



Delegation for relations with the People's Republic of China

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MINUTES

of the meeting of 22 May 2023, 16.00-17.30

Brussels

The meeting opened at 16.05 on Monday, 22 May 2023, with Reinhard Bütikofer (Chair) presiding.

1. Adoption of the agenda (PE 746.533)

The draft agenda was adopted without modification.

2. Adoption of the minutes of the meeting of 6 March 2023 (PE 738.259)

The minutes were adopted without modification.

3. Chair's announcements

The Chair briefed the members about the final [G7 Hiroshima Leaders' Communiqué of 20 May 2023](#) which consists of multiple paragraphs on relations with China (points 51 and 52 starting on page 35). The Chair noted that the EU approach to China: de-risking instead of decoupling, has been reflected in the final text. He expressed hope that the G7 outcome on China will be thoroughly discussed and analysed in the relevant EP bodies. He informed the members that the Communiqué will be sent to them by e-mail.

The Chair commented on the rumours about lifting the sanctions on the Subcommittee on Human Rights (DROI) and five individual Members of the European Parliament announced by China's Foreign Ministry Spokesperson on 22 March 2021. The Chair found it deeply offensive that China conditions lifting sanctions in return for a guarantee by the European Parliament of adopting the Comprehensive Agreement on Investment

(CAI). The EP has not yet officially received the CAI proposal (as a consequence of the sanctions). The Chair insisted that this sort of blackmail would not be acceptable.

4. Exchange of views on the outcome of the 2023 National People's Congress of China with

- **Dr Mathieu Duchâtel**, Director of International Studies, Institut Montaigne, Paris
- **Mr Nis Grünberg**, Lead Analyst, Mercator Institute for China Studies (MERICS), Berlin

Two external speakers gave their perspectives on the recent developments in China, especially after the 2023 National People's Congress.

Mr Mathieu Duchâtel focussed on Chinese foreign and security policy. He elaborated on China's Taiwan policy and cross-strait relations, as well as covered the semiconductor sector from the angle of Chinese industrial policies, but also restrictions placed on China's access to foreign technology.

Mr Duchâtel introduced data describing how people who live in Taiwan identify themselves and how this has changed between 1992 and 2022. In 2022, people who identify themselves as Taiwanese has at least tripled. There is a decline of about 15 percentage points among the people who identify themselves as both: Taiwanese and Chinese. There is a dramatic decline (from 25% to below 5%) of people who identify themselves as Chinese. This trend, together with the emergence of alternative business opportunities abroad, and together with the shifting military balance, is responsible for the increase of coercive elements in China's Taiwan policy.

The cross-strait trade volume (including Hong Kong) raised from USD 157 billion in 2016 to USD 271 billion in 2022. However, mainland China's share of Taiwan's external trade is in decline from 30.9% to 29.9% over the same period. When it comes to Taiwanese FDI in China, it has declined to USD 4-5 billion since 2019 from USD 9-14 billion in the previous decade, indicating diversification of Taiwan's trade relations. This trend is partially facilitated by a policy of attracting businesses and investments to return to Taiwan.

It is no surprise the number of PLA aircraft violating Taiwan's ADIZ has peaked during the high-level visits to Taiwan, but data also shows the overall rising raising trend over the last 12 months, whereas this escalation has only started since 2018-2019.

China's plan to gain political influence over Taiwan has mainly two angles: creating a new cleavage to win Taiwan 2024 elections and "making friends will all parts of Taiwanese society", as well as selling "problem-solving solutions in the new era". This likely means an increase in China's United Front activities in the future, casting doubt on US commitments and intentions. The strongest opposition party in Taiwan, KMT, is likely going to embark on a path to use this narrative in its election campaign for January 2024.

Another interesting research result was that around half of the Taiwanese population thinks that a war between China and Taiwan is unlikely or not possible.

Mr Nis Grünberg covered the recent changes in the personnel in the Chinese higher office and what that means for the EU and globally. He commented on the new Anti-foreign Espionage spy law and any other restrictive laws coming up after Xi's rooting of power. Mr Grünberg showcased how China's new leadership is selected based on the party's political loyalty, and military background, with some exceptions in the economic and tech sector.

Xi's dominated agenda means that hard real-political policy issues trump others and the country's leadership must align completely with the party ideology and political objectives of Xi Jinping. This is reflected in the structure of the political leadership of China where the party organisation lies as a buffer between Xi and the state organisations. This raises the legitimate question of how China, which wants to change the way how highly technical global trade and policy are turning, can reach the goal without technical expertise at the top level.

The new Anti-foreign Espionage Law is another building block in Xi's national security strategy that tries to preserve party legitimacy. The law is defined in very broad terms, able to arbitrarily frame anyone as a spy. The party thereby further strengthens its grip on all information channels.

