

EU CHINA RELATIONS



The EU's approach towards China was set out in a <u>Strategy</u> adopted in 2016 and updated in March 2019 in a <u>Joint Communication of the European Commission and the High Representative</u>. The balance of challenges and opportunities presented by China has shifted over time. For the EU, China is simultaneously (in different policy areas) a cooperation partner, a negotiation partner, an economic competitor and a systemic rival. The EU pursues **realistic**, **effective and coherent engagement** with China, based on our values and interests.

TRADE



In 2019, the EU was China's
biggest trading
partner
while China was the EU's
second largest
trading partner



Trade in goods between the EU and China was worth over **€1.5 billion** a day in 2019



The EU exported to China
€198 billion
and imported
€362 billion
in 2019



In 2018 the EU exported **€46 billion**of services to China,
while China exported **€30 billion**to the EU

COMPREHENSIVE AGREEMENT ON INVESTMENT

Under negotiation, to create:



a more level playing field for business



new market opportunities for both sides



And encourage China to:



advance its economic reforms



give the market a more decisive role



COVID -19, A GLOBAL CHALLENGE THAT REQUIRES GLOBAL ACTION

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



At the height of the outbreak in China, the EU coordinated the delivery to China of personal protective equipment and medical supplies from its member states. China later reciprocated with supplies to EU member states.

In May 2020, the EU led a crucial resolution of the World Health Assembly on the interational response, including an independent and comprehensive evaluation into the response to COVID-19. The EU and China are working on possible joint support to African countries.

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 and the treatment of human rights lawyers and defenders.
- The EU holds a regular human rights dialogue with China, with a view to promoting human rights, fostering the rule of law and supporting civil society.
- The EU has a strong stake in the continued stability and prosperity of Hong Kong under the 'One Country, Two Systems' principle. It attaches great importance to the preservation of Hong Kong's high degree of autonomy, in line with the Basic Law and with China's international commitments, and raises these issues at political level with Beijing.



III WTO REFORM

 The EU and China both strongly support the WTO. The EU wants to work closer with China on WTO reform, including to strengthen industrial subsidies rules.



⇔ OCEAN GOVERNANCE

• The EU-China Ocean Partnership, signed in 2018, aims at improving international ocean governance and promote a sustainable blue economy. The EU expects China to engage more actively in the areas of sustainable fisheries and marine resources.



CLIMATE CHANGE, ENERGY AND RESOURCE EFFICIENCY

- China, with 28% of global greenhouse gas emissions, is a crucial partner for the EU on implementing the Paris Agreement.
- The EU is encouraging China to show greater ambition and assume greater responsibility on climate action, commensurate with its international influence and its economic strength.
- Based on the Paris Agreement, the EU and China are reinforcing their cooperation to advance the international climate negotiations process and in areas like carbon markets, long-term development strategies, clean energy and energy efficiency, low emission transport and cities.



CYBER SECURITY

- The annual EU-China Cyber Taskforce offers the opportunity to exchange views including in the context of international security and as regards the economic aspects of cyber security.
- The EU expects China to engage more against malicious cyber activities and on the protection of intellectual property.

FOREIGN POLICY AND DEVELOPMENT COOPERATION

EU-China cooperation was a major factor in first securing the Iran nuclear agreement and now in working together to ensure its full and effective implementation.

In the **South China Sea**, the EU supports the peaceful settlement of disputes in accordance with UNCLOS and maintaining freedom of navigation and overflight.



The EU and China should work more closely to tackle global challenges and international security issues, including in Afghanistan, the Middle East, Libya and counter-piracy.

The EU wants to further build on cooperation with China on **African issues**, in full respect of the principle of African ownership.

EU-CHINA CONNECTIVITY



The EU's Strategy on Connecting Europe and Asia provides a strong basis for engagement, including with China, on the basis of international norms and standards.



The **key principles** driving the EU's engagement on connectivity are sustainability, transparency, open procurement and level playing field.



The EU-China Connectivity Platform aims at promoting sustainable transport corridors based on the principles of the Trans-European Transport networks policy.