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1. Economic and Trade Friction Cases about China

1.1 China Says EU's Probe Into Chinese Company Constitutes Unlawful Extraterritorial Jurisdiction

The EU's anti-subsidy probe into Chinese security check company Nuctech constitutes unlawful extraterritorial jurisdiction, according to a statement issued by the Ministry of Justice on May 15, 2026.

Citing the rules on countering foreign states' unlawful extraterritorial jurisdiction measures, the ministry said that no organization or individual may comply with or aid the EU's unlawful extraterritorial jurisdictional measure.

(Edited from Xinhua.)

1.2 China to Resolutely Counteract Should EU Impose Discriminatory, Restrictive Measures

China will resolutely respond with countermeasures should the European Union (EU) insist on unveiling a so-called new instrument and imposing discriminatory and restrictive measures against Chinese companies or products, the Ministry of Commerce said on May 21, 2026.

Ministry spokesperson He Yadong made the remarks at a press briefing in response to media reports that the European Commission is expediting the development of a new trade tool to address so-called China's "overcapacity" issue.

If a trade surplus is labeled as "overcapacity," then would European exports such as automobiles, pharmaceuticals, wine, and cosmetics also be considered as "overcapacity?" He asked.

The spokesperson added that some countries are investigating the EU's "overcapacity" issues, and under such a circumstance, the EU should not adopt double standards.

"We urge the European side to face reality, return to the right track of dialogue and consultation, and take actions that truly benefit the development of China-EU economic and trade relations," He said.

(Edited from Xinhua.)

1.3 China, U.S. Agree to Discuss Reciprocal Tariff Reduction Arrangement

China and the United States have agreed in principle to discuss, under the trade council, a reciprocal tariff reduction framework arrangement on products of equivalent scale worth 30 billion U.S. dollars or more on each side, China's Ministry of Commerce announced on May 20, 2026.

The products of respective concern as agreed by both sides are expected to enjoy most-favored-nation tariff rates or even lower rates, a ministry official said, elaborating on the preliminary outcomes of the recently held China-U.S. economic and trade consultations.

Once implemented, the arrangement will not only help stabilize and expand bilateral trade between China and the United States, but also serve as a useful reference for global open cooperation, according to the official.

The economic and trade teams of the two sides will maintain close communication, work out specific arrangement, and push for its implementation as soon as possible, the official added.

(Edited from Xinhua.)

1.4 China Bans Imports of Pigs, Wild Boars and Related Products From the Philippines

China has prohibited the direct or indirect imports of pigs, wild boars and their related products from the Philippines, as the Philippines recently reported an outbreak of swine fever to the World Organisation for Animal Health, CCTV News reported on May 21, 2026.

According to the report, the General Administration of Customs and the Ministry of Agriculture and Rural Affairs said that the move aims to prevent the spread of the epidemic and safeguard the safety of China's livestock industry and biosecurity. The announcement took effect from the date of its issuance.

The mailing or carrying of pigs, wild boars and their related products from the Philippines into China is also prohibited. Any such items discovered shall be returned or destroyed without exception, said the report.

In addition, animal and plant-derived waste and swill unloaded from inbound means of transport from the Philippines shall be subject to disinfection and disinfestation treatment under customs supervision and shall not be arbitrarily discarded.

(Edited from Global Times.)

2. China Policies/Regulations

2.1 China Unveils Rules on Implementation of Mineral Resources Law

Chinese Premier Li Qiang has signed a decree of the State Council to publish a new set of regulations on the implementation of the country's Mineral Resources Law.

Set to take effect on June 15, 2026, these regulations are designed to ensure the effective implementation of the revised Mineral Resources Law and facilitate the proper development and utilization of mineral resources.

The rules also aim at strengthening the conservation of mineral resources and ecological environment, advancing high-quality development of the mining sector, and safeguarding the mineral resource security.

Consisting of 8 chapters and 79 articles, the regulations stipulate improvements to the mining rights system, detail rules related to mineral resource exploration and exploitation, and refine provisions concerning ecological restoration in mining areas.

Meanwhile, these regulations provide further improvements to the mineral resource reserve and emergency response systems as well as supervision and management mechanisms.

