

INSIGHTS

New Opportunities for Sino-Oceania Cooperation

Voice of the World

By TANG Zhexiao

Chinese Foreign Minister Wang Yi paid a visit to New Zealand and Australia from March 17 to 21 for the first time since 2017.

As this year marks the 10th anniversary of the establishment of China-New Zealand and China-Australia comprehensive strategic partnerships, the visit is seen as a signal of elevating China's relationship with the two main Oceanian countries and building an open world economy.

Greater growth in coming decade

In talks with New Zealand's Deputy Prime Minister and Minister of Foreign Affairs Winston Peters, Wang said that China is willing to work with the New Zealand government to build new growth engines such as infrastructure, green transitioning, digital economy, technological innovation, and climate response.

The *NZ Herald* said it was a "perfectly timed visit" and comes "at just the right moment," while Al Jazeera reported "It's seen as an important test of trade and diplomatic ties between the nations."

China is willing to hold talks on reducing barriers to investment in the service sector and build new drivers of economic growth with New Zealand in the digital economy and through technological innovation, AP News reported.

The removal of China's last remaining tariffs on New Zealand dairy products at the start of 2024 may provide



The inauguration and ribbon-cutting ceremony of a China-Australia Friendship Bridge at Sydney's Chinese Garden of Friendship to mark the sister relationship between China's Guangdong province and Australia's New South Wales. (PHOTO: VCG)

hope for improvement this year, according to the *NZ Herald*.

China has been New Zealand's biggest two-way trading partner since 2017. New Zealand was the first WTO member to finalise its bilateral accession negotiation with China, and the first Western developed country to join the Belt and Road Initiative.

In the face of increasing trade barriers and uncertainties in the world, the upgraded China-New Zealand Free Trade Agreement is of great exemplary significance, said New Zealand's Minister for Trade Todd McClay when meeting with Wang, adding that the two

sides should work together to uphold the principle of free trade and resist all kinds of protectionism and unilateral practice.

Dialogue leads to understanding

After Australia's Minister for Foreign Affairs Penny Wong's proposal "set out a new journey" during her visit to China in 2022 amid joint efforts of both sides, China-Australia relations have thawed, and exchanges and cooperation in various fields have gradually resumed.

Hailing the renewed "stability" between Beijing and Canberra, Wong said it was crucial to recognize, "How much

progress we have made in a short period of time," according to AFP.

China and Australia have highly complementary economies and huge potential for cooperation.

Last year, bilateral trade bucked the overall downward trend, with nearly 80 percent of Australia's foreign trade surplus coming from trade with China.

Australia Broadcasting News reported Wang Yi held a roundtable meeting in Canberra. David Olsson, national president of Australia China Business Council, said the roundtable provided a significant opportunity for industry. "It also enables the Australian business community to share their perspectives and insights on the future direction of the relationship," he said.

Not only does it lead to understanding, but the dialogue will also benefit both of our nations, said Australia's Prime Minister Anthony Albanese, according to Reuters.

Since last year, the trade restrictions on a range of products and commodities including barley, wine, coal and lobsters have been steadily lifted. Albanese said he expected the wine market to open back up, describing it as "win-win" for both countries.

The Australian delegates who sat in discussion with Wang on his visit, said they were in support of the two sides actively exploring new opportunities for cooperation in green development, scientific and technological innovation and other areas, as well as jointly addressing climate change and other global challenges, so as to increase the stability of the world through solid Australia-China relations.

Comment

China-Europe Railway Express, the Path to Prosperity

Edited by QI Liming

A few years ago, American think tank Center for Strategic and International Studies (CSIS) released an article *The Rise of China-Europe Railways*, in which it listed many challenges that the China-Europe Railway Express (CRE) had faced. However, the CRE has become the "main artery" of high-quality joint construction of the Belt and Road Initiative, facilitating connectivity. The CRE is now hailed as the "iron camel caravan" that connects the Eurasian continent. It is also a "stabilizer," ensuring the security of international supply chains in a turbulent world.

