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China and the EU

This page gives an outline of the relations between the European Union (EU) and China.

Basic framework for relations

The EU's China policy is defined by the '[Elements for a new EU Strategy on China](#)' which, together with the '[Council Conclusions EU Strategy on China](#)', form the EU Strategy on China. The Strategy reflects the fundamental premises of the EU's engagement: the promotion of democracy, the rule of law, human rights, and respect for the UN Charter's principles and international law, with the search for reciprocal benefits in political and economic relations '.

The '[EU-China 2020 Strategic Agenda for Cooperation](#)', jointly signed by the EU and China in 2013, covers the areas of: peace and security, prosperity, sustainable development, and people-to-people exchanges. Bilateral relations are conducted at the highest level through the annual EU-China Summit.

The EU Strategy on China states that that the EU's engagement with China will be *principled, practical and pragmatic*, staying true to its interests and values. The EU's approach is based on a positive agenda of partnership coupled with the constructive management of differences. The strategy directs the EU to find practical ways to engage China in its reform process so as to achieve mutual benefits in political, economic, trade and investment, social, environmental, and other relations. Reciprocity, a level playing field and fair competition across all areas of cooperation should be strengthened, especially as the EU and China work towards the completion of a Comprehensive Agreement on Investment, in order to create new market opportunities. In addition, infrastructure, trading, digital, and people-to-people connectivity between Europe and China should be improved so as to deliver benefits for all countries involved. In line with the EU and China's UN and G20 responsibilities, the EU and China should promote global public goods, sustainable development, and international security, and advance respect for the rule of law and human rights within China and internationally. The EU will seek to maximise its internal cohesion and effectiveness in its dealings with China.

Political relations

The EU and China hold an annual Strategic Dialogue to discuss bilateral relations with a focus on foreign and security policy, at the level of the High Representative/Vice President on the EU side, and

the State Councillor for Foreign Affairs on the Chinese side. The EU aims to reinforce its engagement with China on foreign policy and security issues. In particular, it will continue to encourage China to mobilise its diplomatic and other resources to support international security, including engagement on Afghanistan and Syria; contribute to peace and security in the EU's neighbourhood in line with international law; ensure freedom of navigation and overflight in the East and South China Seas; settle disputes peacefully and in accordance with the rule of law; seek common ground with China on disarmament, non-proliferation, counter-terrorism and cyberspace; and work with China to support capacity-building and peacekeeping operations on the African continent.

Human rights

The EU adheres to international rules and norms, and respect for human rights, as set out in the [Charter of Fundamental Rights of the European Union](#). The Principles of Engagement set out in the strategy state that:

"The EU's external action is governed by the principles which have inspired its own creation: democracy, the rule of law, human rights and respect for the principles of the UN Charter and international law. These principles are reflected in the Chinese constitution and in the international instruments that China has signed. The protection of human rights will continue to be a core part of the EU's engagement with China. The EU believes that treating human beings with dignity and respect is essential if citizens are to fulfil themselves and flourish creatively, and is good for the stability and security of Chinese society and the world order."

The EU is committed to promoting the universality of human rights and to improve the human rights situation in China in an active and sustained way. In doing so, constructive dialogue and outreach remain the European Union's preferred means of action.

Human rights are discussed between the EU and China during high level dialogues and under a dedicated [Human Rights Dialogue](#). The EU-China Human Rights Dialogue was established in 1995 and has been meeting regularly ever since. In recent years, China has made considerable progress in a number of areas of human development, including improving the social and economic situation for hundreds of millions of its citizens. In the sphere of civil rights, we also see a reduction in the number of crimes eligible for the death penalty, increasing professionalisation of the judiciary as well as the introduction of China's first national anti-domestic violence law.

Notwithstanding the significant differences between the EU and China concerning human rights, both sides are committed, as agreed in the EU-China 2020 Agenda, to engaging on these issues and to conducting open and frank discussions. The Human Rights Dialogue allows the two sides to convey their concerns about issues such as: the rule of law, [freedom of expression](#), [freedom of religion and belief](#), freedom of assembly and association, the [death penalty](#), prevention of torture, the situation of [human rights defenders](#), the rights of persons belonging to ethnic and religious minorities, social integration and other issues relating to social, cultural, civil and political rights.

