

Issue Brief

September 2026
No: 548

**China's AI Plans: Redefining
the World Order Through
Artificial Intelligence**

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Abstract

While the world is busy looking elsewhere, in endless wars, China has been doubling down on streamlining a systematic and pragmatic approach towards adopting Artificial Intelligence (AI) as a way of life in its citizenry. The ambitious timelines and targets that Xi Jinping has set for his policy makers and industry leaders aims at making 90% of China AI friendly by 2030 and an “intelligent economy and an intelligent society” by 2035. More importantly, these goals are fully aligned with the PLA’s “informatisation to intelligentisation” plans to also be completed by 2035. This Issue Brief unravels China’s ambitious plans and attempts to “shine the torch” on the global impact of these plans more so, on the way China will deal with AI economically and militarily, in the near future.

Keywords: WAICO, China AI Plans, Intelligent Society, Intelligent Economy, Global South, PLA

Introduction

A monumental shift is underway in the way AI will impact the world in future. That shift is being driven by China in a systematic, bottoms up, grassroots driven strategy which seems to have escaped the attention of the world, distracted by unending wars. On 16 July 2026, 29 countries signed an agreement in Shanghai on establishing the World Artificial Intelligence Cooperation Organization (WAICO)— an independent intergovernmental international organisation headquartered in Shanghai, that was first proposed in 2025 World Artificial Intelligence Conference (WAIC). Representatives from 29 nations, notably Russia, Pakistan, Indonesia among others, became founding members of WAICO. The UN Secretary-General Antonio Guterres was among those present at the signing ceremony. According to Xinhua, “[T]he organization will uphold the purposes of the UN Charter, be committed to extensive consultation and joint contribution for shared benefit and adhere to a people-centered approach” (Xinhua, 2026), suggesting that China was being a responsible nation that wanted “to promote international cooperation and global governance on AI, ensuring that AI

is beneficial, safe and fair, thereby promoting its healthy and orderly development to benefit all humanity” (Xinhua, 2026). By 31 July 2026, eight more nations had signed up with WAICO, with Bangladesh becoming an observer (Baiduwiki).

But that is not all. The importance of WAICO lies in the fact that it was addressed by President Xi Jinping—a rare first for a fledging organisation. At the opening ceremony of the 2026 World AI Conference (WAIC) and High-Level Meeting on Global AI Governance in Shanghai, Xi emphatically stated, "All countries should take a people-centered approach and develop AI for the positive and for good. We should ensure that AI is an important driver for shared prosperity and common security" — familiar usage often heard in his speeches on his flagship Global Development Initiative. Xi also made a mention of the securitisation of AI and underscored that “nations [We] should jointly oppose overstretching the national security concept in the field of AI and placing one country's security over that of others” (Xinhua, 2026), a clear reference to the US. Xi has championed the vision of a common, comprehensive, cooperative and sustainable security in his Global Security Initiative(the second of his three global initiatives), placing China as an aspiring nation to lead the world as world order collapses all around the globe.¹

However, it is the timelines for diffusion of AI by Xi Jinping that need attention. The Opinions of the State Council on Deepening the Implementation of the "Artificial Intelligence+" Action, issued by the State Council on 21 August 2025, lays out a three-step process for adopting “AI Plus” in China (State Council Document, 2025).

Timeline 1: 2027

- Achieve broad and deep AI integration in six key fields. These six fields are: Science & Technology, Industry Development, Consumption Quality Improvement, Peoples Livelihoods & Well-being, Governace Capacity & Global Cooperation.
- New-generation intelligent terminals and AI agents should have a usage rate of over 70%.
- Size of the intelligent economy’s core industries should grow rapidly.

¹ The third initiative is Global Civilisational Initiative, which is yet to find traction or acceptance globally.

What Does it Mean?

By 2027 viz. next year, 70% of the Chinese population will have access and actively use AI assistants, AI “employees”, industry-specific AI agents, AI hardware. That means almost all of the urban centres and a large part of rural China would have become “AI friendly”.

Timeline 2: 2030

- Penetration of intelligent terminals and AI agents will exceed 90%.
- Intelligent economy will become a ‘major growth driver’ for China’s economy.

What Does This Mean?

AI will become an essential need of daily life like the internet or water or electricity. At 90% adoption, Governments would need to treat AI and AI related infrastructure as an essential service. Quite literally, AI would be part of aspect of everyday life of almost all Chinese, except maybe some far-flung and remote areas. Most importantly, the document explicitly states that the intelligent economy will be a ‘core growth engine’. That implies that “intelligent economy” will drive Chinese industrial growth.

Timeline 3: 2035

- China will fully enter a new stage of intelligent economy and intelligent society.

