



EU-China investment talks: no EP consent without transparency, Trade MEPs warn

Committees Committee on International Trade [17-09-2013 - 14:00]

EU-China talks on an investment and market access accord will touch interests that are highly sensitive for the EU public. They must therefore be conducted "with the highest possible level of transparency" and subject to parliamentary oversight. This will be a precondition for the European Parliament's consent to the deal, which will be required later, warns the International Trade Committee in a resolution voted on Tuesday.

This deal, designed to protect investors on both sides, would be the first since the Lisbon Treaty made foreign direct investment an exclusive EU competence. It would replace 26 bilateral investment agreements that EU member states have with China today.

MEPs say that the talks should start only after China has formally agreed to put its market access rules on the negotiating table and that any deal must deliver greater equality between the two sides' investment environments. The resolution, drafted by Helmut Scholz (GUE/NGL, DE), was passed by 25 votes to 2 with 3 abstentions.

Equality of investment environments

Whereas the Chinese perceive the EU as a stable investment environment, EU firms' investments in China are often burdened by, inter alia, the review mechanism that China uses to "filter" foreign investments and the strategic technology transfers demanded in exchange for allowing foreign investors in, notes the text. Any deal must therefore remove these burdens and level the playing field for competition between China's state-run firms and the EU's private ones, it adds.

Cultural exception

MEPs call for cultural and audiovisual services to be excluded from the market access talks. The deal should also protect public services in the EU and ensure compliance with EU data protection standards, they add.

Social and environmental clauses

Any deal should further include binding corporate social responsibility, social and environmental clauses, says the text.

Rule out EU investment in Chinese forced labour goods

Goods produced in China's Laogai forced labour camps, "should not benefit from investments made under this bilateral investment agreement", say MEPs.

Next steps

A resolution setting out Parliament's demands will be put to a plenary vote at the October 1

Press release

session, shortly before EU Council of Ministers is expected to authorize the launch of EU-China bilateral investment talks. Once the deal is struck, Parliament's consent will be needed in order for it to enter in force.

Background

EU-China trade has grown rapidly in the past 30 years, to €433.8 billion in 2012. China's trade surplus with the EU was €146.0 billion in 2012, up from €49 billion in 2000. In 2011, EU firms' investments in China totalled €102 billion and China's investments in the EU €15 billion.

In the chair: Vital Moreira (S&D, PT)

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