



Economic & Trade Alerts

Weekly

Legal Affairs Department,
China Council for the Promotion of International Trade



Issue No.124

(Jun. 5th 2026)

2026 Issue No.22

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1. Economic and Trade Friction Cases about China

1.1 China Opposes U.S. Trade Restrictive Measures Over Forced Labor Claims

On June 4, 2026, China's Ministry of Commerce voiced opposition to the U.S. move of adopting unilateral trade restrictive measures against China under the pretext of so-called "forced labor."

Regarding the Section 301 investigation, China's position has remained consistent, ministry spokesperson He Yongqian said at a regular press briefing, responding to a question regarding the U.S. proposal to impose additional tariffs on the so-called "forced labor" economies.

China opposes all forms of unilateral restrictive measures, including a series of trade restrictions imposed on China under the pretext of "forced labor," He said, adding that China has repeatedly expressed a solemn stance on this issue.

The spokesperson called on the U.S. side to work with China in the same direction and jointly maintain the stability of China-U.S. economic and trade relations.

(Edited from Xinhua.)

1.2 China Says U.S. Abuse of Export Controls Disrupts Global Semiconductor Industrial, Supply Chains

On June 4, 2026, China said the United States' abuse of export controls has seriously undermined the stability of global semiconductor industrial and supply chains.

Speaking at a regular press briefing, Ministry of Commerce spokesperson He Yongqian made the remarks in response to a question regarding the

U.S. Department of Commerce's move to close the so-called chip-related "regulatory loopholes."

In recent years, the United States has repeatedly abused export controls in the name of national security. This has severely harmed the legitimate rights and interests of Chinese companies, seriously disrupted international economic and trade order, and seriously undermined the stability of global semiconductor industrial and supply chains, said He. "China has always opposed this."

China urges the United States to correct its wrong practices as soon as possible, stop discriminatory measures against China, and safeguard the stability of global industrial and supply chains, the spokesperson said.

(Edited from Xinhua.)

1.3 China's MOFCOM Flags Australian Beef Imports Nearing Threshold for an Additional 55% Tariff

On June 2, 2026, China's Ministry of Commerce (MOFCOM) announced that imports of beef from Australia had reached 90 percent of the annual quota under its safeguard measures as of June 1, nearing the threshold for additional tariffs.

Pursuant to the ministry's No.87 announcement in 2025, once shipments hit 100 percent of the quota, additional imports will face a 55 percent tariff on top of existing duties starting from the third day after hitting the threshold, according to the MOFCOM.

(Edited from Global Times.)

2. China Policies/Regulations

2.1 China Unveils Regulation on Outbound Investment

Chinese Premier Li Qiang has signed a State Council decree issuing a new regulation on outbound investment, which will take effect from July 1, 2026.

The regulation aims to promote the country's high-standard opening-up and the high-quality development of its outbound investment, protect the legitimate rights and interests of investors and their outbound investment, and safeguard national sovereignty, security and development interests.

Consisting of 34 articles, the regulation highlights efforts to proactively align with international high-standard economic and trade rules, advance high-quality Belt and Road cooperation, and promote international cooperation in industrial and supply chains.

The country supports investors in carrying out overseas investment activities in accordance with market principles and actively participating in international cooperation and competition, according to the regulation.

It stresses improving comprehensive services, involving relevant authorities, professional institutions, industry associations as well as trade and investment promotion organizations.

The rules also stress strengthening risk prevention and control, improving the soundness and security of outbound investment, as well as reinforcing investors' primary responsibility and preventing any disruption to the outbound investment market order.

Underscoring active work to negotiate and conclude international economic and trade agreements, the regulation encourages the resolution of investment disputes via various mechanisms.

Efforts should also be stepped up to effectively safeguard the safety and legitimate rights and interests of investors and their outbound investment,

as well as the country's overseas interests, according to the regulation.

(Edited from Xinhua.)