(Edited from Xinhua.)

2.2 China Modifies Procedures for Formulation of Administrative Regulations

Chinese Premier Li Qiang has signed a decree of the State Council to publish the revised Regulations on Procedures for the Formulation of Administrative Regulations, which will take effect on July 1.

The revisions mainly focus on improving overall requirements, strengthening legislative coordination, modifying working mechanisms, and adapting to reform needs.

Specifically, the revisions urge a rapid response to expedite the legislative process for administrative regulations that are urgently required to serve the Party and the state's overall work and eagerly anticipated by the public, have a limited scope of adjustment, and do not involve any significant disputes among relevant parties.

With eight chapters and 48 articles, the revised regulations aim to refine relevant provisions from the Legislation Law, standardize the procedures for drafting administrative regulations, and ensure the quality of administrative regulations to further modernize the state governance system and capacity.

(Edited from Xinhua.)

2.3 China's Market Regulator Steps Up Support for Private Firms

On May 19, 2026, China's market regulator said that it had taken steps to improve the business environment for private firms since the country's first law dedicated to promoting the private sector took effect last year.

Zhang Daoyang, an official with the State Administration for Market Regulation (SAMR), said that in the year since the Private Sector Promotion Law took effect, the regulator had initiated dozens of policy measures, including 22 measures to support private sector development, and 34 key tasks targeting the sector's growth in 2026.

To ensure fair competition, the regulator trimmed the market access negative list to 106 items and launched anti-monopoly campaigns targeting barriers to market entry, factor markets and public tendering.

The regulator handled nearly 14,600 unfair competition cases in 2025 and investigated more than 30,000 trademark and patent violations, while cracking down on arbitrary fees charged to businesses.

Over 3,000 one-stop technical service centers have been set up to support innovation. Quality-backed financing helped more than 40,000 firms secure loans exceeding 300 billion yuan (about 43.9 billion U.S. dollars), according to the administration.

SAMR said it would press ahead with implementing the private economy law to sustain growth momentum in the sector.

(Edited from Xinhua.)

2.4 China Allows African Coffee Bean Imports From July Under Zero-Tariff Treatment

China will allow the import of coffee beans from African countries that have established diplomatic relations with China, provided they comply with relevant laws and regulations. The policy will take effect on July 20, 2026, according to Chinese customs. This comes after China granted zero-tariff treatment to 53 African countries with diplomatic ties from May 1 this year.

The exporting country of coffee beans must be an African country that has established diplomatic relations with China. Production and processing enterprises should establish a traceability system to ensure that coffee beans exported to China can be traced back to the planting areas, according to a notice published on the official WeChat account of the General Administration of Customs (GAC).

Production and processing enterprises must be officially reviewed by the exporting country and registered with the GAC. The goods must be accompanied by a valid phytosanitary certificate, read the notice.

Coffee beans from Ethiopia and Burundi have already obtained quarantine access approval from China, the GAC said in the notice.

(Edited from Global Times.)

2.5 China to Raise Gasoline, Diesel Retail Prices

China will increase retail prices of gasoline and diesel from May 22 to reflect recent changes in international oil prices, the country's top economic planner said on May 21, 2026.

Gasoline and diesel prices will rise by 75 yuan (about 10.97 U.S. dollars) and 70 yuan per tonne, respectively, according to a statement released by the National Development and Reform Commission (NDRC).

Since the previous domestic pricing adjustment on May 8, international crude oil prices have fluctuated upward and declined somewhat. However, the average price during the 10 working days considered for this round of adjustment was higher than that recorded in the previous pricing cycle, according to the NDRC.

(Edited from Xinhua.)

2.6 China to Optimize Departure Tax Refunds to Boost Inbound Consumption

On May 18, 2026, China issued a notice to further optimize departure tax refund measures and expand inbound consumption, outlining eight specific measures including wider coverage of tax refund stores, a random inspection system for small-value tax refund applications, and improved "instant tax refund upon purchase" services. Enditem.

(Edited from Xinhua.)

2.7 China to Speed Up Development of Nationwide Computing Network

China will accelerate the buildout of a nationwide computing network and step up efforts to develop high-quality data sets for artificial intelligence, according to a 2026 digital economy work plan released by the country's top data regulator on May 19, 2026.

