



Lin Xu
lxu7@deloitte.com



Tomofumi Matsui
tomatsui@deloitte.com

Challenges and Opportunities for Chinese Companies in Belgium and Europe – A case study

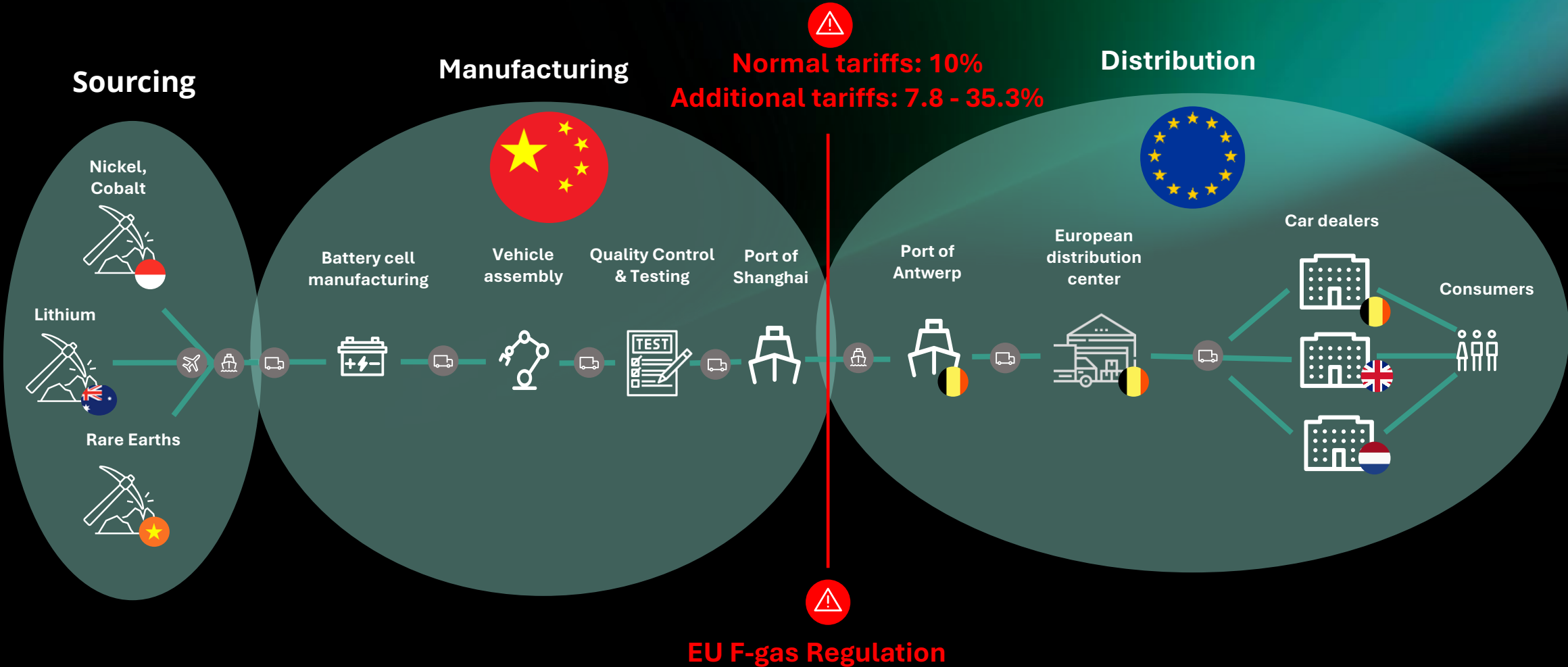
7 May 2026



Phase 1: China - Based EV Supply Chain

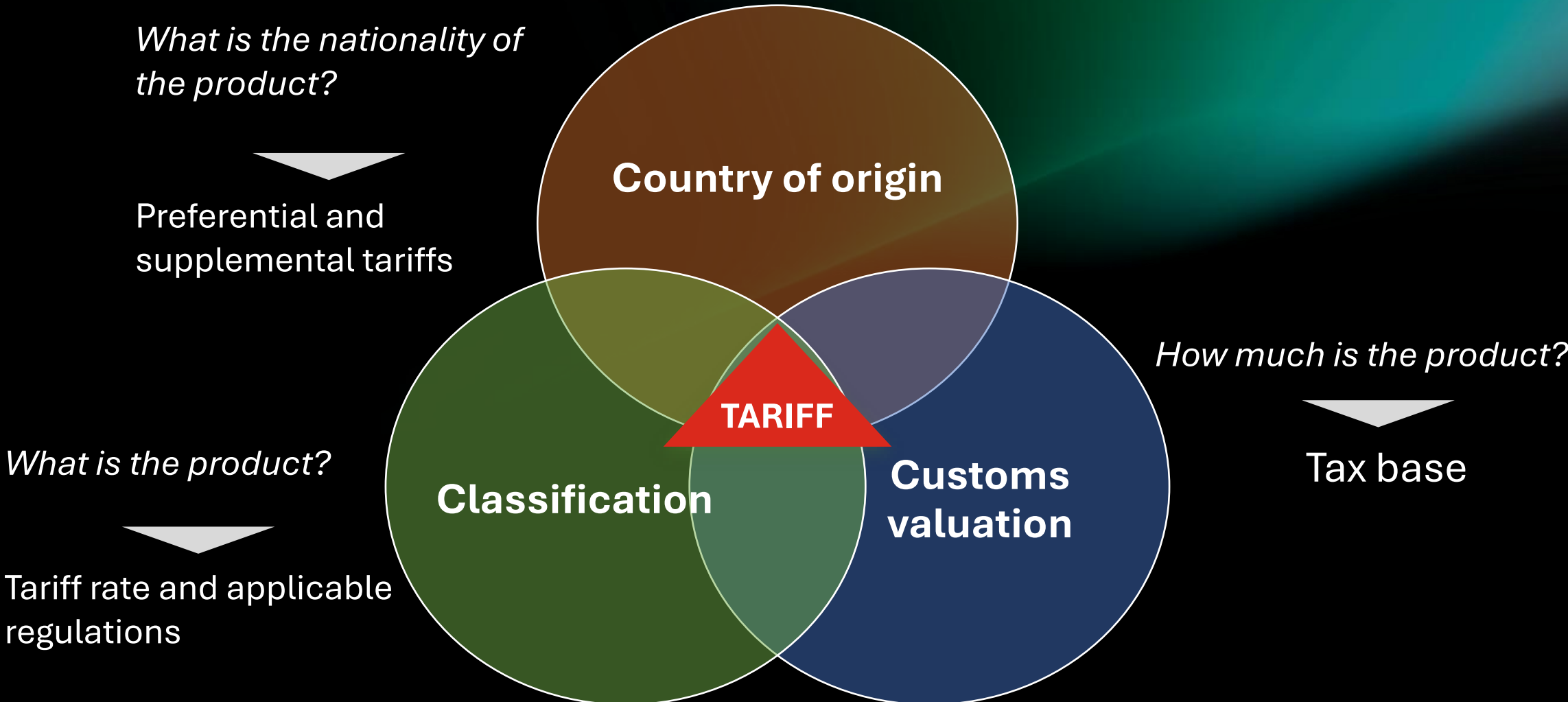
Phase 1: Increasingly Challenges for export-only model