2.2 China Issues 5-Year Plan for Agricultural, Rural Modernization

The State Council, China's cabinet, has issued a plan to accelerate agricultural and rural modernization during the 15th Five-Year Plan (2026-2030) period.

The plan seeks to accelerate the modernization of agriculture and rural areas to drive Chinese modernization, and has identified key tasks and policy measures for this purpose during the period.

According to the plan, by 2030, the nation's food security will be continuously enhanced; the quality, efficiency and competitiveness of agriculture will be further improved; and the achievements of poverty alleviation will be consolidated and expanded.

The plan aims to significantly enhance the nation's self-reliance and strength in agricultural science and technology, make major strides in transforming agriculture into a modern major industry, and continue to increase farmers' income at a relatively fast pace through 2030.

It also proposes accelerated efforts to build a beautiful and harmonious countryside for people and live and work in, calling for new breakthroughs in the integrated development of urban and rural areas and remarkable achievements in the high-quality development of agriculture and rural areas.

(Edited from Xinhua.)

2.3 New Chinese Trade Secret Regulations Take Effect

On June 1, 2026, China brought new trade secret regulations into force

that explicitly extend legal protection to data and algorithms for the first time.

The move marked broader efforts of China to strengthen safeguards for digital assets amid growing competition in artificial intelligence and advanced technologies.

The new rules, issued by the State Administration for Market Regulation, also set out confidentiality requirements for remote work and cross-border collaboration, including access controls, data desensitization, and audit trail records.

(Edited from China Daily.)

2.4 China Announces Holding of Over 100 Events to Boost Imports

On June 4, 2026, China's Ministry of Commerce said that over 100 events aimed at boosting the nation's imports are to be held in 2026, bringing more high-quality goods from around the globe to Chinese enterprises and consumers.

The first overseas event will take place in Belarus on June 7, followed by another in Germany on June 11, marking the events' debut in the European Union, ministry spokesperson He Yongqian said at a press conference.

The events, themed "Exports to China," will build platforms and bridges for companies from around the world to expand exports to China, enabling countries to further benefit from China's development, she said.

International enterprises are welcome to participate in the events and continue to attend key exhibitions in China, such as the China International Import Expo, for the benefit of both sides, she added.

(Edited from Xinhua.)

3. China Economic and Trade Information

3.1 China's Industrial Subsidy Policy Strictly Within WTO Rules

China's industrial subsidy policy is strictly within World Trade Organization (WTO) rules, Chinese foreign ministry spokesperson Mao Ning said on June 4, 2026.

Mao made the remarks at a daily press briefing when asked to comment on a report released by the Organization for Economic Co-operation and Development related to industrial subsidies.

Mao said that Chinese firms make their way to the top not on subsidies, but through market competition, tireless innovation, global presence and the advantage of China's mega-sized market.

Noting that China's industrial subsidy policy is based on openness, fairness, and compliance, and strictly within WTO rules, Mao said industrial subsidies are commonly used worldwide.

What matters is whether they comply with WTO rules, said Mao, adding that it is hoped that the international organization will play a constructive role rather than the other way around.

(Edited from Xinhua.)

3.2 China Issues Approvals to 166 Foreign-Invested Enterprises for Value-Added Telecom Services

China is steadily expanding the opening up of the telecom sector, with 166 foreign-funded enterprises having received approvals for pilot operations in value-added telecom services since the first batch of such approvals was issued in February 2025, the Ministry of Industry and Information Technology said on June 3, 2026.

These enterprises can legally provide value-added telecom services throughout China, including internet data center services, internet access services, and information services.

Building on existing policies including China's WTO commitments, pilot free trade zone regulations and policies for further opening up of the service sector, the ministry has proactively aligned with high-standard international economic and trade rules, and launched trials in four localities -- Beijing, Shanghai, Hainan and Shenzhen -- to remove the foreign equity caps on value-added telecom services such as internet data centers.