The plan also called for the steady advancement of data infrastructure projects and support for demonstration facilities across industries and sectors.

China will also formulate policies to build an "open, shared and secure" national integrated data market, the plan said, underscoring growing

efforts to break down data silos and improve cross-regional data circulation.

The work plan placed particular emphasis on strengthening the role of data in AI development, outlining six major initiatives focused on expanding foundational data resources, improving application support, enhancing efficiency and quality, strengthening management services, unlocking data value and advancing data labeling capabilities.

(Edited from China Daily.)

3. China Economic and Trade Information

3.1 China, U.S. Achieve Positive Outcomes in Economic, Trade Consultations

On May 16, 2026, China's Ministry of Commerce said that China and the United States have achieved positive outcomes in economic and trade consultations.

When responding to media inquiries, a spokesperson of the ministry outlined five areas of initial outcomes achieved by the two countries' economic and trade teams during their recent consultations.

First, the two sides agreed to continue implementing outcomes reached in previous talks and formed positive consensus on relevant tariff arrangements.

China and the United States will also establish trade and investment councils to address their respective concerns in trade and investment cooperation. Through the trade council, the two sides will discuss issues such as tariff reductions on specific products, and they have agreed in principle to lower tariffs on products of respective concern on an equivalent scale.

In addition, the two countries will resolve or make substantive progress toward resolving non-tariff barriers and market access issues involving some agricultural products.

The United States will actively work to address long-standing Chinese concerns including automatic detention measures targeting Chinese dairy and aquatic products, exports of media-grown bonsai to the United States, and recognition of avian influenza-free zones in east China's Shandong Province. China, for its part, will actively advance solutions to U.S. concerns regarding beef facility registration and poultry exports from certain U.S. states to China.

Moreover, the two sides agreed to promote two-way trade, including in agricultural products, through arrangements such as mutual tariff reductions on a range of products.

In the aviation sector, the two countries reached arrangements concerning China's purchase of aircraft from the United States, as well as U.S. guarantees for the supply of aircraft engines and related parts to China. The two sides agreed to continue advancing cooperation in relevant areas.

The spokesperson said the two sides are still in consultation over details related to the outcomes reached so far.

Economic and trade teams from both countries will work to finalize the outcomes at an early date and jointly ensure implementation in line with the consensus reached by the two heads of state, in a bid to inject greater certainty and stability into China-U.S. economic and trade cooperation and the global economy, the spokesperson said.

(Edited from Xinhua.)

3.2 China, U.S. Work Together to Expand Agricultural Trade Cooperation

China and the United States should create favorable conditions for two-way agricultural trade, and promote the recovery and continued

expansion of agricultural trade cooperation, a commerce ministry spokesperson said on May 21, 2026.

He Yadong, spokesperson for the Ministry of Commerce, made the remarks at a regular press conference in response to a question concerning China's purchases of U.S. agricultural products.

Trade in agricultural products is an integral part of China-U.S. economic and trade cooperation, the spokesperson said.

Following recent economic and trade consultations, China and the United States have reached positive consensus on promoting the resolution of non-tariff barriers and market access issues involving certain agricultural products from both sides, said the spokesperson.

The two sides have also agreed in principle to bring relevant products under the framework of reciprocal tariff reduction, and set guiding targets for expanding two-way trade in agricultural products, the spokesperson added.

(Edited from Xinhua.)

3.3 China Urges EU to Stop Abusing Foreign Subsidies Probe Tools

China hopes the European Commission (EC) will promptly correct its wrong practices, stop its unreasonable suppression of Chinese enterprises, and cease abusing investigation tools under the Foreign Subsidies Regulation (FSR), a Ministry of Commerce (MOC) spokesperson said on May 16, 2026.

The spokesperson also urged the EC to provide a fair, just and predictable business environment for Chinese enterprises investing and operating in Europe.

The remarks came in response to a question concerning a statement issued by China's Ministry of Justice on May 15, which said that the

European Union's (EU) relevant cross-border probe into Chinese company Nuctech under the FSR constituted unlawful extraterritorial jurisdiction.