As of 2023, this freight train had made 85,000 trips, connecting China to more than 100 cities in 11 Asian countries and over 200 cities in 25 European countries. In 2023, the CREs transportation cost between China and Europe was only 20 percent of air freight. The transport time is about 25 percent of the sea freight voyage, and the CRE trade volume exceeded 75 USD billion.

Spanish website Conqueror Freight Network mentioned in February that for numerous shipping companies, the CRE has emerged as a more dependable alternative to sea transport. This is attributed to the CRE's advantages in terms of speed and cost-efficiency. Rather than following a single fixed route, the CRE operates through a network of railways that traverse both continents.

The CRE operates along three ma-

ior corridors, each catering to specific geographical regions and facilitating the transportation of goods between China and Europe. These three routes collectively form a comprehensive network that reflects the diverse geographical and economic landscapes of China, ensuring efficient and tailored transportation of goods to various European destinations. Notably, in the first half of 2023, the maximum load capacity of a single China-Europe freight train was increased from 2,500 to 3,000 tonnes.

In 2018, CSIS said that in a broader trade context, the CRE presents a new offering that has not yet grown from niche to mainstream. If railways double their current share of trade by value, taking on 2.5 percent of China-Europe trade by volume, that would be a major development for those involved in rail.

In the past decade, the proportion of China's imports and exports value carried by CRE has increased from 0.3 percent to six percent. Chinese household goods and electronic products are popular in Europe, while European red wine, olive oil and rose oil have been warmly welcomed in the Chinese market.

Fu Cong, head of the Chinese Mission to the European Union, said on the Euractiv website that under the complex and turbulent geopolitical situation, especially since the outbreak of the Red Sea crisis, the CRE has stood out as a land-based alternative that provides rapid, stable, and reliable solutions to the massive flow of goods between both sides.



A CRE train loaded with machinery, vehicles and spare parts waits to depart in Chongqing, southwestern China. (PHOTO: XINHUA)

EU's AI Act Worthy of Attention

Opinion

By TANG Zhexiao

The European Union's parliament on March 13 approved the Artificial Intelligence Act, which is dubbed the world's first comprehensive AI law.

Born in 2021, the AI Act takes a risk-based approach: the riskier the system, the tougher the requirements.

It defines four levels of risk for AI systems, ranging from unacceptable, high, limited, to minimal.

"All AI systems considered a clear

threat to the safety, livelihoods and rights of people will be banned, from social scoring by governments to toys using voice assistance that encourage dangerous behavior," according to the AI Act.

Not everyone is in favor of the "historic" AI Act. Some companies worry that the act may limit technological innovation and business development, and hurt them via additional constraints, while some believe the act does not go far enough to fully address the challenges and risks posed by AI.

According to TradingView, a social media network, the French and German governments are against some of

the strictest ideas for regulating generative AI, arguing that the rules would hurt European startups like France's Mistral AI and Germany's Aleph Alpha GmbH.

The adoption of the act means that if AI companies want to enter the European market, they must first make sure that their products and technologies meet the standards and requirements.

For small and medium-sized enterprises, as well as startups, it means a lot more work is needed.

Marianne Tordeux Bitker, public affairs chief at France Digitale, described this as having "a bittersweet taste."

While the law only applies in the EU, it is expected to have a global impact, said *The Wall Street Journal*, adding the act could also be used as a model for other jurisdictions' AI regulations, which will contribute to a ripple effect.

The act is set to be enforced in May. As MEP Dragos Tudorache told BBC News: "The AI act is not the end of the journey but the starting point for new governance built around technology."

People expect such regulations could balance the safe development and technological innovation of AI sector.

Electric Vehicle: An Irreversible Trend

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In the global power battery market, Chinese brands have secured dominant positions, with CATL and BYD leading the rankings in 2023.

The two companies together posted 371.1 GWh, over 50 percent share of the world EV battery market.

