## EU-China Summit: deepening the strategic global partnership

President of the European Commission Jean-Claude **Juncker** and President of the European Council Donald Tusk represented the European Union at the Summit. The People's Republic of China was represented by Premier Li Keqiang. European Commission Vice-President for Jobs, Growth, Investment and Competitiveness, Jyrki **Katainen**, Trade Commissioner Cecilia **Malmström**, and Transport Commissioner Violeta **Bulc** also attended the Summit. President Tusk and President Juncker also met with the President of the People's Republic of China, Xi Jinping.

"I have always been a strong believer in the potential of the EU-China partnership. And in today's world that partnership is more important than ever before. Our cooperation simply makes sense", said the President of the European Commission, Jean-Claude Juncker. "Europe is China's largest trading partner and China is our second largest. The trade in goods between us is worth over €1.5 billion every single day. But we also know that we can do so much more. This is why it is so important that today we have made progress on the Comprehensive Agreement on Investment through a first exchange of offers on market access, and towards an agreement on Geographical Indications. That shows that we want to create more opportunities for people in China and in Europe."

The full remarks of President **Juncker** at the press conference following the Summit are available <u>online</u>.

The <u>Joint Summit Statement</u> agreed by the European Union and China illustrates the breadth and depth of the EU-China relationship and the positive impact that such a partnership can have, in particular when it comes to addressing global and regional challenges such as climate change, common security threats, the promotion of multilateralism, and the promotion of open and fair trade. The Summit follows the High-level <u>Strategic Dialogue</u>, co-chaired by the EU High Representative for Foreign Affairs and Security Policy/Vice-President of the European Commission, Federica <u>Mogherini</u> and Chinese State Counsellor, Wang Yi, in Brussels on 1 June, and the <u>High-level Economic and Trade Dialogue</u>, co-chaired by Vice-President <u>Katainen</u> and Chinese Vice-Premier, Liu He, in Beijing on 25 June.

This 20th Summit demonstrates the many ways in which the European Union and China are concretely strengthening what is already a comprehensive relationship. In addition to the <u>Joint Statement</u>, a number of other concrete deliverables were agreed, including:

## Working together for a more sustainable planet

In the <u>Leaders' statement on climate change and clean energy</u>, the European Union and China have committed to step up their cooperation towards low greenhouse gas emission economies and the implementation of the **2015 Paris** 

**Agreement** on climate change. In doing so, the EU and China will intensify their political, technical, economic and scientific cooperation on climate change and clean energy.

Welcoming this commitment, President **Juncker** said: "We have underlined our joint, strong determination to fight climate change and demonstrate global leadership. It shows our commitment to multilateralism and recognises that climate change is a global challenge affecting all countries on earth. There is no time for us to sit back and watch passively. Now is the time for decisive action."

Vice-President **Katainen** and the Chairman of the National Development and Reform Commission, He Lifeng, also signed the <u>Memorandum of Understanding to Enhance Cooperation on **Emissions Trading**, which acknowledges the significant potential of emissions trading to contribute to a low carbon economy and further enhances the cooperation of the two largest emission trading systems of the world.</u>

Building on the success of the 2017 EU-China Blue Year, the EU and China have also <u>signed a Partnership Agreement on Oceans</u>. Two of the world's largest ocean economies will work together to improve the international governance of the oceans, including by combating illegal fishing and exploring potential business and research opportunities, based on clean technologies, in the maritime economy. The partnership contains clear commitments to protect the marine environment against pollution, including plastic litter; tackle climate change in accordance with the Paris Agreement and implement the 2030 Agenda for Sustainable Development, in particular <u>Goal 14</u>. The signature of this ocean partnership is the first of its kind and opens the door for future partnerships between the EU and other key ocean players.

Vice-President **Katainen** and Minister of Ecology and Environment, Li Ganjie, also signed the <u>Memorandum of Understanding on Circular Economy Cooperation</u> that will provide a framework for cooperation, including a high-level policy dialogue, to support the transition to a circular economy. Cooperation will cover strategies, legislation, policies and research in areas of mutual interest. It will address management systems and policy tools such as ecodesign, eco-labelling, extended producer responsibility and green supply chains as well as financing of the circular economy. Both sides will exchange best practice in key fields such as industrial parks, chemicals, plastics and waste.

In the context of the EU's <u>International Urban Cooperation</u> programme, in the margins of the Summit, Commissioner **Creţu** witnessed the signature of a joint declaration between Chinese and European cities: Kunming and Granada (ES); Haikou and Nice (FR); Yantai and Rome (IT); Liuzhou and Barnsley (UK) and Weinan and Reggio Emilia (IT). These partnerships will facilitate exchanges to examine and develop local action plans reflecting the EU's integrated approach to sustainable urban development while addressing social, economic, demographic and environmental challenges.

Putting the international rules-based system at the centre of open and fair trade

"I am more convinced than ever that, in the era of globalisation and of interdependence, multilateralism must be at the heart of what we do. We expect all our partners to respect international rules and commitments that they have taken, notably within the framework of the World Trade Organisation", said President Jean-Claude Juncker in his keynote speech at the EU-China Business Roundtable in Beijing, which provided an opportunity for EU and Chinese leaders to exchange views with representatives of the business community. "At the same time, it is true that the existing WTO rules do not allow unfair practices to be dealt with in the most effective way, but instead of throwing the baby out with the bathwater, we must all preserve the multilateral system and improve it from within." President Juncker's full speech is available online. Commissioner Malmström also intervened at the event.