MEP René Repasi asks if the recent personnel changes merit more stability than adventurism. He also asks how China wants to build what it calls a multi-polar world, while its constant threats against Taiwan are undermining its credibility as a trustworthy international partner. Lastly, he enquires about counterstrategies to anti-US propaganda. MEP Katarína Roth Neved'álová asks about the current state of China's Belt and Road Initiative. She furthermore wants to know about the implications of Xi's new concept of the Diversity of Civilizations. MEP Reinhard Bütikofer asks about the effectiveness of the silicon shield and China's capacity to bolster its independent semiconductor industry. He also wants to know what role European actors play when China talks about foreign interference. He finally invites the experts to voice their opinions about the probability of China truthfully engaging as a constructive partner on issues of global concern.

5. Any other business

There was no other business.

6. Date and place of next meeting

The date and time of the next meeting of the China Delegation will be announced to members in due course.

The meeting closed at 17.22.

**ПРИСЪСТВЕН ЛИСТ/LISTA DE ASISTENCIA/PREZENČNÍ LISTINA/DELTAGERLISTE/
 ANWESENHEITSLISTE/KOHALOLIJATE NIMEKIRI/KATASTAΣH ΠΑΡΟΝΤΩΝ/RECORD OF ATTENDANCE/
 LISTE DE PRÉSENCE/POPIS NAZOČNIH/ELENCO DI PRESENZA/APMEKLĒJUMU REĢISTRS/DALYVIŲ SĀRAŠAS/
 JELENLÉTI ÍV/REĢISTRU TA' ATTENDENZA/PRESENTIELIJST/LISTA OBECNOŚCI/LISTA DE PRESENÇAS/
 LISTĀ DE PREZENTĀ/PREZENČNÁ LISTINA/SEZNAM NAVZOČIH/LÄSNÄOLOLISTA/NÄRVAROLISTA**

Бюро/Mesa/Předsednictvo/Formandskabet/Vorstand/Juhatus/Προεδρείο/Bureau/Predsjedništvo/Ufficio di presidenza/Prezidijs/Biuras/Elnökség/Prezydium/Birou/Predsednictvo/Predsedstvo/Puheenjohtajisto/Presidiet (*)
Reinhard Bütkofer (P), René Repasi (1 st V-P)
Членове/Diputados/Poslanci/Medlemmer/Mitglieder/Parlamendiliikmed/Bouλευτές/Members/Députés/Zastupnici/Deputati/Deputāti/Nariai/Képviselők/Membri/Leden/Posłowie/Deputados/Deputati/Jäsenet/Ledamöter
Zаместници/Suplentes/Náhradníci/Stedfortrædere/Stellvertreter/Asendusliikmed/Αναπληρωτές/Substitutes/Suppléants/Zamjenici/Supplenti/Aizstājēji/Pavaduojantysnariai/Póttagok/Sostituti/Plaatsvervangers/Zastępcy/Membros suplentes/Supleanți/Náhradníci/Namestniki/Varajäsenet/Suppleanter

209 (7)	
216 (3)	
56 (8) (Точка от дневния ред/Punto del orden del día/Bod pořadu jednání (OJ)/Punkt på dagsordenen/Tagesordnungspunkt/Päevakorra punkt/Σημείο της ημερήσιας διάταξης/Agenda item/Point OJ/Točka dnevnog reda/Punto all'ordine del giorno/Darba kārtības punkts/Darbotvarkēs punktas/Napirendi pont/Punt Aģenda/Agendapunt/Punkt porządku dziennego/Ponto OD/Punct de pe ordinea de zi/Bod programu schôdze/Točka UL/Esityslistan kohta/Punkt på föredragningslistan)	

Наблюдатели/Observadores/Pozorovatelé/Observatører/Beobachter/Vaatlejad/Παρατηρητές/Observers/Observateurs/Promatrači/Osservatori/Novērotāji/Stebētojai/Megfigyelők/Osservaturi/Waarnemers/Obserwatorzy/Observadores/Observatori/Pozorovatelia/Opozovalci/Tarkailijat/Obsrvatörer

По покана на председателя/Por invitación del presidente/Na pozvání předsedy/Efter indbydelse fra formanden/Auf Einladung des Vorsitzenden/Esimehe kutsel/Me πρόσκληση του Προέδρου/At the invitation of the Chair/Sur l'invitation du président/ Na poziv predsjednika/Su invito del presidente/Pěc priekšsēdētāja uzaicinājuma/Pirmininkui pakvietus/Az elnök meghívására/ Fuq stedina tāc-'Chairman'/Op uitnodiging van de voorzitter/Na zaproszenie Przewodniczącego/A convite do Presidente/La invitāția președintelui/Na pozvanie predsedu/Na povabilo predsednika/Puheenjohtajan kutsusta/På ordförandens inbjudan

