

# EUROPEAN PARLIAMENT

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*Committee on Industry, Research and Energy*

**2008/2171(INI)**

15.12.2008

## **OPINION**

of the Committee on Industry, Research and Energy

for the Committee on International Trade

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

Rapporteur: Romana Jordan Cizelj

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## SUGGESTIONS

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

1. Notes that China's growing demands for energy and raw materials and increased greenhouse gas emissions represent a huge challenge to development and environmental goals and security of energy supply worldwide; stresses that the emissions trading scheme must be global;
2. Underlines China's global responsibility to ensure its economic growth is environmentally sustainable; stresses that a positive approach by China will be critical for the success of negotiations on a post-2012 Climate Change agreement; notes the potential threat of carbon leakage if insufficient action is taken, particularly for the European Union industries that already adhere to legally binding targets; requests work with China (and other major trading partners) on WTO-compatible 'border adjustment measures' which respect, in a fair and sustainable way, existing differences, with the goal of eliminating these in an agreeable time-frame;
3. Calls for enhanced cooperation between the EU and China to promote the transfer of low-carbon technology, in particular energy efficiency and renewables; stresses the critical importance of developing and deploying carbon capture and storage in China, given the importance of coal to its economy; calls on the Commission to examine ways of supporting further the exchange of best practice with China on the issue of sustainable development;
4. Calls for increased cooperation on climate-friendly techniques between Chinese and European regions and cities;
5. Calls on the Commission to ensure that all existing research and development (R & D) agreements work effectively with China to promote cooperation on R & D; recommends concentrating R & D efforts between EU and China more strategically and in a more relevant way in terms of technology breakthroughs, societal needs, environmental urgencies and future economic developments; asks both parties to facilitate the transfer of technology and technical know-how by facilitating researchers' and academics' exchange programmes;
6. Calls for increased cooperation between European and Chinese universities and increased mobility for scientists, researchers and students between the EU and China;
7. Supports the continued development of EU-China cooperation on space science, applications and technology; draws the attention of the Council and the Commission to the fact that both China and the EU have gained from a five-year experience of close collaboration in the field of satellite navigation by focusing on the Galileo programme; believes, however, that the time is ripe for adapting this formal cooperation in order to take account of the changes brought about by the launching of the deployment phase of the European Global Navigation Satellite

System and by the arrival of the Chinese COMPASS system; considers it essential, in this light, that the relationship evolves to take into account the coexistence of the Compass and Galileo programmes, in particular to ensure their compatibility in the interest of the global users;

8. Welcomes the formal launch of the High-Level Economic and Trade Mechanism in April 2008; hopes that it will contribute to better operation of the expanding commercial relations between the EU and China, as well as to the establishment of an open, transparent and non-discriminatory regulatory framework for business;
9. Requests that the Commission works still further, and more closely, with European standard and standard management organisations which are operating successfully in China, to ensure consistency in standardisation and conformity procedures and assessment;
10. Requests that the Commission ensure that, with regard to consumer safety, all European standards are met once a product or service is targeted for export to the EU; requests an overview from the Commission of existing loopholes (legal or standard driven); requests that the Council and the Commission ensure that all WTO and EU sanitary and phytosanitary measures are included in the relevant chapters of the EU-China Partnership and Cooperation Agreement and wishes to be informed about any departure from such an understanding;
11. Requests that the Council and the Commission evaluate existing export restrictions between the EU and China because of dual-use export restrictions with regard to high-tech products and services; requests that the Commission compare those specific EU-China restrictions with restrictions between China and its other major trading partners;
12. Calls on China and the EU to remove barriers which hamper the ability of European companies to invest in China and transfer the cleanest technologies; notes that intellectual property rights protection is a particular concern for European companies, which are also discouraged from developing new intellectual property in China by restrictions on its transfer abroad; notes that public procurement in energy projects in China often excludes or discourages foreign companies from investing;
13. Calls on the Commission to evaluate, as early as possible, the impact of the financial and economic crisis on relevant European industry and service sectors, which play a crucial role in defining the export-import relationship between the EU and China; requests that this evaluation be sent to Parliament as soon as a clear trend is recognisable;
14. Requests from the Commission a full overview – sector by sector – of changes occurring in the European industry and service sector since and because China became a member of the WTO; requests that this overview include an evaluation of relevant shifts in the supplier distribution chain across Asia since China's entry into the WTO in so far as it affects the EU;
15. Calls on the Commission to work with Member States to give more support and incentives for EU companies investing in China, in particular SMEs; welcomes the fact that a European SME centre has been set up in China with the aim of facilitating access

to, and enhancing the competitiveness of European companies on, the Chinese market; calls on the Commission, the Member States and European companies to ensure that international labour standards and health and safety requirements are met when they conduct business with China;

16. Calls on China to promote cooperation between Chinese universities and EU SMEs to enhance SME innovation in China, thus creating more jobs and increasing trade and economic output; calls also on China to promote cooperation between the two parties to improve and enhance climate-friendly techniques to minimise greenhouse gas emission caused by EU SMEs in China;
17. Calls also on China to adopt and apply international standards; notes that this will ensure that Chinese exports to the EU meet acceptable quality and safety standards and ensure that EU companies investing in China gain fair market access with minimal bureaucratic obstacles and have a more transparent standards framework;
18. Calls on the European Union and China to cooperate on standards on cars, trucks, heavy vehicles, aviation and shipping, in order to lower greenhouse gas emissions and make them more climate-friendly;
19. Calls on China to favour more economically sustainable, environmentally friendly and socially just development; believes that all existing dialogues between the EU and China offer a great opportunity to focus on such challenges;
20. Calls on China to apply trade union freedom, which is guaranteed by the Chinese constitution;
21. Calls for increased compliance with WTO regulations on issues of anti-dumping and anti-subsidising; is concerned about the number of anti-dumping sanctions that the European Union has had to impose on China;
22. Calls for cooperation on the regulation, evaluation and authorisation of chemicals (REACH) between the EU and China.

## RESULT OF FINAL VOTE IN COMMITTEE

<b>Date adopted</b>	11.12.2008
<b>Result of final vote</b>	+: 28 -: 0 0: 0
<b>Members present for the final vote</b>	John Attard-Montalto, Jan Březina, Jorgo Chatzimarkakis, Dragoş Florin David, Den Dover, Nicole Fontaine, Adam Gierek, Norbert Glante, Fiona Hall, Reino Paasilinna, Vladimír Remek, Teresa Riera Madurell, Britta Thomsen, Catherine Trautmann, Claude Turmes, Nikolaos Vakalis
<b>Substitute(s) present for the final vote</b>	Etelka Barsi-Pataky, Ivo Belet, Manuel António dos Santos, Neena Gill, Vladimir Urutchev, Lambert van Nistelrooij
<b>Substitute(s) under Rule 178(2) present for the final vote</b>	Louis Grech, Aurelio Juri, Sepp Kusstatscher, Eva Lichtenberger, Rosa Miguélez Ramos, María Sornosa Martínez