Chinese companies are also competing in electric motor technologies. BYD and Guangzhou Automobile Group (GAC) have claimed that some of their car products can accelerate from zero to 62 mph in less than 3 seconds.

Moreover, China's automotive chip technology is catching up with established players worldwide.

The adoption of intelligent driver-assistive technology is also gaining momentum, with Chinese systems like Huawei ADS 2.0 and Xpeng XNGP showcasing urban driving capabilities without relying on high-precision maps.

Technologies such as the emergence of 800V charging and CIB (Cell Integrated Body) technology represent China's significant innovations.

The rapid iteration of products and technologies is gradually shifting China's NEVs from mere recipients of standard technology to pioneers in the field.

The future main arena of EVs

EVs are the future of passenger cars, a sentiment agreed on by industry leaders from companies like GAC, BYD and Mercedes at the latest China EV100 Forum, who recognize that the trend towards electrification is irreversible.

China has emerged as the primary technology arena for EVs.

According to an article published on the *Harvard Business Review*, one significant factor driving this phenomenon is the extensive collaboration among domestic automotive companies and those

from abroad to reinforce their core technology efforts.

The article underscores Geely as an example, emphasizing its strategic partnerships, including with Baidu, and acquisitions such as Drivetrain Systems International, an Australian automatic transmission manufacturer, and renowned automakers like Volvo and Lotus.

These maneuvers have enabled the company to swiftly and effectively orchestrate complementary assets around its core focus, which now encompasses everything from low-orbit satellites to smart hardware for collecting and monitoring data that could potentially enhance EV battery performance.

This collaboration has led to strategic partnerships, acquisitions, and investments. Last July, the Volkswagen Group announced a \$700 million investment for a 4.99 percent stake in Xpeng.

The two companies have embarked on a long-term strategic partnership to produce new EVs in China. Audi also signed a Memorandum of Understanding with SAIC to jointly develop new electric models.

Furthermore, Chinese companies are accelerating their global expansion, establishing factories overseas and gaining recognition for their products. Brands such as AVATR, HAVAL, BYD, and ZEEKR have achieved success in various countries.

German auto expert Kupferschmidt noted that China has achieved mastery over much of the value chain, spanning from raw materials to battery technology.

Looking ahead, Ouyang Minggao, academician at the Chinese Academy of Sciences, advocated for a continued focus on electrification, intelligence, low carbonization and globalization to drive industry advancements.

'Queqiao 2' Paves Way for Future Lunar Missions

By Staff Reporters

China launched a relay satellite into the lunar orbit on March 20, to pave the way for the country's prospective trailblazing expeditions to the moon.

The satellite Queqiao 2 (or Magpie Bridge 2) was carried atop a Long March 8 carrier rocket that blasted off at the Wenchang Space Launch Center in south China's Hainan Province.

The launch is only the first step in this mission, as Queqiao 2 also needs to carry out a series of important actions such as a mid-course trajectory correction and a braking operation.

After it enters an elliptical frozen orbit around the moon, it also needs to conduct communication tests with the Chang'e 4 probe that is on the lunar surface and the Chang'e 6, which is waiting for launch at the Wenchang center.

This will ensure that Queqiao 2 es-

ablishes a ground-to-moon relay communication link, according to Ge Ping, one of the senior officials at the China National Space Administration which oversees the lunar program.

Queqiao 2 has more technological innovations, stronger functions, more complex interfaces, higher degree of development, and a longer mission period. In addition, Queqiao 2 carries some scientific payloads and will carry out scientific exploration.

The fourth phase of the Chang'e lunar exploration project was approved for implementation in December 2021, which consists of four missions, Chang'e 4, Chang'e 6, Chang'e 7 and Chang'e 8.

Launched in December 2018, Chang'e 4 achieved the world's first soft landing on the moon's far side. Chang'e 6 will be launched in the first half of 2024. Chang'e 7 and Chang'e 8 will build basic lunar scientific research stations and carry out lunar environmental exploration and other tasks.