EC/China relations: building a comprehensive partnership

1998/2067(COS) - 08/09/2000

PURPOSE : to present a Commission Report on how it has implemented the aims of its Communication "Building a Comprehensive Partnership with China." CONTENT : the main aims of the 1998 Communication were to engage China further in the international community, to support China's transition to an open society and to integrate China further into the global economy. Since the Communication was adopted, the EU-China relationship has greatly intensified. The first annual EU-China summits in 1998 and 1999 laid the groundwork for a more broadly based political dialogue. At the same time an increasing succession of meetings and dialogues at all levels, and in numerous areas of concern both to the EU and to China, improved communication and promoted mutual understanding. The agenda dialogue has been expanded to include regional security, economic and trade issues and human rights. This could be broadened further to include other global issues such as illegal immigration and eventually drug-trafficking, money laundering and organised crime. Some of these issues could be included in the next EU-China Summit to take place on 23 October 2000. The negotiation of an agreement on China's accession to the WTO has been at the top of the EU's trade agenda for the past two years. The bilateral Sino-EU Agreement on 19 May 2000 marks a major step forward in our trade relations. China will join the WTO in 2001. The Agreement will secure vastly improved access for EU firms to the Chinese market, and greatly enhances the climate for European companies to do business with China. The EU and China can look forward to a reverse of the recently declining levels of Foreign Direct Investment in China. The Commission will continue to develop new channels of communication with the Chinese authorities, to monitor the implementation of China's WTO commitments, and to identify instances where China faces difficulties in adhering to these obligations. The EU can help China overcome any problems through targeted, technical assistance and the strengthening of regulatory dialogues in key areas. Remaining market access barriers will continue to be addressed. The EU remains committed to supporting the overall reform process in China through its Co-operation Programme. The Commission will need to define further those areas that can benefit most from EU co-operation. The priorities will include socio-economic reform, human resources development, education, the environment, the promotion of human rights and the rule of law. Efforts will concentrate on sustainable development projects in the agreed priority areas, but the EU will continue to be flexible. The Commission will continue to bear in mind, when formulating new co-operation projects, that 11.5% of China's population still live in absolute poverty with an income of less than USD 1.00 per day.