



The European Union and China



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EUROPEAN COMMISSION
External Relations



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2009

- China: 1.3 billion people, 7% world GDP
- EU: 500 mln people, 20% world GDP

China as an emerging global player

- With 1.3 billion inhabitants China represents about one-fifth of the world's population.
- After 60 years of independence, 30 years of opening up: A global economic power with an average 9% growth for the past 25 years. Still, uneven distribution of wealth.
- China is coming out strong of the economic crisis, remains the main engine of world growth. Closer ties with US, interdependent economies.
- It is now the 3rd largest economy in the world and could become the world's largest economy by 2040



China as an emerging global player (contd)

- China is the world's second biggest spender on research and development
- China is increasingly active abroad (East Asia, Africa, South America, Middle East), building alliances, securing natural resources and playing key role in regional issues (DPRK, Burma).
- Advocates a multipolar world order (together with Russia, in SCO), challenging US hegemony in long-term while reassuring world of its 'peaceful rise'



EU's policy towards China

- EU's policy towards China is one of engagement; a strong push for China's proactive role in addressing global challenges, such as climate change, the economic and financial crisis and regional issues.

The main objectives of EU policy towards China are to

- Broaden and deepen dialogue with China, both bilaterally and on the world stage (e.g. working together on global challenges such as climate change),
- Support China's transition to an open society based upon the rule of law and respect for human rights,
- Encourage the ongoing integration of China into the world economy and trading system, and support the process of economic and social reforms,
- Raise the EU's profile in China, to enhance mutual understanding



Engaging China on specific issues

Addressing current and future global challenges:

- Climate change and energy security
- Economic and financial crisis

Dealing with trade imbalances:

- Market access. Reforming and opening up of financial markets
- Developing domestic consumption and a social safety network
- Respecting IPR



Engaging China on specific issues

Fully playing its role as a UN Security Council Member, fulfilling its **global responsibilities**:

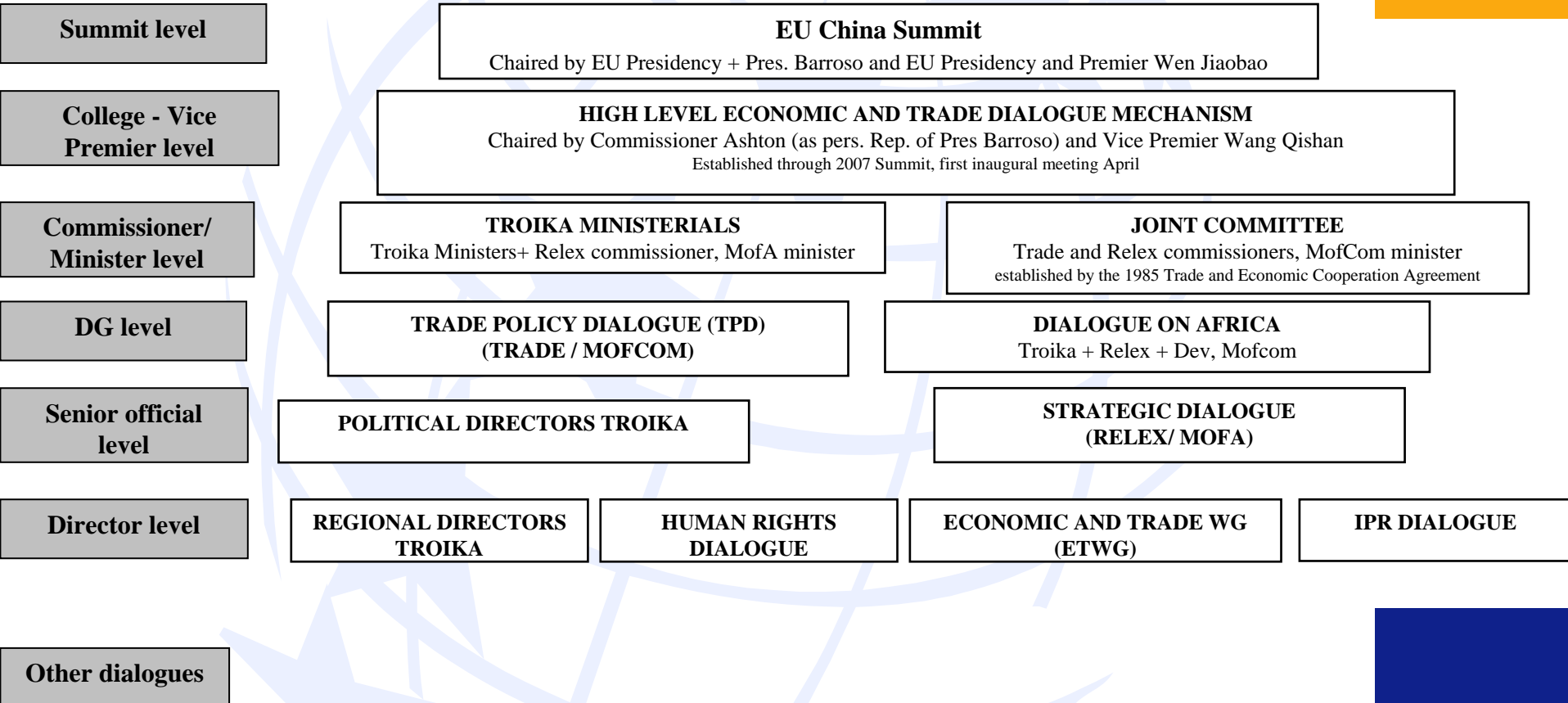
- Settlement of crises: non-proliferation; fight against terrorism; illegal migration
- Africa: peace-keeping operations; absence of conditionality

