## **EUROPEAN PARLIAMENT**

2004



2009

Committee on Development

2008/2171(INI)

11.12.2008

## **OPINION**

of the Committee on Development

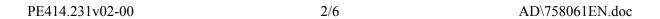
for the Committee on International Trade

on Trade and Economic Relations with China (2008/2171(INI))

Rapporteur: Johan Van Hecke

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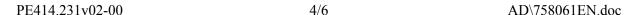


## **SUGGESTIONS**

The Committee on Development calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- 1. Welcomes China's achievements in lifting 350 million of its citizens out of extreme poverty through far-reaching economic reforms, which have benefited above all the urban population; is concerned about the large rural population living in poverty which has not yet benefited from the boom, and calls on China to continue its efforts to attain the Millennium Development Goals for the benefit of the more deprived members of its population; stresses that, as a member of the UN, China is committed to the MDGs and should also contribute to pursuing their achievement in developing countries;
- 2. Believes that today's open trading system could stimulate economic activity between China and developing countries to the possible benefit of both sides and could be an unprecedented opportunity for economic growth and for their integration into the world economy, on the condition that trade policies are consistent with development objectives and that economic growth translates into poverty reduction;
- 3. Is concerned that the economic boom in China may be short-lived unless long-term security is provided; therefore encourages China to strengthen its financial regulatory framework in line with evolving international practice;
- 4. Recalls that China, as a member of the World Trade Organisation (WTO), has affirmed its commitment to respecting core labour rights; in this context, calls on the EU to encourage China to improve workers' rights, including freedom of association, and to put an end to child and forced labour;
- 5. Calls on the Chinese authorities to live up to the promises they made before the Olympic Games in 2008 on human and minority rights, democracy and the rule of law; and remains deeply concerned about the continuing repression of Tibetans and other minorities in China, as well as the ongoing restrictions on freedom of expression in the media and politics in China; calls on the Commission to insist on the strengthening of the human rights clause in negotiations with China about a renewed Partnership and Cooperation Agreement (PCA); calls on the Council and the Commission to address these issues in their dialogue with China;
- 6. Wishes to see a closer fit between human rights on the one hand and trade relations and security on the other, and urges the EU to ensure that closer trade links with China are conditional on reforms in the field of human rights;
- 7. Stresses the need to promote, in the framework of EU-China economic and trade relations, the principle of corporate social responsibility, respect for the fundamental rights proclaimed by the International Labour Organisation (ILO), and sustainable development in the economic, social and environmental spheres; calls on the Commission to ensure that those principles are applied and to be particularly attentive regarding the ILO conventions on trade union independence and child labour;

- 8. While fully aware of the need for China to continue on its development path, deplores the lack of regional local implementation of ecological and environmental planning in China which has led to huge problems in air, water and soil pollution which are a major threat to the sustainability of industrial and agricultural activity as well as a threat to the health of the population; calls on the Chinese government to take concrete steps towards the effective implementation of environmental laws in China as in developing countries; recalls the Joint Declaration on Climate Change of 2005 between China and the EU, which established a Partnership on Climate Change and the need to speed up its implementation; highlights the fact that the low environmental standards of Chinese projects in developing countries can do serious harm in regions that are the most likely to suffer from climate change, and can also lead to the disruption of livelihoods; therefore, calls on the Commission to address the environmental impact of the Chinese presence in Africa in its trilateral dialogue with Africa and China;
- 9. Welcomes the Commission Communication entitled "EU, Africa, China: Towards trilateral dialogue and cooperation"; stresses that Parliament is of the view that priority projects should also focus on health and education;
- 10. Welcomes Chinese investments in Africa and Latin America but is extremely concerned about the lack of any reference to existing social, environmental and human rights standards for foreign investment, as developed in the last few decades by international lending institutions, UN agencies and governmental donors; calls on the Commission to monitor developments closely to ensure that such activities, as well as European activities, are not to the financial, environmental or social detriment of the local populations in developing countries, whereas imports of Chinese consumer goods have proved to undercut local production and cost African jobs; underlines the importance of the transparent management of natural resources as they are key to development, and therefore calls on the EU to actively engage China and Chinese companies to support the Extractives Industry Transparency Initiative (EITI) whereas certain Chinese contracts to exploit natural resources are not sufficiently transparent; therefore calls on the Commission to initiate a dialogue in this regard through the EU-China-Africa trialogue swiftly and to forge a partnership of equals aimed at enhancing African ownership and at addressing common challenges;
- 11. Stresses that, as a member of the UN Security Council, China has a responsibility to promote peace and security and human rights; believes that China could do more in terms of using its influence as an important commercial and investment partner in several countries to promote peace and security and human rights;
- 12. Underlines the responsibilities of a global economic power and permanent member of the UN Security Council; therefore welcomes the role which China has played in several international peace-keeping efforts on the African continent, but remains concerned about Chinese arms supplies to developing countries destined for illicit or destabilising use;
- 13. Calls on the Commission to review the status of China as a typical recipient of overseas development aid and to calibrate its cooperation programme accordingly;
- 14. Calls on the Chinese government, in the light of its GDP, to increase gradually its official development assistance (ODA) to African nations, particularly in relation to the





infrastructure, agriculture and health sectors; believes that possible coordination between EU and Chinese aid to African nations would prevent overlapping projects and lead to more efficient use of resources; recommends that China be more transparent in its granting of debt relief and loans to African nations.

## **RESULT OF FINAL VOTE IN COMMITTEE**

Date adopted	8.12.2008
Result of final vote	+: 18 -: 5 0: 0
Members present for the final vote	Margrete Auken, Alessandro Battilocchio, Josep Borrell Fontelles, Danutė Budreikaitė, Marie-Arlette Carlotti, Nirj Deva, Fernando Fernández Martín, Juan Fraile Cantón, Alain Hutchinson, Glenys Kinnock, Maria Martens, Gay Mitchell, Horst Posdorf, Frithjof Schmidt, Jürgen Schröder, Johan Van Hecke
Substitute(s) present for the final vote	Miguel Angel Martínez Martínez, Manolis Mavrommatis, Csaba Őry, Tobias Pflüger, Renate Weber
Substitute(s) under Rule 178(2) present for the final vote	Emanuel Jardim Fernandes, Francesco Ferrari, Zita Gurmai, Emilio Menéndez del Valle, Ramona Nicole Mănescu, Justas Vincas Paleckis, Leopold Józef Rutowicz

