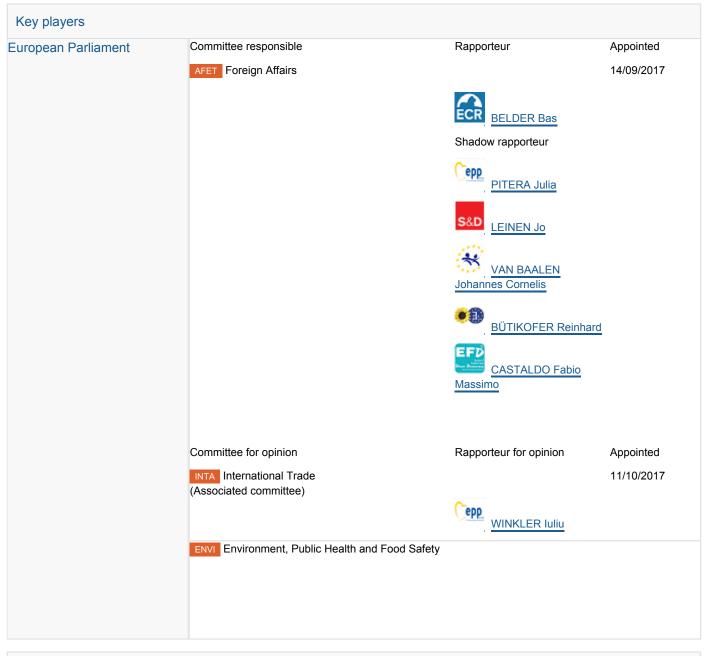
Procedure file

| Basic information | | | | |
|--|----------------|---------------------|--|--|
| INI - Own-initiative procedure | 2017/2274(INI) | Procedure completed | | |
| State of EU-China relations | | | | |
| Subject 6.20.03 Bilateral economic and trade agreements and relations 6.40.08 Relations with Asian countries | | | | |
| Geographical area China | | | | |



| Key events | ey events | | | | |
|------------|---|--|--|--|--|
| 18/01/2018 | Committee referral announced in Parliament | | | | |
| 18/01/2018 | Referral to associated committees announced in Parliament | | | | |
| | | | | | |

| 20/06/2018 | Vote in committee | | | |
|------------|-------------------------------------|---------------------|---------|--|
| 11/07/2018 | Committee report tabled for plenary | A8-0252/2018 | Summary | |
| 11/09/2018 | Debate in Parliament | | | |
| 12/09/2018 | Results of vote in Parliament | | | |
| 12/09/2018 | Decision by Parliament | <u>T8-0343/2018</u> | Summary | |
| 12/09/2018 | End of procedure in Parliament | | | |

| Technical information | | |
|----------------------------|--------------------------------|--|
| Procedure reference | 2017/2274(INI) | |
| Procedure type | INI - Own-initiative procedure | |
| Procedure subtype | Initiative | |
| Legal basis | Rules of Procedure EP 54 | |
| Stage reached in procedure | Procedure completed | |
| Committee dossier | AFET/8/11769 | |

| Documentation gateway | cumentation gateway | | | | | |
|---|---------------------|--------------|------------|----|---------|--|
| Committee draft report | | PE619.387 | 26/03/2018 | EP | | |
| Amendments tabled in committee | | PE621.097 | 27/04/2018 | EP | | |
| Committee opinion | ENVI | PE615.453 | 02/05/2018 | EP | | |
| Committee opinion | INTA | PE619.364 | 30/05/2018 | EP | | |
| Committee report tabled for plenary, single reading | | A8-0252/2018 | 11/07/2018 | EP | Summary | |
| Text adopted by Parliament, single reading | | T8-0343/2018 | 12/09/2018 | EP | Summary | |

State of EU-China relations

The Committee on Foreign Affairs adopted the own-initiative report by Bas BELDER (ECR, NL) on the state of EU-China relations.

It noted that the High Representative's and the Commission's Joint Communication Elements for a new EU Strategy on China, together with the Council conclusions of 18 July 2016, provide the policy framework for EU engagement with China over the coming years.

Members asserted that the EU-China Comprehensive Strategic Partnership is one of the most important for the EU, and is founded on a shared commitment to openness and working together as part of a rules-based international system. However, they were concerned that the increase in Chinas global economic and political weight over the past decade has put these shared commitments to the test. Members referred to Europes much greater collective bargaining power with China, and urged that Europe defend its democracies so as to better face up to Chinas systematic efforts to influence its politicians and civil society. The larger Member States were called upon to use their political and economic weight towards China to promote the EUs interest.

Economic perspective: the report noted that the Chinese leadership has gradually and systematically stepped up its efforts to translate its economic weight into political influence, notably through strategic infrastructure investments and new transport links. It also noted that the 16+1 format between China on one hand, and 11 Central and Eastern European Countries (CEEs) and five Balkan countries on the other, was established in 2012 in the aftermath of the financial crisis and as part of Chinese sub-regional diplomacy to develop large-scale infrastructure projects and strengthen economic cooperation. The findings of recent investigations show that since 2008, China has acquired assets in Europe worth USD 318 billion.

