

Weekly China Insight

Beijing, 28 August 2026

Beijing and Washington intensify contact ahead of expected Xi-Trump summit in DC

On 25 August, China and the US convened the third track-1.5 diplomatic dialogue in Beijing, bringing together around 40 officials, former officials, business leaders, academics, and think-tank representatives to discuss political trust, bilateral trade, artificial intelligence, healthcare, food security, and other areas of cooperation ahead of Xi Jinping's expected 24 September meeting with Donald Trump at the White House. Liu Haixing, head of the Chinese Communist Party's International Department, headed the delegation on the Chinese side. Liu called for "normal stability with controllable disagreements", while the US delegation highlighted the Xi-Trump personal rapport as the "most vital and valuable component" of the bilateral relationship.

On 26 August, Chinese foreign minister Wang Yi met US ambassador to China David Perdue in Beijing, urging both sides to "remove interference and overcome obstacles" with regard to high-level exchanges. Ambassador Perdue said Washington was preparing for Xi's upcoming visit and supported a relationship based on "respect and reciprocity."

However, trade tensions remain elevated in the lead-up to Xi's September trip. On 27 August, the Chinese commerce ministry (MofCom) firmly opposed Washington's consideration of an additional 7.5% tariff on Chinese imports linked to a US Section 301 investigation into alleged Chinese overcapacity, calling the move unilateralist and protectionist. The latest trade dispute comes alongside fresh US sanctions on Chinese entities linked to Iran.

The flurry of semi-official and official contacts between Beijing and Washington suggests both sides are trying to cement the September Xi-Trump summit despite ongoing trade, sanctions, and technology disputes.

Beijing turns humanoid robot games into industrial testing ground

On 26 August, the second World Humanoid Robot Games concluded in Beijing after five days of competition involving 666 teams from 16 countries and 2,056 robots across 51 events. Beyond headline-grabbing performances, the competition increasingly emphasized real-world deployment, with 21 scenario-based events testing robots in retail, catering, household services, emergency response, and precision manipulation.

Organizers also released what they described as the first comprehensive dataset from the humanoid robotics competition, containing more than 2,500 hours of training and competition data across 12 application categories. Beijing is seeking to extend the event's industrial impact through an education program, donating 100 humanoid robots to schools

and universities. The next round of the humanoid robot games has been confirmed for August 2027 in Beijing.

The Games are increasingly evolving from a technology showcase into a policy-backed testing, data-generation, and commercialization platform, giving Chinese AI-robot developers a platform to improve hardware through large-scale real-world trials.

China moves to tighten oversight of individuals' offshore investments

On 21 August, China's macro manager (NDRC) released draft revisions to its outbound-investment rules, which would explicitly bring Chinese citizens under the same regulatory framework that already applies to commercial entities. The public consultation period for the draft revisions is open for a month. The proposed revisions would subject direct investments such as establishing overseas companies, acquiring stakes in foreign businesses, and buying overseas real estate to regulatory approval, administrative filing, or reporting requirements. The rules also apply to investments made by individuals routed through offshore shell companies and multilayered structures. However, established portfolio-investment channels such as the Qualified Domestic Institutional Investor scheme and Stock Connect would remain largely exempt, unless an investor acquires control or increases equity or voting rights in 10% increments.

The proposed revisions appear to pursue two objectives. First, they would tighten Chinese residents' ability to move capital into overseas markets, helping keep more capital within China. Second, the revisions are also an effort to close regulatory loopholes around direct asset transfers and opaque offshore structures.

China confronts simultaneous weather emergencies from Tibet to the east coast

On 26 August, a catastrophic flood and mudslide struck the Nepal-Tibet border after a glacier collapse, sending a torrent of ice, rock, water, and debris through valleys around Gyirong in Tibet and northern Nepal. By early 28 August, authorities in Nepal and China reported more than 390 people dead and over 1,400 missing, including hundreds of foreign tourists. On the Tibetan side, at least three people were killed and 558 were missing, while a newly formed lake containing about 2 million cubic meters of water raised fears of further flooding. President Xi Jinping ordered an all-out search for missing people and stronger monitoring of secondary risks, while Premier Li Qiang travelled to Gyirong on 27 August to direct rescue operations on the ground.

At the same time, eastern China was preparing for Typhoon Saudel, which strengthened to a severe typhoon with winds of 45 meters per second and was expected to make landfall between Zhejiang and Fujian provinces on 28 August. Zhejiang and Fujian have since activated the highest Level I emergency response, moving nearly 50,000 fishing workers ashore, shutting down major port operations in Ningbo as well as parts of Shanghai, and preparing for extreme rainfall of more than 500mm in some regions.