Tariffs, Countervailing duties & EU F-gas Regulation



Phase 1: Trade Challenges

Tariffs and CVD (Countervailing duties) impact

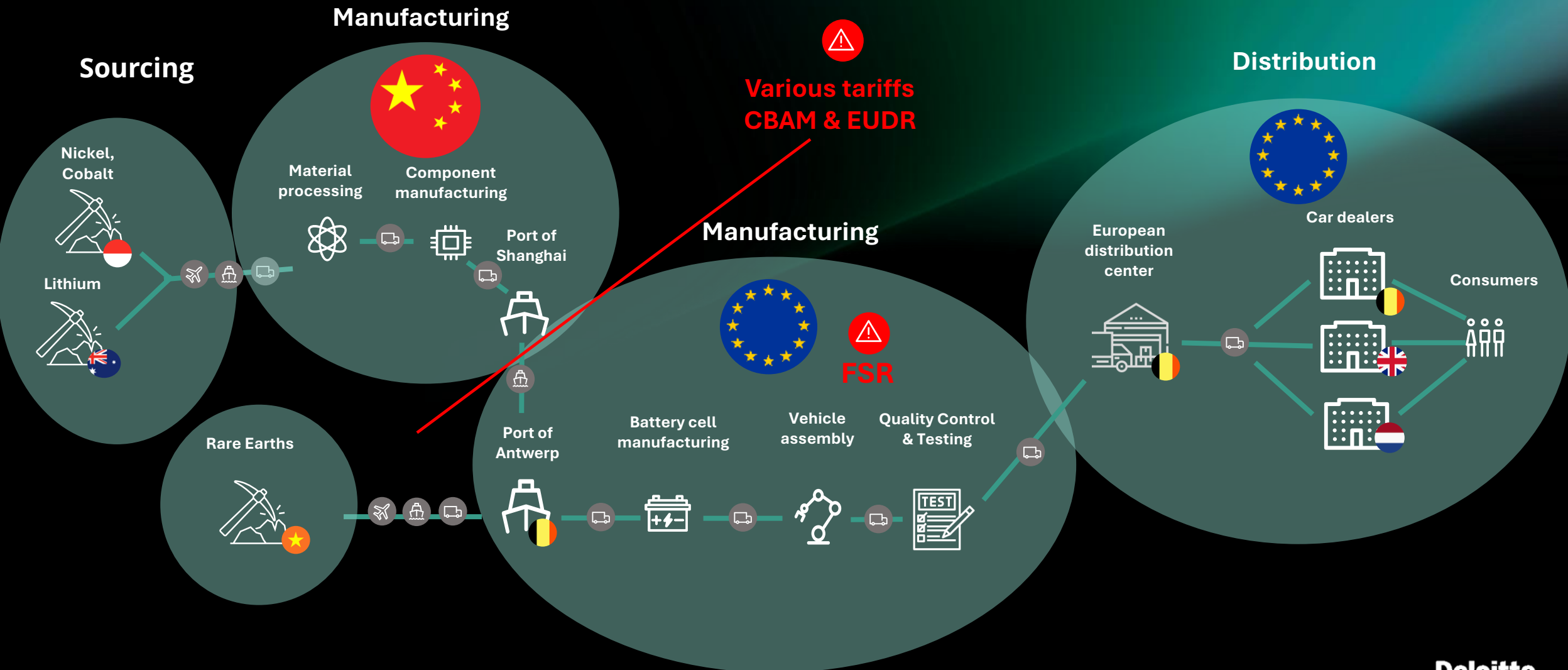




Phase 2: EU - Based EV Supply Chain

Phase 2 : Compliance requirements

Carbon Border Adjustment Mechanism, EU Deforestation Regulation & Foreign Subsidies Regulation



Phase 2 : CBAM Compliance