At the Summit, the EU and China confirmed their firm support to the rules-based, transparent, non-discriminatory, open and inclusive multilateral trading system with the WTO as its core and committed to complying with existing WTO rules. They also committed to co-operating on the reform of the WTO to help it meet new challenges, and established a joint working group on WTO reform, chaired at Vice-Ministerial level, to this end.

Good progress was made on the ongoing **Investment Agreement** negotiations, which is a top priority and a key project towards establishing and maintaining an open, predictable, fair and transparent business environment for European and Chinese investors. The EU and China **exchanged market access offers**, moving the negotiations into a new phase, in which work can be accelerated on the offers and other key aspects of the negotiations. The European Investment Fund (EIF), part of the European Investment Bank Group, and China's Silk Road Fund (SRF) have signed a Memorandum of Understanding with the aim of confirming the first co-investment carried out under the recently established <u>China-EU Co-Investment Fund</u> ("CECIF") that promotes investment cooperation between the European Union and China and the development of synergies between China's Belt and Road Initiative and the Investment Plan for Europe.

Regarding steel, both sides agreed to strengthen their cooperation in the Global Forum on Steel Excess Capacity and committed, in accordance with the decisions of the 2016 Hangzhou and 2017 Hamburg Summits, as well as with the 2017 Ministerial decisions, to the goal of implementing the agreed political recommendations.

The EU and China also agreed to conclude the negotiations on an Agreement on cooperation on, and protection from imitation for distinctive food and drink products, so-called **Geographical Indications** before the end of October — if possible. An agreement in this area would result in a high level of protection of our respective Geographical Indications, which represent important traditions and rich resources for both the EU and China.

In the area of **food safety**, the EU and China agreed to promote the highest food safety standards, and are ready to take the regionalisation principle into account, and committed to expanding market access for food products.

The EU and China have also signed the <u>Action Plan Concerning China-EU Customs Cooperation on Intellectual Property Rights (2018-2020)</u>, with the aim of strengthening customs enforcement to combat counterfeiting and piracy in the trade between the two. The Action Plan will also promote cooperation between customs and other law enforcement agencies and authorities in order to stop production and wind up distribution networks.

The European Anti-Fraud Office (OLAF) and the General Administration of China Customs signed a <u>Strategic Administrative Cooperation Arrangement and an Action Plan (2018-2020)</u> on strengthening the cooperation in combatting customs fraud in particular in the field of transhipment fraud, illicit traffic of waste and undervaluation fraud.

At the third meeting of the EU-China **Connectivity Platform**, held in the margins of the Summit and chaired for the EU by Commissioner Violeta **Bulc**, the two parties reaffirmed their commitment to transport connectivity on the basis of respective policy priorities, sustainability, market rules and international coordination.

The exchanges focused on:

- the policy cooperation based on the Trans-European Transport Network (TEN-T) framework and the Belt and Road initiative, involving relevant third countries between EU and China;
- cooperation on Transport decarbonisation and digitalisation, including in international fora such as the International Civil Aviation Organisation (ICAO) and the International Maritime Organisation (IMO)
- cooperation on investment projects based on sustainability criteria, transparency and level-playing field to foster investment in transport between EU and China.

The joint agreed minutes of the Chairs' meeting are available <u>online</u>, along with the <u>list of European transport projects</u>presented under the EU-China Connectivity Platform.

## A people's partnership

The European Union and China are putting their respective citizens at the heart of the strategic partnership. There were good discussions on **foreign** and security cooperation and the situation in their respective neighbourhoods. At the Summit, EU and Chinese Leaders discussed ways to support a peaceful solution on the Korean Peninsula; their commitment to the continued, full and effective implementation of the Joint Comprehensive Plan of Action — the Iran nuclear deal; joint, coordinated work on the peace process in Afghanistan; and the situation in eastern Ukraine and the illegal annexation of Crimea and Sevastopol. They also discussed other foreign and security challenges, such as in the Middle East, Libya, and Africa, as well as their joint commitment to multilateralism and the rules-based international order with the United Nations at its core.

Many successful activities have already been held within the framework of the <a href="2018">2018 China-EU Tourism Year</a>, designed to promote lesser-known destinations,

improve travel and tourism experiences, and provide opportunities to increase economic cooperation. At the Summit, Leaders committed to further advancing relevant activities, facilitating tourism cooperation and contacts between people.

With the protection and improvement of human rights at the very core of the European Union and its global partnerships, Leaders also addressed issues relating to **human rights**, a week after the EU and China held their latest Human Rights Dialogue.

Both parties confirmed that they will press ahead with the parallel negotiations on the second phase of the EU-China **Mobility and Migration Dialogue** roadmap, namely on an agreement on visa facilitation and an agreement on cooperation in addressing irregular migration.

The EU and China also agreed to launch new dialogues covering drug-related issues and on humanitarian assistance.

## Further Information

EU-China Summit website

EU-China relations factsheet

Joint Statement following the 20th EU-China Summit

Remarks of President Jean-Claude Juncker at the press conference following the 20<sup>th</sup> EU-China Summit

<u>Keynote speech of President Jean-Claude Juncker at the EU-China business roundtable</u>

<u>Delegation of the European Union to China website</u>