What Does This Mean?

That the entire Chinese society will be “intelligentised”. AI will be deeply woven into law, ethics, culture, and human interaction. How Chinese people work, study, socialize, even think—all will be reshaped (Geopolitechs, 2025).

These timelines uncannily coincide with Xi Jinping’s timelines to the People’s Liberation Army (PLA)— to "accelerate" informatisation and intelligentization by 2027 and; "basically complete" military modernisation by 2035 (Library of Congress, 2026).

From “Internet Plus” to “AI Plus”

Almost 10 years ago, on 18 May 2016, China’s National Development and Reform Commission (NDRC), Ministry of Science and Technology (MOST), Ministry of Industry and Information Technology (MIIT) and Office of the Central Cyberspace Affairs Commission also known as the Cyberspace Administration of China (CAC) published a detailed policy paper titled “*Internet+ ” Artificial Intelligence Three-Year Action and Implementation Plan*”. While the document became the blueprint for Internet Plus and the build up to the AI revolution, it is interesting to note that this entire technology is driven by the NDRC, China’s highest political body, entrusted to implement CPC Central Committee’s policies and decisions on development and reform. But ‘AI Plus’ was first announced in the 2024 Government Work Report (GWR), and mentioned again in the 2026 GWR.

“Internet Plus” was about “connection” viz. linking information to processes and improve efficiency. “AI Plus” builds on that by adding cognitive ability, moving from “information connection and diffusion” to “knowledge application and creation”— its keyword being “empower” (Geopolitechs, 2025). Simply explained, “Internet plus” acted as a connecting medium between the product and the user. So, one could order food using internet through an application, as one could hail a taxi or do online shopping. The "AI Plus" initiative is expected to further strengthen the application-oriented development of AI technologies, in order to promote large-scale commercial use of AI in the country.

In June 2026, China's Ministry of Commerce and seven other government departments released an implementation guideline document to accelerate the development of "artificial intelligence (AI) plus consumption". This document looks at AI based goods consumption as well as AI based services consumption suggesting 17 measures in five areas to promote deeper integration of AI "with consumer markets by expanding smart product consumption, empowering services consumption and creating new consumption scenarios". Regarding goods consumption, the document calls for increasing the supply of new AI products, and encourages wider AI application in areas like entertainment, e-commerce, housekeeping, property management, travel, elder care, and childcare (Xinhua, 2026). There is a realisation that exports and property i.e. the two main drivers of the economy, no longer holds promise as drivers of growth.

Clearly, China looks at AI as a strategic priority.

The Geopolitics of WAICO

While formally emphasising on inclusivity in promoting and championing AI globally during the WAIC Conference, the Chinese official messaging seems to focus almost entirely towards the Global South with the West noticeably absent. India did not sign up for WAICO either. Loosely, the Global South includes most of Latin America, Africa and Asia encompassing about 130 countries. WAICO intends to focus on capacity building of this focus group by way of training, joint research, use case sharing, promotion of open-weight and open-source models and tools, and support with AI deployment (SILTG, 2026). For assumption, China will provide developing countries with 5,000 opportunities in AI training and seminar programs in the next five years by developing regional clusters. Each cluster will have an international AI application cooperation Centre for coordination and conduct of these programs. A look at these six clusters (ASEAN, BRICS, SCO, Africa Union, League of Arab States and Community of Latin American and Caribbean States)² clearly indicates the regions that China aims to address to become a leader of AI and AI based applications in the Global

² The six clusters are Association of Southeast Asian Nations, the League of Arab States, the African Union, the Community of Latin American and Caribbean States, the Shanghai Cooperation Organization and BRICS.

South. In addition, member states will also have access to MAZU which is a Chinese built AI-powered meteorological warning system (Xinhua, 2026).

The Chinese pitch has been to treat AI “as an international public good that benefits humanity, and foster an open ecosystem for AI capacity building based on equality, mutual trust, diversity, and win-win outcomes”— an attempt to step up as a global leader who realises its responsibility for the betterment of humanity. This is underscored by making Chinese made open-source tools widely available to users worldwide. Further, the Chinese paper goes at great length to emphasise its support for the UN to be the leading body for global AI governance. The presence of the UN Secretary General, was perhaps, to reassure this point (Schaefer, K. and Nunlist, T. 2025).