Mitigating CBAM

Supply chain

Reduce the carbon footprint using cleaner technology, fuels, and materials

Carbon tax management

Reduce the EU carbon tax by deducting non-EU carbon taxes from the CBAM cost



Emission calculation

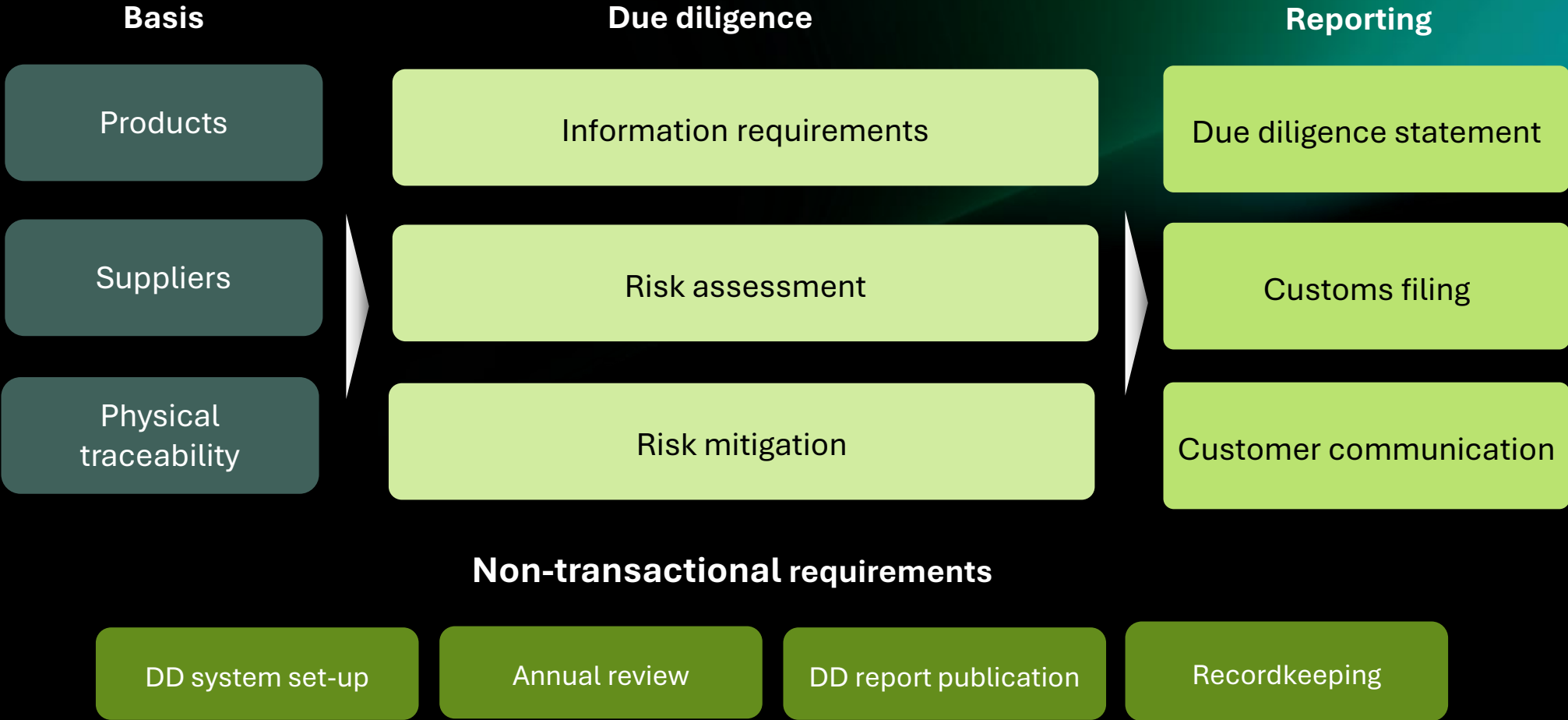
Reduce CO₂ emission to report using different system boundary, emission factors, etc.

