision fall largely on the United States itself. DJI drones account for roughly 87 percent of public safety drones nationwide, and more than 80 percent of state and local agencies rely on them for firefighting, law enforcement, and search-and-rescue missions. Currently, no U.S. manufacturer offers a comparable alternative. The ban risks depriving public agencies of advanced technology while forcing them to pay more for less capable equipment.

By broadly invoking national security without evidence, the FCC has exposed itself to legal challenge. *DroneXL* concluded that, "If DJI is a genuine national security threat, prove it. Conduct the audit. Show the evidence. The government had a full year to do exactly that and chose not to."

DJI's lawsuit may ultimately compel the FCC to justify a ban imposed without following the evidence-based procedures mandated by Congress.

DJI's legal action is a legitimate defense of its rights. U.S. courts should act promptly to overturn the FCC's improper decision, uphold due process, and ensure that regulatory power is exercised lawfully rather than at the expense of both businesses and public interest.

Protectionism Futile for EU's Car Industry

Comment

By QI Liming & HU Dingkun

A new act requiring automakers to ensure that at least 70 percent of the components in their vehicles are produced within the European Union (EU) if they are to be eligible for subsidies from EU countries and contracts from public institutions, is planned for release by the the European Commission, according to recent reports by foreign media including the *Financial Times*. Called the Industrial Accelerator Act (IAA), the measure is aimed at protecting the EU's automotive industry from strong competition from China.

In recent years, Chinese automobiles, particularly electric vehicles, have become very popular in the European market. In 2025, Chinese automakers sold over 810,000 vehicles in Europe, a 99 percent increase compared to 2024. By December 2025, the market penetration rate had approached 10 percent.

In January 2026, the total sales vol-

ume of new vehicles in the European market decreased by 3.6 percent year-on-year, while the sales of Chinese automobiles in Europe still increased by 80 percent year-on-year. It is noteworthy that this was achieved despite the fact that the EU imposed a hefty 35 percent tariff on Chinese electric vehicles.

As their tariff barriers proved ineffective, the EU proposed the IAA to double down by insisting on local production of components. Its intention is to prevent Chinese automakers from obtaining subsidies from EU countries, and further reduce the price advantage of Chinese electric vehicles. In the same broad stroke, it also forces European automakers to purchase automotive components locally, promoting the development of the local automotive industry and improving the related supply chain.

This move by the EU is a gross violation of the principles of equality and openness in international trade, and it is blatant trade protectionism. The "Agreement on Trade-Related Investment Measures (TRIMs)" of the World Trade Organization (WTO), clearly stipulates that WTO

members shall not adopt any measures that discriminate against foreign products, especially the "local content requirements (LCRs)" that force enterprises and governments to use domestic products or services. The European Commission's plan to require that 70 percent of car components be sourced within the EU is a typical example of LCRs.

Chinese vehicles have provided Europeans with a budget-friendly transport option. For example, the BYD Seal U swiftly became Europe's best-selling plug-in hybrid vehicle within its first year of launch.

In February this year, the Center for European Policy Analysis (CEPA) in the U.S. praised Chinese cars for their "excellent performance and low prices." The average price of electric vehicles produced by European automakers is close to 50,000 euros, while the starting price of some Chinese cars ranges from 20,000 to 34,000 euros. Consequently, European buyers of Chinese cars could be adversely effected if tariffs are raised or subsidies are removed, potentially hiking up their prices.

In addition, in February this year, several researchers from the Bruegel, a European think tank, published an article stating that the EU should not follow the path of LCRs in order to protect industries, but should rather maintain an open attitude towards international cooperation. The article indicates that industrial policies should take into account the "global comparative advantages," meaning that certain countries can produce certain products at a much lower cost than other countries. The requirements of the IAA will increase the costs of export-oriented enterprises, thereby slowing down the transformation of local industries in the EU.

In light of the growth of China's automotive industry, the EU should focus on technological innovation or policy optimization in related industries, rather than trying to block Chinese cars from entering the market through protectionist actions. It is an approach that will do nothing to make the EU's automotive industry more competitive. Opening up and embracing competition is the right path for the development of the industry.

40 billion USD in the year ending June 2025, representing more than one-fifth of New Zealand's total exports and 16 percent of its imports.