The dialogue, together with public diplomacy and outreach efforts by the EU and its Member States, has contributed to some positive results. The EU is determined to continue to work with China, building on China's own Human Rights Action Plan, to promote respect for international human rights obligations.

The European Union is committed to using its co-operation programmes to promote human rights in China. In this regard, it supports a number of projects to promote the universal values of human rights

in China, including through projects specifically funded under the [European Instrument for Democracy and Human Rights](#) (EIDHR). It also supports seminars and other activities which allow European and Chinese experts to exchange views and experiences.

Economic relations

In today's world, the pace of growth of economic inter-connectedness between the EU and China has been remarkable. Increased interdependence demands closer cooperation to face common challenges, such as ensuring sustainable and inclusive growth, making financial systems more stable and robust, and addressing the economic and social consequences of an aging population. For this reason, the EU and China work together on a large number of economic and financial matters, ranging from how to prevent regulatory arbitrages between financial jurisdictions, the promotion of sound financial innovation and supervision, and discussing synergies in addressing structural issues.

The EU seeks to promote reciprocal understanding between the EU and China of our respective economic and financial market developments. This helps manage the EU and China's impact on each other's economies and to find common solutions.

EU-China cooperation requires close and regular contact, and is formalised through the following annual dialogues:

- the High-level Economic and Trade Dialogue, chaired by a Vice President on the EU side and a Vice-Premier on the Chinese side;
- the Economic and Financial Dialogue between the European Commission and the European Central Bank, on one side, and the Chinese Ministry of Finance, the People's Bank of China and the Chinese financial market regulators, on the other;
- the Macroeconomic Dialogue between the European Commission and the National Development and Reform Commission of China.

Trade

The European Union and China are two of the biggest trading partners in the world. China is now the EU's 2nd trading partner behind the United States and the EU is China's biggest trading partner. The EU and China therefore have a major stake in each other's sustainable growth and prosperity. The EU is committed to open [trading relations](#) with China. At the 16th EU-China Summit held on 21 November 2013 both sides announced the [launch of negotiations](#) of a comprehensive EU-China Investment Agreement.

The EU wants to ensure that China trades fairly, respects intellectual property rights and meets its WTO obligations. China's accession to the WTO in December 2001 required China to take bold reforms and liberalise important parts of its economy. Both China and the wider WTO membership have benefited greatly from China's integration into the global economic order.

China has made good progress in implementing its WTO commitments, but some problems remain. The [EU's concerns](#) include: industrial policies and non-tariff measures in China which may discriminate against foreign companies; a strong degree of government intervention in the economy, resulting in a dominant position of state-owned enterprises, and unequal access to subsidies and cheap financing; inadequate protection and enforcement of intellectual property rights in China; and industrial over-

capacity in a number of industrial sectors in China, notably steel production.

Issues arising in the bilateral trade and investment relationship are discussed across a range of dialogues. Apart from the annual EU-China Summit, the main annual dialogues concerning areas of trade are:

- the High Level Economic and Trade Dialogue (HED), chaired by a Vice President on the EU side and a Vice-Premier on the Chinese side;
- the Joint Committee (JC) at Commissioner/Minister level;
- the Trade and Investment Policy Dialogue (TIPD) and the Economic Trade Working Group (ETWG) at Technical level

While there are many challenges, the EU and China have demonstrated their willingness and ability to defuse tensions through dialogue and cooperation. China's market and rapid development continue to offer huge opportunities, with significant potential for further expanding trade and investment and thereby strengthening the overall relations.

Research and innovation

Research and innovation are central to the EU-China strategic partnership. An [Agreement for Scientific and Technological Cooperation](#) between the two parties has been in place since 1998, and a joint declaration setting up a High Level Innovation Cooperation Dialogue was signed in 2012. Through this dialogue, which first took place in 2013, the two sides are working to improve mutual understanding of their respective innovation systems and policies, promote effective innovation policies and support measures, and tackle the framework conditions for innovation. The EU and China are also working towards ensuring reciprocal access to their research and innovation funding programmes.