Financial risk hedging

Reduce the carbon tax per tCO₂ by the use of EUA

Phase 2 : EUDR Compliance


Mitigating EU Deforestation Regulation



Phase 2 : FSR Compliance

Foreign Subsidies Regulation (FSR)

FSR triggers

- M&A transaction
- Public procurement
- *Ex officio* investigation 

EU proactive enforcement



Negative outcome

- Major fines 10%
- Withdraw from tender
- Delay of transaction

Be prepared in advance

- Proactive action to collect all foreign financial contribution
 - Watch out for strategic sectors

Phase 2: Opportunities for EU-Based Supply Chain

Grants & Incentives



R&D



- **R&D super tax deduction:** Deduction of **200%** of R&D expenditures



INVESTMENTS

- **Government grant for new investments:** **10% - 20%**
- **Tax relief for new investments:** **10% - 50%**
- **Tax relief for robotization:** **50%** deduction for costs



EMPLOYMENT

- **Polish Labour Fund:** reimbursing up to **50%** of minimum wage



R&D



- **Innovation Income Deduction:** **85%** deduction of IP income.



INVESTMENTS

- **Thematic investment deduction:** **30% - 40%**



EMPLOYMENT

- **Wage tax exemption for researchers:** **80%**



INNOVATION



Horizon Europe: Sustainable and Competitive Battery Cell Production Techniques

EUR 19 million



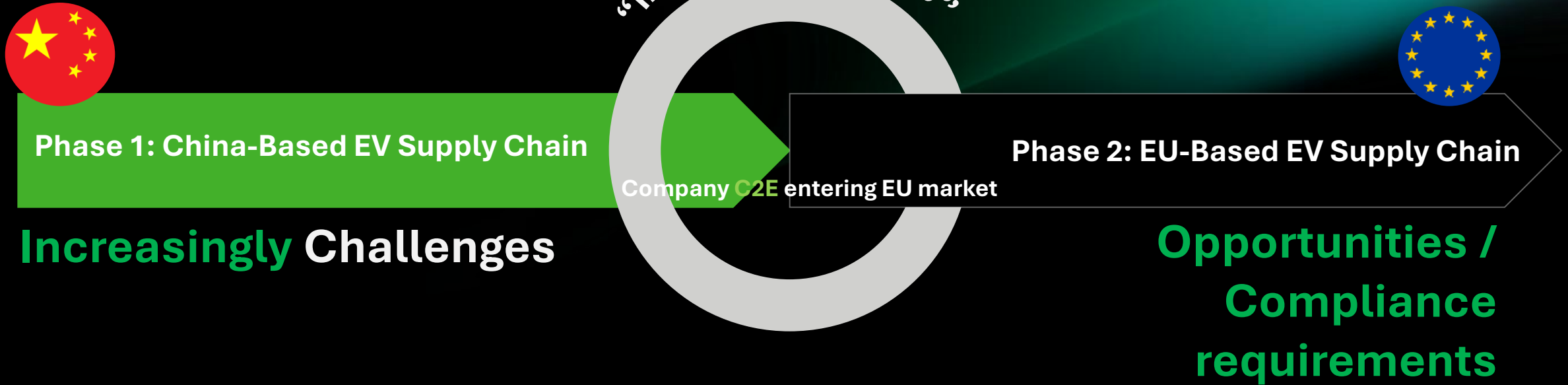
OPERATIONS



Horizon Europe: Large-scale demo of Heavy-Duty Battery EV towards long-haul logistics operations

EUR 34 million

Addressing challenges and catch opportunities



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