Syed Akbaruddin, a seasoned Indian diplomat terms Chinese WAICO as an attempt by China to “rewrite multilateralism in China’s syntax”, with the spurt of China launched initiatives positioning China “as a rule-maker rather than a rule-taker” (Akbaruddin, S. 2025). According to him, the Global AI Governance Initiative, announced at the Third Belt and Road Forum in 2023, “was the conceptual rehearsal; WAICO is its institutional sequel” (Akbaruddin, S. 2025)

International reactions vary from concerns of lack of transparency on budgets and financing, to the absence of a UN mandate or a UN umbrella over the organisation. Also, nations need to weigh and balance their relationship between US and China, as no major Western nation has signed up for the initiative.

The Economics of WAICO

As far back as 2016, China had linked AI to its ambitious Belt and Road Initiative (BRI). The “*Internet+ ” Artificial Intelligence Three-Year Action and Implementation Plan* stated:

“In combination with major national strategies such as the Belt and Road Initiative, we will encourage AI companies with competitive advantages to take the lead in

“going global” (“走出去”), actively expand overseas users, and jointly develop international markets”.

And on laying down standards, the guideline was much more aggressive.

“We will encourage relevant departments, research institutions, standardization organizations, industry organizations, and enterprises to actively participate in international standardization work in the AI field and establish standards exchange and cooperation mechanisms with the International Organization for Standardization (ISO) and influential international academic and industrial organizations. We will promote the export of Chinese AI standards to the wider world and continuously enhance our international clout (话语权)” {CSET, 2022).

Relevance of “Standards”

Technical standards are the definition of processes or technical specifications that are designed to improve the quality, security, environmental impact and interoperability of goods and services in any field. Technical standardisation can shape entire technological systems. For instance, internet protocols were US led and are now universally accepted, as are EV charging standards which lay down the size and specifications of charging plugs (Seaman, J. 2025). China views the need to dominate and lead the world through technology as a path to becoming the world's paramount power by 2049. Towards this aim, setting technical standards for the world in breakthrough or disruptive technologies “are intricately tied to the notion of sovereignty and power”.

The Chinese experience with ICT is a case in point. Reliance on US derived CDMA or the European GSM put Chinese communications infrastructure at risk and China unleashed ZTE and Huawei into Africa to set ICT standards in Africa through the BRI. Today, ICT in BRI member states are Chinese controlled, Chinese led. Seaman argues that, China adopts a soft and hard connectivity paradigm where one complements the other (Seaman, J. 2025).

So, a railway line or a HSR rail network would also have communication towers, data centres and cloud computing projects, smart city designs, power transmission lines etc., converging BRI's goals with those of the Digital Silk Road.

WAICO is intended to follow the same playbook.

Data points suggest that China is the leading the world in AI. With an AI industrial worth of \$ 176 bn, 6200 AI enterprises and at least 10 bn downloads of its open-source models alone, China has a robust AI ecosystem (Xinhua, 2026). China leads the world in AI patents, accounting for about 60 percent of the world's AI patents and has crossed the 100 benchmark applications along with multiple world-class AI models (Xinhua, 2025). With ambitious timelines and a strategy to control and dominate the world's future breakthrough technologies, it is essential to assess the impact of these actions on nations like India.

Assessment

China intends to follow the BRI playbook in its quest to dominate global AI. Undoubtedly, the target is Global South and the initiatives will be twin track — infrastructure development and investment in AI and AI related “soft” and “hard” projects.

While globally, there will be a pushback from the developed world, China's benign intentions have been masked in its pitch as ‘people centric’, for ‘benefit of humanity’ and for ‘shared prosperity and common security’. That is unlikely to cut the ice, given that the BRI is slowly being eclipsed by the GDI for being a debt trap and a SOE greed driven initiative.

The economic impact of AI is bound to be felt soon as China liberalises its open language models to the world. Already, some of these are available to global users at a tenth of the cost. This is bound to evoke reaction from US which is losing the AI race to China.

Ambitious AI timelines coincide with the development of the PLA's own intelligentisation and modernisation programs. It is clear that the PLA will be the first to benefit from the 70% penetration in 2027 and should be fully intelligentised by 2030. That has implications on PLA's warfighting, particularly its ability to fight in a multi – domain

operations battlespace. One can expect, decision making to be real time aided by data fusion, pattern recognitions and communication translation, autonomous weapons especially UAVS, USVs and UUVs to be MUM-Tised with resilient navigation, space based targeting and attacks, a higher degree of cyber-security and more efficient logistics.

Given past precedence, China will work towards setting the technical standards for AI. That will give China a definite advantage in leveraging business, garnering contracts, driving investment and leading diffusion into the member states. More importantly, once China sets standards, it will be immune to sanctions or de-risking strategies— a challenge that it faces today from western nations.

In the ultimate analysis, China intends to use breakthrough technologies like AI to displace the US from its perch as the leading power in the world in a classic “power through technology” race to the finish line.

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