Higher growth targets, combined with supportive policy measures, could bolster domestic demand for imported food and commodities, with New Zealand exporters poised to benefit.

According to the BBC, from electric vehicles and solar panels to humanoid robots and AI apps, China's industrial and technological footprint has expanded at breathtaking speed in recent years. These developments follow a state-driven road map to transform the country's status from the world's factory floor to a global tech powerhouse.

As *The Pakistan Observer* reported, China's Two Sessions signify the continuation of structural reforms, people-friendly policies, enhanced inflows of FDI and sustained industrial growth, alongside modernization, openness, digitalization, AI and quantum technologies.

Feiyu-1.0: Smart Ocean-atmosphere Coupling

Hi-Tech

By LIANG Yilian & YE Qing

The Feiyu-1.0, a South China Sea ocean-atmosphere two-way coupled intelligent large model was officially released in Guangzhou on February 7. Jointly developed by the South China Sea Institute of Oceanology under the Chinese Academy of Sciences and China University of Petroleum (East China), it is the world's first intelligent large model specifically designed for two-way ocean-atmosphere coupling in the South China Sea.

Feiyu-1.0 delivers three major technological breakthroughs: autonomous and controllable core data, intelligent two-way ocean-atmosphere coupling, and low-cost, flexible, and scalable "plug-and-play" learning. The model is trained on a high-resolution South China Sea reanalysis dataset, independently developed by the South China

Sea Institute of Oceanology. This marks the first time a domestic ocean AI model is no longer reliant on foreign core datasets, breaking long-standing dependence on European and U.S. reanalysis products, while enabling precise representation of small-scale processes such as internal waves and ocean fronts.

Most earlier AI models focused exclusively on either atmospheric or oceanic systems, treating the two as largely independent. Feiyu-1.0 integrates physical mechanisms with AI, adopting a multi-expert-system-based Swin Transformer architecture. Through a dual "fast-slow" learning framework, the model intelligently simulates two-way exchanges of momentum, heat, and other key variables between the ocean and atmosphere, significantly improving forecast accuracy for critical coupled elements.

Feiyu-1.0 is expected to play an expanding role in marine environmental protection, resource development, and climate change response, helping advance a smarter and more sustainable paradigm for ocean governance.



A panoramic view of China's Huangyan Island in the South China Sea. (PHOTO: XINHUA)

Global Spotlight on China's Two Sessions

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An article titled "Why The Two Sessions Mark A Watershed For The Global Economy" in *Eurasia Review* underscored the scale of China's support for sci-tech innovation, noting "record levels of investment in high-tech sectors such as quantum computing, bio-manufacturing, and hydrogen energy."

The article argued that the drive for self-reliance in semiconductors and AI has become "a pillar of national stability," reflecting what it described as "strategic patience" that prioritizes long-term resilience over short-term market fluctuations.

While many observers remain fixated on the headline growth number, the real story lies in a fundamental shift of the Chinese economic model: a move away from the era of growth at any cost toward a sophisticated, technology-driven,

and consumption-led future.

As CNN reported, China spent the last five years cultivating innovation and new technology at home. The next half decade will be dedicated to deploying the fruits of its labor to transform its economy.

"If the (last) Five-Year Plan's innovation policy was largely defensive, this one is much more proactive. The focus is on achieving breakthroughs in key technologies and accelerating the integration of technology and industry," said Yue Su, principal economist for China at the Economist Intelligence Unit.

Sharing China's development benefits globally

For the Global South countries, the role of the Two Sessions in steering China's economy toward an expansion of domestic demand and innovation-driven transformation is of vital importance,

and is expected to open up new market spaces and development opportunities for all countries.

According to *Modern Diplomacy*, the Two Sessions in 2026 represent a strategic focal point for the Global South, outlining the 15th Five-Year Plan, supporting high-quality development through new quality productive forces, and strengthening trade partnerships, particularly in the areas of energy, transportation, and the digital economy.

Its importance to the Global South lies in China's leadership of economic integration. China is promoting openness and cooperation, providing an opportunity for the Global South to benefit from the growth of the world's second-largest economy.

According to New Zealand's public broadcaster RNZ, the two-way trade between China and New Zealand exceeded