Making progress toward an **open and pluralistic society**:

- Rule of law: stronger and more independent justice
- Fight against corruption
- Role of civil society – NGOs
- Death penalty and reeducation through labour
- Access to information
- Development cooperation



The architectural pyramid



12th EU-China Summit

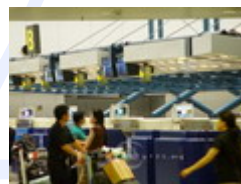
The **12th EU-China Summit**, took place in Nanjing on 30 November.
focus on:

- **EU-China relations** (strengthen the strategic partnership and chart the way forward in the relationship, give impetus to PCA negotiations, welcome improvement of cross-strait relations, improving trade relations)
- **Climate change and energy security** (contribute to improving discussions and negotiations in preparation of the UNFCCC Conference in Copenhagen, and to enhance bilateral cooperation in assisting China's low carbon development strategy on the eve of the Copenhagen Climate Change Conference)
- **The economic crisis** (stimulate global recovery and work together on possible reforms of the international financial system)
- **Regional** and international issues: Development in the region, possibly Pakistan, Burma, DPRK, Africa, peacekeeping.



Sectoral Dialogues

- Agriculture
- Civil aviation
- Competition policy
- Customs cooperation
- Education and culture
- Employment and Social Affairs
- Energy – including nuclear energy
- Enterprise, industrial policy and regulation
- Environment
- Financial dialogue
- Galileo global satellite navigation services
- Government procurement
- Hi-Tech
- Information Society
- Intellectual Property Rights
- Macro-economic policy dialogue
- Maritime transport
- Regulatory and industrial policy
- Regional Policy
- Sanitary and Phytosanitary Questions
- Science and Technology
- SMEs
- Space cooperation
- Trade Policy
- Textile Trade
- Transport policy



EU-China: Partnership and Cooperation Agreement (PCA)

- EU relations with China were established in 1975 and are governed by the 1985 EU-China Trade and Cooperation Agreement.
- Negotiations launched (2007) on a new EU-China Partnership and Cooperation Agreement, intending to reflect the full breadth and depth of the EU China Comprehensive Strategic Partnership
- Good progress, at least on the political track for which the aim is to conclude negotiations within 2010.



Issues in EU-China Relations

- Trade deficit (170 Bn Euro in 2008), market access (Joint Ventures, Intellectual Property Rights, Government Procurement, Discrimination, market distortion, Lack of transparency, technical standards)
- Interpretations of the 'One China' policy (Taiwan, Tibet/Dalai Lama, Xinjiang)
- Perceptions of human rights and the principle of non-interference
- The arms embargo





For more information:

EUROPA website

http://ec.europa.eu/comm/external_relations/china/intro/index.htm

Beijing Delegation website

<http://www.delchn.ec.europa.eu>



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