Members called on those Member States participating in the 16+1 format to ensure that their participation in this format enables the EU to have one voice in its relationship with China, and to carry out sound analysis of suggested infrastructure projects to ensure no compromising of national and European interests for financial support. Chinese involvement in strategic infrastructure projects and potentially greater political influence would, according to the committee, undermine the EUs common positions on China. At the same time, Members called for the strengthening of EU public diplomacy.

The committee discussed the challenges of Chinas Belt and Road Initiative (BRI), and suggested that data on all Chinese infrastructure

investments in EU Member States and accession countries be shared with the EU institutions and other Member States. It insisted that the BRI must include human rights safeguards. It welcomed the setting-up of the EU-China Connectivity Platform, which promotes cooperation in transport infrastructure across the Eurasian continent.

Human rights: the report underlined the fact that the promotion of human rights and the rule of law must be at the core of the EU's engagement with China. It firmly condemned the ongoing harassment, arbitrary arrest and prosecution of human rights defenders, lawyers, journalists, bloggers, academics and labour rights defender.

Members called on the Council, the European External Action Service (EEAS) and the Commission to ensure that EU-China cooperation is grounded in the rule of law, and the universality of human rights. It drew attention to the EUs failure, for the first time ever, to make a joint statement on Chinas human rights records at the UN Human Rights Council in Geneva in June 2017.

The committee called on the EU and its Member States to pursue a more ambitious, united and transparent policy with regard to human rights in China and to substantially consult and engage with civil society. It called on China to act upon the issues raised at the Human Rights Dialogue, In addition, the EU should set clear benchmarks for progress, ensure more transparency and involve independent Chinese voices in the discussion. Members also drew attention to the need to address all forms of visa harassment.

Chinese students: Members drew attention to the need for greater support to students and scholars from China who are in Europe, so that they are less vulnerable to being pressured by Chinese authorities to surveil one another and to become tools of the Chinese state, as well as the importance of looking very carefully at substantial mainland funding to academic institutions across Europe.

Lastly, Members called on the Commission to actively monitor the Chinese trade distortion measures, which are affecting EU companies positions in global markets, and to take appropriate action in the WTO and other fora, including through dispute settlement.

State of EU-China relations

The European Parliament adopted by 530 votes to 53 with 55 abstentions, a resolution on the state of EU-China relations.

Members asserted that the EU-China Comprehensive Strategic Partnership is one of the most important for the EU, and is founded on a shared commitment to openness and working together as part of a rules-based international system. However, they were concerned that the increase in Chinas global economic and political weight over the past decade has put these shared commitments to the test. Members referred to Europes much greater collective bargaining power with China, and urged that Europe defend its democracies so as to better face up to Chinas systematic efforts to influence its politicians and civil society.

Chinese investments: Parliament noted China's interest in strategic infrastructure investment in Europe through the "Belt and Road" initiative. Such investments are part of an overall strategy to have Chinese state-controlled or state-funded companies take control of banking and the energy sector, as well as other supply chains. The findings of recent investigations show that since 2008, China has acquired assets in Europe worth USD 318 billion.

Parliament called on those Member States participating in the 16+1 format (between China on one hand, and 11 Central and Eastern European Countries (CEEs) and five Balkan countries on the other) to ensure that their participation in this format enables the EU to have one voice in its relationship with China. It asked these Member States to carry out sound analysis of suggested infrastructure projects to ensure no compromising of national and European interests for financial support and long- term commitments to Chinese involvement in strategic infrastructure projects and potentially greater political influence, which would undermine the EUs common positions on China.

Members supported the call on China to adhere to the principles of transparency in public procurement as well as environmental and social standards. They suggested that data on all Chinese infrastructure investments in EU Member States and countries in process of EU accession negotiations be shared with the EU institutions and other Member States. They also emphasised that the Belt and Road Initiative should be accompanied by human rights guarantees.

Human rights: the promotion of human rights and the rule of law must be at the core of the EU's engagement with China. Parliament firmly condemned the ongoing harassment, arbitrary arrest and prosecution of human rights defenders, lawyers, journalists, bloggers, academics and labour rights defender. It expressed concern at Chinas massive cyberspace surveillance systems and condemned the ongoing crackdown on internet freedom by the Chinese authorities, in particular the freedom to access foreign websites.

Parliament called on the EU and its Member States to pursue a more ambitious, united and transparent policy with regard to human rights in China. It called on the Council, the European External Action Service (EEAS) and the Commission to ensure that EU-China cooperation is grounded in the rule of law.

Chinese students: Members drew attention to the need for greater support to students and scholars from China who are in Europe, so that they are less vulnerable to being pressured by Chinese authorities to surveil one another and to become tools of the Chinese state, as well as the importance of looking very carefully at substantial mainland funding to academic institutions across Europe.

Lastly, Parliament called on the Commission to actively monitor the Chinese trade distortion measures, which are affecting EU companies positions in global markets, and to take appropriate action in the WTO and other fora, including through dispute settlement.