More than 3,100 foreign-invested telecom enterprises operate across China. These enterprises will provide Chinese consumers with more diversified telecom services and products, further fostering an open and dynamic market ecosystem, the ministry noted.

(Edited from Xinhua.)

3.3 China Urges OECD to Avoid Politicizing Research After Criticisms on Industrial Subsidies

On June 4, 2026, China urged the Organisation for Economic Co-operation and Development to pursue research in an objective manner and avoid politicizing or instrumentalizing reports in a way that harms its own credibility, according to the Ministry of Commerce.

The Paris-based organization released a report on June 1 claiming that Chinese companies receive the largest amount of government subsidies globally.

A ministry spokesperson said subsidies are a common policy tool used by economies worldwide, including OECD member nations.

"China is willing to actively participate in international discussions on industrial subsidy rules," said the commerce official in a statement.

"However, we believe the OECD report lacks rigorous conceptual definitions, has biased sample selections, and draws one-sided and arbitrary conclusions."

The spokesperson argued that the "subsidies" identified in the report are not based on a unified measurement standard or statistical methodology, straying from the multilateral consensus within the World Trade Organization framework.

The Ministry of Commerce specifically rejected the report's narrative that the rise in global market share of Chinese companies is solely attributed to government support.

The report completely overlooks their genuine core strengths in areas such as economies of scale, production efficiency and technological iteration, the spokesperson added.

(Edited from China Daily.)

3.4 European Firms' Growing Presence in China a Rebuttal to "De-Risking" Narrative

The fact that more and more European companies are choosing to deepen their presence in China and expand their business here is in itself the most powerful rebuttal to the so-called "de-risking" narrative, Chinese foreign ministry spokesperson Mao Ning said on June 4, 2026.

The trade cooperation between China and Europe is built on common interests, which in essence is a result of both comparative advantages and participation in market competition, Mao said at a regular news briefing, adding that complementarity is not a risk, and convergence of interests is not a threat.

Over the past five decades or so, the annual trade volume between China and Europe has soared by over 300 times, with two-way investment totaling nearly 260 billion U.S. dollars. The figures are a strong testament

to the robust momentum and promising prospects of China-EU cooperation, she said.

Noting that trade protectionism is against the laws of economics and serves no one's interests, she said China hopes the European side can view China-EU trade ties in an objective and rational manner, and work with China to shorten the list of problems and make the pie of cooperation bigger for win-win results.

(Edited from Xinhua.)

3.5 China's Xinjiang Gets First Direct Passenger Air Link to Germany

A new China Southern Airlines service linking south China's Guangzhou, northwest China's Urumqi and Frankfurt of Germany began operations on June 1, 2026.

The marks the first direct international passenger air route from northwest China's Xinjiang Uygur Autonomous Region to Germany.

The route makes the regional capital Urumqi a stop on a twice-weekly intercontinental service to Frankfurt, with the Urumqi-Frankfurt leg taking about eight hours, the airline said.

Xinjiang has been expanding its role as a gateway for China's westward opening up. The region now has 28 regular international passenger routes and 31 international cargo routes linking it with Central Asia, West Asia and Europe, Xinjiang Airport Group noted.

(Edited from Xinhua.)

3.6 Sino-Russian Bilateral Economic, Trade Ties Gaining Momentum

According to the Ministry of Commerce, bilateral trade volume reached

\$227.9 billion in 2025, exceeding the \$200 billion mark for the third consecutive year. China has also maintained its position as Russia's largest trading partner for 16 consecutive years.

The positive trend continued into the first quarter of this year, with bilateral trade surging 14.7 percent year-on-year to \$61.2 billion. Specifically, China's exports to Russia jumped 22 percent, while imports from Russia grew by 9 percent. This robust performance has not only marked a solid start to the year, but has also injected strong confidence into the broader economic landscape of both nations.