[Horizon 2020](#), the EU's Framework Programme for Research and Innovation, offers opportunities for European and Chinese researchers to collaborate across a range of scientific disciplines and create and strengthen partnerships. The EU and China are working together in a number of specific areas of joint interest and mutual benefit:

- [Food, agriculture, biotechnologies](#)
- [Sustainable urbanisation](#)
- [Aviation and aeronautics](#)
- Environment and Climate Action
- Energy (non-nuclear)
- Peaceful uses of nuclear energy
- Information and communication technologies
- Space

The EU Delegation in Beijing has an important role in promoting dialogue on research and innovation between the [EU Member States'](#) embassies in China, raising awareness of EU policies and programmes, and supporting the coordination and development of joint activities and approaches vis-a-vis China.

[Co-funding mechanism covering selected thematic areas](#)

[First call for proposals published for 2019 under the EU-China Co-Funding Mechanism for](#)

Research and Innovation

[First call for proposals published for 2018 under the EU-China Co-Funding Mechanism for Research and Innovation](#)

[Second call for proposals published for 2018 under the EU-China Co-Funding Mechanism for Research and Innovation](#)

 [Questions & Answers on EU-China Co-funding Mechanism for Research and Innovation Cooperation](#)

Advance EU Access to Financial Incentives for Innovation in China

“Advance EU Access to Financial Incentives for Innovation in China” is a European Union project financed under the [Partnership Instrument](#) of the European Commission. As reaffirmed during the 3rd [EU-China Innovation Cooperation Dialogue](#) in 2017, access to funding is a fundamental framework condition for innovation. In July 2016 the European Commission through the Partnership Instrument initiated the 18-month project “Advance EU Access to Financial Incentives for Innovation in China”, as part of a monitoring of the effective implementation of the EU-China Joint Roadmap on Ensuring Reciprocal Access to Respective Research and Innovation Funding. Through daily monitoring and analysis of Chinese *de jure* developments within the Chinese STI sector, as well as *de facto* figures of participation under Chinese national STI funding programmes, the action provided significant factual evidence to the EU-China Innovation Cooperation Dialogue. It also provided technical input to the EU efforts to improve the innovation framework conditions for European research and innovation stakeholders in China, by enhancing their access to financial funding incentives in China. Based on their research and analysis, the project produced a [Guide for EU stakeholders on Chinese national Science and Technology funding programmes](#). The Guide introduces the five main funding programmes of the Chinese national funding system for research and innovation, explaining the rules for international participation and proposing recommendations for European stakeholders. To access the Guide*, please click [here](#).

In addition, a series of ad hoc reports produced by the project on specific topics in relation to the national STI programmes include the following:

1. 12th and 13th Five-Year Plan for STI comparison
2. Analysis of 2016 NKP cycles
3. 13th Five-Year Plan for large research infrastructures
4. Technology Innovation Guidance Fund
5. Financial Incentives from national high-tech zones
6. Analysis of 2017 NKP cycles
7. Bases and Talents programme
8. Major S&T Projects (Mega projects)
9. NSFC research projects

** Note: This Guide was prepared with the financial assistance of the European Union. The views expressed herein are those of the contractor and do not represent the official views of either the European Commission or the European Union Delegation to China.*

EURAXESS

EURAXESS is an EU networking tool for European researchers working outside Europe and for non-

European researchers that wish to collaborate and/or pursue a research career in Europe. For specific information on China, please visit china.euraxess.org.

Environment, energy and climate change

Climate Change

Cooperation on climate change is a high priority for the EU and China. In 2005, the EU and China agreed to form a [Climate Change Partnership](#) to provide a high-level framework for cooperation and dialogue on climate change policies, to exchange views on key issues in the international climate change negotiations and encourage low carbon technology development and uptake. This was reinforced in the latest [joint statement](#) on climate change at the 2015 EU-China summit, where the two sides expressed their commitment to low-carbon development and to cooperating in the context of the UN climate conventions. They further agreed to intensify bilateral cooperation in a number of areas:

- domestic emissions reduction policies
- carbon markets
- low-carbon cities
- carbon capture and storage (CCS)
- greenhouse gas emissions from the aviation and maritime industries, and
- hydrofluorocarbons (HFC)

Environment

China and the EU share a strong focus on green transformation. China's 13th Five Year Plan sets a clear path towards green development, whilst the EU is working towards green growth under the goals of Europe 2020 and the [7th Environmental Action Programme](#).

