



EU CHINA RELATIONS

Over the past year, EU-China bilateral relations have deteriorated, notably related to a growing number of irritants (i.e., China's counter-measures to EU sanctions on human rights, economic coercion and trade measures against the single market, and China's positioning on the war in Ukraine). The balance of challenges and opportunities presented by China has shifted over time. At the same time, the EU has remained committed to engagement and cooperation given China's crucial role in addressing global and regional challenges. In that regard, the EU's current approach towards China set out in the "[Strategic Outlook](#)" [Joint Communication of 12 March 2019](#) remains valid. The EU continues to deal with China simultaneously as a partner for cooperation and negotiation, an economic competitor and a systemic rival.

TRADE



The EU exported to China
€223 billion
and imported
€472 billion
goods in 2021



EU and China were largest
partners for trade in goods
in 2021
€1.9 billion
a day



In 2020, the EU exported
€47 billion
of services to China,
while China exported
€31 billion
to the EU

In order to achieve a maximum benefit from the trade and investment relationship between the EU and China, solutions to long-lasting concerns will have to be found. Ensuring reciprocity, achieving a level-playing field, and addressing asymmetries in the relationship is a matter of priority. The broader political context is currently not favourable for a ratification of the Comprehensive Agreement on Investment (CAI).

POST COVID-19 ECONOMIC RECOVERY

The EU and China agree on the need to address global health threats through international cooperation, and on the central role of the World Health Organisation in ensuring an efficient and coordinated response.



COVID-19

After more than two years of global efforts to address COVID-19, post-pandemic economic recovery is a priority for both the EU and China.

On 24 January 2022, the Intergovernmental Negotiating Body started working on an international instrument on pandemic prevention, preparedness and response. The EU is committed to engaging with China and all Members of the World Health Organization in this process.

HUMAN RIGHTS, RULE OF LAW, MULTILATERALISM



HUMAN RIGHTS

- The EU consistently speaks out about the deteriorating human rights situation in China – in particular Xinjiang, Tibet, Hong Kong, Inner Mongolia and the treatment of human rights lawyers and defenders.
- **Human Rights Dialogue:** the EU stands ready for regular human rights dialogues with China, with a view to promoting human rights, fostering the rule of law and supporting civil society.
- **EU Global Human Rights Sanctions Regime:** on 22 March 2021, the EU listed four individuals and one entity from China responsible for human rights violations in Xinjiang.
- **Deterioration of Hong Kong's high degree of autonomy:** National Security Law restricts political pluralism and exercise of human rights and political freedoms, to be protected at least until 2047 under Hong Kong's Basic Law and China's international commitments (Sino-British Joint Declaration of 1984).



WTO REFORM

- The WTO's rules-based global trading system must be reformed to respond to the sustainability and digital challenges and promote a level-playing field globally. China should play a part commensurate with its economic weight to help achieve this objective.



OCEAN GOVERNANCE

- In line with the EU-China Ocean Partnership towards better ocean governance, the EU expects China to engage more actively in the areas of sustainable fisheries and marine resources including by supporting the establishment of additional marine protected areas in the Southern Ocean and delivering concrete results in the fight against illegal, unreported and unregulated fishing.



CLIMATE CHANGE, BIODIVERSITY, ENERGY AND RESOURCE EFFICIENCY

- China, with 28% of global greenhouse gas emissions, is a crucial partner for the EU (8% of global greenhouse gas emissions) on implementing the Paris Agreement.
- As host of the COP15 in Kunming, China plays a key role in securing a robust and ambitious new global biodiversity framework, and supporting efforts to curb global deforestation and promote deforestation free supply chains.
- The EU acknowledges China's efforts towards decarbonising its economy, upgrading its Nationally Determined Contribution ahead of COP 26.
- We all need to do more to limit global temperature increase below 1.5°C. To advance international climate negotiations, the EU and China are reinforcing their cooperation in areas like carbon markets, long-term emission development strategies, clean energy and energy efficiency, low emission transport and cities.



CYBER SECURITY

- Responsible State Behaviour in cyberspace contributes to international security and stability, allowing everyone to benefit from the opportunities the Internet provides for economic and social development.
- The EU expects China to engage more against malicious cyber activities and on the protection of intellectual property.
- **EU Cyber Sanctions Regime:** the EU has been subject to repeated cyber-attacks from Chinese territory. The EU adopted its first cyber sanctions targeting Chinese individuals (two natural persons and 2 legal entities) on 30 July 2020.

FOREIGN POLICY

The EU has asked China to exert its considerable influence on Russia for an immediate ceasefire, for the establishment of humanitarian corridors, and for preventing any risks of further escalation in **Russia's aggression against Ukraine**.

EU-China cooperation was a major factor contributing to securing the **2015 Joint Comprehensive Plan of Action** (the Iran nuclear deal), and now in working together to get it back into operation.

In the **South China Sea**, the EU supports the peaceful settlement of disputes in accordance with UNCLOS and maintaining freedom of navigation and overflight, and to avoid the use or threat of use of military force.



The EU and China should work more closely to tackle **global and regional challenges**, including in Afghanistan, Myanmar and the Korean Peninsula.

The EU wants to further work with China on **helping those in greatest need: humanitarian assistance and disaster reduction**.