The spokesperson said China has consistently opposed the EU's abuse of unilateral tools such as the FSR to suppress Chinese enterprises.

Recently, the EU side has not only increased the frequency and expanded the scope of investigations targeting Chinese enterprises, but also upgraded its investigations into companies like Nuctech to in-depth probes, the spokesperson noted.

The EU side has also forced Chinese banking institutions to cooperate with the investigations, while unreasonably demanding a large amount of China-based information that was broad in scope and unrelated to the probes, the spokesperson said.

Such practices have had a serious negative impact on the normal investment and business operations of many Chinese enterprises and banking institutions in Europe, the spokesperson added.

China will closely follow relevant EU moves and take necessary measures to firmly safeguard national security as well as the legitimate rights and interests of enterprises, the spokesperson added.

(Edited from Xinhua.)

3.4 U.S. Business Leaders Look to Deepen Cooperation With China

Representatives of the U.S. business community accompanying President Donald Trump on his visit to China have said that they look forward to deepening cooperation with China.

Executives from several U.S. enterprises have visited the China Council for the Promotion of International Trade (CCPIT) to discuss cooperation in areas ranging from technology to aviation and agriculture.

Agribusiness leader Cargill has operated in the Chinese market for more than five decades. Brian Sikes, chairman and CEO of Cargill, said he and other U.S. business leaders felt encouraged over the past days, noting that the two sides had good communication and are headed toward a better place.

Cristiano Amon, president and CEO of U.S. chipmaker Qualcomm, said he is very optimistic about AI development in China, highlighting the opportunity in the industrial sector. "We will continue to expand in China," he said. "I think it's a very promising future."

The meeting between the two heads of state has created favorable conditions for further economic, trade and investment cooperation between the business communities of the two countries, said Ren Hongbin, chairman of the CCPIT, adding that the CCPIT will work to promote further exchanges and cooperation between the Chinese and U.S. business communities.

(Edited from Xinhua.)

3.5 China Implements Export Controls on Rare Earths in Line With Laws

China implements export controls on rare earths and other critical minerals in accordance with laws and regulations, and reviews license applications that are compliant and for civilian use, the Ministry of Commerce said on May 20, 2026.

The remarks, in response to recent U.S. statements about critical minerals, were made by an official with the ministry elaborating on the preliminary outcomes of the recently held China-U.S. economic and trade consultations.

"China is willing to work with the United States to jointly create favorable conditions for promoting mutually beneficial cooperation

between enterprises of the two countries and ensuring the security and stable operation of global industrial and supply chains," the official added.

(Edited from Xinhua.)

3.6 China to Purchase 200 Boeing Aircraft in Accordance With Commercial Principles

Based on its air transport development needs, China will purchase 200 Boeing aircraft in accordance with commercial principles, the Ministry of Commerce announced on May 20, 2026.

Meanwhile, the United States will guarantee China a sufficient supply of engines and spare parts, a ministry official said in a statement that provides details on the preliminary outcomes of the recently held China-U.S. economic and trade consultations.

(Edited from Xinhua.)

3.7 China-Russia Trade Up 19.7 Pct in January-April

Trade volume between China and Russia has surged 19.7 percent year on year to reach 85.2 billion U.S. dollars during the January-April period, marking a good start to this year, the Ministry of Commerce (MOC) said on May 21, 2026.

He Yadong, spokesperson for the MOC, revealed at a press briefing that the annual trade volume between the two countries has exceeded 200 billion U.S. dollars for three consecutive years.

The MOC and relevant Russian authorities have signed cooperation documents on trade and support for multilateralism, He said, adding that the two sides will continue to strengthen communication on economic

and trade policies, leverage new quality productive forces to create fresh engines for growth, and upgrade trade in goods and services.

As the upgraded China-Russia agreement on promotion and reciprocal protection of investments has officially come into effect, investment and cooperation of industrial and supply chains between the two countries is set to see continuous improvements with deepening sub-national cooperation, He said.

(Edited from Xinhua.)



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Consultation Hotline:+86-10-82217946

Organizer: CCPIT Legal Affairs Department

Content/Editor: CCPIT Information Center

Contact: CCPIT Legal Affairs Department +86-10-88075573