The main channels for EU-China environmental dialogue with the Chinese government are:

- the Environment Policy Dialogue (EPD), held at ministerial level (since 2003), under which [principles_for_technical_cooperation.pdf](#) were agreed in 2017;
- the Bilateral Cooperation Mechanism (BCM) on Forest Law Enforcement and Governance and Trade (FLEGT), with the Chinese State Forestry Administration, to tackle illegal logging and associated trade through domestic measures (information, legal frameworks and policies) and through joint work with other countries, including in South East Asia and Africa to stem the trade in illegally logged timber; The EU FLEGT Action Plan includes the EU Timber Regulation, which aims to reduce illegal logging by ensuring that no illegal timber or timber products can be sold in the EU. The new briefing note on developments relevant to the implementation and enforcement of the EU Timber Regulation covering the period April to June 2017 is available [here](#);
- through dialogue with other Chinese ministries and administrations responsible for issues including water resources, wildlife protection and CITES.

The EU plays a crucial role in supporting the [China-Europe Water Platform](#) (CEWP), established in 2012, to encourage an integrated approach to water management in China. The CEWP is a partnership with the Chinese Ministry of Water Resources, involving many EU Member States. It promotes policy dialogue on water sector reforms and encourages capacity-building, technical and

business cooperation.

Energy

The signature of the [EU-China Energy Cooperation Roadmap](#) in July 2016 signalled a new step ahead in the long-standing energy cooperation between the European Union and China.

The Roadmap will guide this cooperation over the period 2016-2020 and cover areas of major interest for both sides, such as renewable energies, energy efficiency, energy markets reform, and the role of international institutions in the energy sector.

As the world's largest energy importers, the EU and China share a common interest in transparent, well-regulated and open international markets. Both sides also share a deep-rooted commitment to the implementation of the Paris Agreement, which implies a progressive transition from a fossil fuel-based energy system to one that relies on renewable sources, greater flexibility and efficiency.

Food safety and consumer protection

Trade in food products between EU and China is becoming increasingly important. It is therefore vital that the EU and China cooperate and exchange information on scientific, technical and regulatory matters and emerging issues in this domain. The EU voices its concerns when necessary about administrative and burdensome procedures which constitute trade barriers.

EU-China cooperation on these issues takes place via a number of different platforms:

- the joint meetings and exchanges of information established by the Memorandum of Understanding signed between the EU and AQSIQ (the Chinese Administration for Quality Supervision, Inspection and Quarantine);
- regular cooperation with the China Food and Drug Administration;
- Consumer Product Safety Summits established by the Trilateral Cooperation on Food Safety, signed by the EU, AQSIQ and the United States Food and Drug Administration.

The EU also cooperates actively with China regarding the fight against the development of antimicrobial resistance, which represents a major threat, both from a health and economic perspective.

The "RAPEX-CHINA" system

The "[RAPEX-CHINA](#)" on-line system facilitates the regular and rapid transmission of data between the EU and China's product safety administrations. The European Commission provides the Chinese authorities with the information on consumer products originating from China, which have been identified as dangerous and consequently banned or withdrawn from the European market by the authorities of the Member States.

Trilateral cooperation: EU-US-China Initiative

A joint EU-US-China Initiative on Consumer Product Safety Compliance took place in the People's Republic of China, from 19-24 September 2008. Product safety is a focal area of concern for the three parties and, in the past years, all have made significant efforts. The parties have now added a tripartite initiative to the already existing and fruitful bilateral mechanisms.

Since the middle of 2008 the EU has been engaging in [tri-lateral discussions](#) to build up mutual trust and to develop a coordinated response to the challenges related to product safety.