The structure of this booming trade has been continuously optimized, with the proportion of mechanical and electrical products, as well as high-tech goods, steadily increasing. This shift fully leverages the complementary advantages of both countries in resources, industries and markets. While Russia's supply of energy, minerals and agricultural products to China remains highly stable and essential, China's advantageous products — such as automobiles, home appliances and advanced machinery equipment — have maintained strong and sustained export momentum, meeting the growing demand of Russian consumers and businesses alike.

The automotive sector, in particular, highlights this dynamic. In 2025, China's automobile exports reached 8.32 million units, with Russia ranking as the second-largest destination by importing approximately 583,000 vehicles.

(Edited from China Daily.)

3.7 Guangdong Sees RCEP Trade Facilitation, With Tariff Reductions Amounting to 1.4 Billion yuan in Past Three Years

As June marks the third anniversary of the full entry into force of the Regional Comprehensive Economic Partnership (RCEP), the customs authority in South China's Guangdong Province said that ports in

Guangdong have imported a total of 53.8 billion yuan (\$7.96 billion) worth of goods enjoying RCEP preferential treatment over the past three years, with tariff reductions amounting to 1.4 billion yuan, CCTV News reported on June 3, 2026.

(Edited from Global Times.)

3.8 Chinese, Egyptian Central Banks Renew Bilateral Local Currency Swap Agreement

The People's Bank of China (PBOC) and the Central Bank of Egypt have renewed their bilateral local currency swap agreement, the PBOC said on June 3, 2026.

The scale of the swap facility has been expanded from the previous 18 billion yuan (2.65 billion U.S. dollars) to 30 billion yuan.

The agreement is valid for three years and can be extended upon mutual consent of both sides.

(Edited from Xinhua.)

3.9 China to Cut Domestic Flight Fuel Surcharge From June 5

China's airlines will slash fuel surcharges for mainland routes on tickets sold from June 5, Air China and other airlines disclosed on June 2, 2026.

The surcharge will be cut to 80 yuan (about 11.73 U.S. dollars) per segment for routes of 800 km or less, and 150 yuan for longer routes.

Infants are exempt from the surcharge, while children, disabled servicemen, and disabled police officers will get a 50 percent discount.

Compared with current rates, the surcharge will drop by 10 yuan for routes of 800 km or less and by 20 yuan for longer routes.

(Edited from Xinhua.)

3.10 China Launches Ministry-Provincial Collaborative Pilot Program for 6G Innovation, Development

On June 4, 2026, China's Ministry of Industry and Information Technology (MIIT) launched a joint ministry-provincial collaborative pilot program for 6G innovation and development. The project aims to provide strong support for the future commercial rollout of 6G.

Key priorities include advancing frontier 6G technologies, deepening integration of communications with artificial intelligence, satellite internet, and wireless sensing, as well as stepping up research and development on 6G base stations, core network equipment, terminals, chips, and operating systems.

Pilot regions will explore 6G use cases tailored to local conditions, targeting sectors such as immersive communications, industrial manufacturing, low-altitude economy, embodied intelligence, and smart maritime operations.

(Edited from Xinhua.)

3.11 South Korea, China Agree to Expand Flight Rights for First Time in Seven Years

South Korea and China have agreed to expand weekly flight rights between the countries for the first time in seven years, Reuters reported on June 4, 2026, citing Seoul's transport ministry.

A Chinese expert said this move reflects improved bilateral relations, alongside growing demand including tourism and business. The move benefits both sides and sets a positive example for travel and cooperation in Northeast Asia and beyond, the expert said.

The agreement, reached at bilateral aviation talks held in Seoul on May 27 and 28, will increase passenger flight rights by 56 weekly flights to 664 from 608, and cargo rights by 14 weekly flights to 68 from 54, the

Ministry of Land, Infrastructure and Transport was quoted in Reuters report.

The ministry said that the deal would make it easier to add flights on high-demand routes such as Incheon to Shanghai and Incheon to Guangzhou, where existing rights had been fully used by both sides.

(Edited from Global Times.)



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