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Sent: Monday, February 03, 2014 6:23 PM
To: SALOME Adeline (TRADE)
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Subject: Meetings EUCCC

Meetings with the European Chamber of Commerce in China on the EU China investment negotiations
Beijing 19-20/01/2014
COM: Rupert Schlegelmilch, Anca Radu, Michael Fridrich, Xavier Coget, Felipe Palacios Sureda, Francisco Perez Canado
EUCCC: [Art 4.1b]

Most EUCCC members are investors in China and the key concerns they expect the investment agreement to address include better protection of intellectual property rights, improve market access for government procurement, services and manufacturing. Further concerns include standard setting, the technology transfer, and the indigenous innovation policies that are having the reverse effect of discouraging foreign investors from investing in R&D. Joint venture requirements in many sectors are also a big problem for many investors, even if they can hold control of the company, as they have to justify every decision to the local partner complicating the management of the supply chains. Partnerships would be more appropriate through cooperation agreements between companies, as the true technology transfer happens through the training of human resources.

As for the Shanghai pilot Free Trade Zone, some EUCCC companies have already registered but the benefits are not yet clear as detailed regulations and a negative list are yet to be released. Objectives that the Chamber would like to achieve include reducing the sectors included in the investment catalogue and improving transparency.

The EUCCC is setting up a task force committee to support the negotiations. It will be composed of representatives of companies covering both manufacturing and services, and include members of the Executive Committee and two rotating positions to accommodate EUCCC members from other provinces.

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Improved market access for investment, particularly for non-services, as services is covered by GATS, are the key aim of these negotiations. Even if the commitments may take years to implement, this is the way to making a start[ ]

Felipe