Communications Networks, Content and Technology

The EU and China regard the Information and Communications Technologies sector (ICT sector) and the wider Digital Economy as strategic priorities. Indeed, achieving a Connected [Digital Single Market](#) for the EU is the second of the 10 political priorities for the Juncker Commission. Closer cooperation between the EU and China in this key sector is mutually beneficial. In order for progress to be sustainable, it must happen between equals on a level playing field that ensures reciprocal access to markets, standard-setting bodies and research & innovation programmes.

The increasing importance of the Digital Economy is also reflected in the wider bilateral relations between the EU and China, with the topic now regularly addressed at the EU-China Summit as well as in the High Level Economic and Trade Dialogue. In 2015, the European Commission signed a [Joint Declaration on strategic cooperation in 5G](#) mobile networks with China's Ministry of Industry and Information Technology (MIIT).

The European Commission's Directorate-General for Communications Networks, Content & Technology (DG CONNECT) has also maintained an annual Dialogue on Information Technology, Telecommunications and Informatisation with the MIIT since 2009, co-chaired the EU-China Cyber Taskforce since its foundation in 2012, and contributed to trade and research related dialogues and other cooperation mechanisms.

The EU Delegation to China takes a holistic view regarding the sector's value chain and addresses questions concerning research, innovation and standardisation cooperation, besides taking up the concerns of industry and SMEs as they relate to operating in the Chinese market. Through the [EU-China Trade Project](#), the EU Delegation also deals with issues around Internet governance as well as academic research cooperation in the sector, ranging from the [Internet of Things](#) to Smart Cities.

Further information can be found on the website of the [European Union Chamber of Commerce in China](#).

Development cooperation

Over recent decades, the EU has provided significant financial and technical support to encourage China's development. However, China's impressive growth has changed the relationship. The country has graduated from bilateral development assistance. Instead, it has become a strategic partner with whom the EU engages on a wide range of policy issues.

The EU-China Cooperation Portfolio

EU projects have focussed on areas of importance for sustainable and inclusive development in China, and where the EU considers it has important policy experiences to share. Cooperation projects cover a range of sectors, including:

- low carbon development and sustainable urbanisation – sharing technological solutions and experiences in areas like energy efficiency and renewable energy;

- environment management and governance – dealing with environmental challenges including air, water and soil pollution;
- trade and the private sector – addressing issues such as technical barriers to trade, food safety, customs and intellectual property;
- good governance and rule of law – enhancing dialogues on governance and legal issues through joint projects that support ongoing reforms in China;
- reducing vulnerabilities – tackling challenges relating to social protection, exclusion, and health & safety;
- support to EU-China Sectoral Policy Dialogues and people-to-people exchanges – informing China’s public policies and bringing people together to cooperate in areas of common interest.

Partnership Instrument

Through the [Partnership Instrument](#) (PI), the EU cooperates with China to advance areas of mutual interest and tackle global challenges. Managed by the EU [Service for Foreign Policy Instruments](#), PI is the EU's first instrument specifically designed to promote the Union's strategic interests worldwide by reinforcing its external strategies, policies and actions. The instrument has four main objectives:

- offering policy support and responding to [global challenges](#);
- projecting the international dimension of [Europe 2020](#);
- enhancing [market access](#) and boosting [trade](#), investment and business opportunities for EU companies;
- [promoting public diplomacy](#) and [academic cooperation](#).

To achieve these objectives, the PI funds actions in China and the region covering bilateral policy priorities in areas such as [agriculture](#), [biodiversity](#), [civil aviation](#), [climate change](#), [competition regulation](#), [culture](#), [digital cooperation](#), [energy](#), [environment](#), food safety, higher education, innovation, [legal cooperation](#), [migration](#), public diplomacy, [responsible value chains](#), trade, [urbanisation](#) or [water](#).

Documents

[Elements for a New EU Strategy on China](#)
[Council Conclusions EU Strategy on China](#)
[EU-China 2020 Strategic Agenda for Cooperation](#)
[Chronology of EU-China Relations](#)
[EU-China Summit 2015 Joint Statement](#)
[EU-China Dialogue Architecture](#)

See also

Facts and Figures on EU-China trade, March 2014
 EU statement to the WTO: Trade policy with China
 European Union, Trade in goods with China
www.eeas.europa.eu

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