Dr Mathieu Duchâtel, Director of International Studies, Institut Montaigne, Paris

Mr Nis Grünberg, Lead Analyst, Mercator Institute for China Studies (MERICS), Berlin

Съвет/Consejo/Rada/Rådet/Rat/Nōukogu/Συμβούλιο/Council/Conseil/Vijeće/Consiglio/Padome/Taryba/Tanács/Kunsill/Raad/Conselho/Consiliu/Svet/Neuvosto/Rådet (*)

Комисия/Comisión/Komise/Komissionen/Kommission/Komisjon/Επιτροπή/Commission/Komisija/Commissione/Bizottság/Kummissjoni/Commissie/Komisja/Comissão/Comisie/Komissio/Kommissionen (*)

Европейска служба за външна дейност/Servicio Europeo de Acción Exterior/Evropská služba pro vnější činnost/EU-Udenrigstjenesten/Europäischer Auswärtiger Dienst/Euroopa väliseenistus/Ευρωποϊκή Υπηρεσία Εξωτερικής Δράσης/European External Action Service/Service européen pour l'action extérieure/Europska služba za vanjsko djelovanje/Servizio europeo per l'azione esterna/Eiropas Ārējās darbības dienests/Europos išorės veiksmų tarnyba/Európai Külügyi Szolgálat/Servizz Ewropew ghall-Azzjoni Esterna/Europese dienst voor extern optreden/Europejska Służba Działal Zewnętrznych/Serviço Europeu para a Ação Externa/Serviciul european pentru acțiune externă/Európska služba pre vonkajšiu činnosť/Evropska služba za zunanje delovanje/Euroopan ulkosuhdehallinto/Europeiska avdelningen för yttrre åtgärd (*)

Други институции и органи/Otras instituciones y organismos/Ostatní orgány a instituce/Andre institutioner og organer/Andere Organe und Einrichtungen/Muud institutsioonid ja organid/Λοιπά θεσμικά όργανα και οργανισμοί/Other institutions and bodies/Autres institutions et organes/Druge institucije i tijela/Altre istituzioni e altri organi/Citas iestādes un struktūras/Kitos institucijos ir įstaigos/Más intézmények és szervek/Istituzzjoni jiet u korpi ohra/Andere instellingen en organen/Inne instytucje i organy/Outras instituições e outros órgãos/Alte instituições si organe/Iné inštitúcie a orgány/Muut toimielimet ja elimet/Andra institutioner och organ

Други участници/Otros participantes/Ostatní účastníci/Endvidere deltog/Andere Teilnehmer/Muud osalejad/Επίσης παρόντες/Other participants/Autres participants/Drugi sudionici/Altri partecipanti/Citi klátesošie/Kiti dalyviai/Más résztvevők/Parteicipanti ohra/Andere aanwezigen/Inni uczestnicy/Outros participantes/Altı participantı/Ini účastníci/Drugi udeleženci/Muut osallistujat/Övriga deltagare

Секретариат на политическите групи/Secretaría de los Grupos políticos/Sekretariát politických skupin/Gruppernes sekretariat/Sekretariat der Fraktionen/Fraktsioonide sekretariaat/Γραμματεία των Πολιτικών Ομάδων/Secretariats of political groups/Secrétaire des groupes politiques/Tajništvo klubova zastupnika/Segreteria gruppi politici/Politisko grupu sekretariāts/Frakcijų sekretoriai/Képviselőcsoportok titkársága/Segretariat gruppi političi/Fractiesecretariaten/Sekretariat Grup Politycznych/Secretariado dos grupos políticos/Secretariate grupuri politice/Sekretariát politických skupín/Sekretariat političnih skupin/Poliittisten ryhmien sihteeristöt/De politiska gruppernas sekretariat

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Генерална дирекция/Dirección General/Generální ředitelství/Generaldirektorat/Generaldirektion/Peadirektoraat/Γενική Διεύθυνση/ Directorate-General/Direction générale/Glavna uprava/Direzione generale/Generaldirektorāts/Generalinis direktoratas/Főigazgatóság/ Direttorato Generali/Directoraten-generaal/Dyrekcja Generalna/Direcção-Geral/Direcții Generale/Generálne riaditeľstvo/Generalni direktorat/Pääosasto/Generaldirektorat	
DG PRES	
DG IPOL	
DG EXPO	
DG EPRS	
DG COMM	
DG PART	
DG PERS	
DG INLO	
DG TRAD	
DG LINC	
DG FINS	
DG ITEC	
DG SAFE	
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Сътрудник/Asistente/Asistente/Assistent/Assistenz/Βοηθός/Assistant/Assistente/Palīgs/Padējējas/Asszisztens/Asystent/Pomočník/ Avustaja/Assistenter	
Rounio	

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