



UK-China 11th Joint Economic and Trade Commission Outcomes Paper

May 28th 2014

The Chinese Minister of Commerce Gao Hucheng met with the UK's Secretary of State for Business, Innovation and Skills Vince Cable on 28 May 2014 in Beijing, China. They concluded the 11th annual meeting of the UK-China Joint Economic and Trade Commission (JETC). The JETC is a vital part of the UK/China bilateral relationship, alongside the annual Prime Minister's Summit, the Economic and Financial Dialogue, the People to People Dialogue and the UK/China IP Symposium.

Both sides committed to strengthening the UK/China trade and investment relationship, enhancing development and cooperation on trade and investment promotion in each other's markets. Both sides welcomed the 8.3 per cent growth in bilateral trade in 2013 (According to the UK statistics), and renewed their commitment to meet the joint target of \$100 billion by 2015.

The two sides are working actively to provide a favourable external environment for business investment. Both sides are delighted to see that, according to the latest statistics from the Chinese side; among European countries the UK attracted the largest volume of Chinese investment in 2012, with China-UK investment flows having increased by 95 per cent year-on-year. China encourages and supports qualified Chinese businesses to invest in the UK, one of the most open economies in the world. Both sides agreed that successful investment in the UK would support the expansion of Chinese companies into other advanced economy markets.

Both sides committed to working together to improve the world trade system, and agreed to continue and deepen the already outstanding programme of policy exchanges between the UK and China in areas such as: free trade negotiations, the China (Shanghai) Free Trade Zone and any future FTZs, and policy changes to encourage additional two-way trade and investment.

Both sides welcomed the ongoing work of the JETC healthcare, aerospace, infrastructure working groups, and our joint policy collaboration work on China's Free Trade Zones. Both sides agreed to a joint review of the framework of working groups, to take into account the decisions taken during the 3rd Plenum of the 18th CPC Central Committee in November 2013 regarding comprehensively deepening reform, the new sector-based approach of HM Government's UK Trade & Investment in China, and the growing complementarity between the UK and Chinese economies as partners for growth, reform and innovation.



Both sides agreed to support the following outcomes:

1. Joint Investment working group

Recognising the significant increase in investment from China into the UK, and the continuing growing investment from the UK into China, both sides agreed to establish a joint investment working group under the frame work of JETC.

2. UK – China Standardisation Co-operation Commission

Mutual recognition of standards is a vital component of trade growth and reduction of a trade barrier. As trade grows between the UK and China the demand for mutual recognition has grown from both sides. Both sides agreed to establish a UK-China Standardisation Co-operation Commission under the framework of the UK-China JETC.

3. UK-China Sustainable Cities Memorandum of Understanding

In order to continue the momentum on UK-China co-operation on sustainable cities both sides agreed to renew the Memorandum of Understanding and to aim to sign the renewed MoU.

4. UK-China co-operation on infrastructure

Recognising the significant progress made on deepening collaboration between UK and China on infrastructure in China and the UK, including major investments from China into UK energy and regeneration projects, both sides agreed to continue bilateral efforts to support investment, knowledge-sharing and partnering between UK and Chinese companies on energy, transportation and regeneration infrastructure projects in China and the UK.

5. UK-China Civil Nuclear

Both sides welcomed progress in civil nuclear collaboration between the UK and China, including the prospect of major investment from China into the UK's civil nuclear new-build programme, opportunities for the UK to participate in China's domestic civil nuclear power development, as well as partnering internationally. Both sides agreed to support future agreements between the UK and China that supported further collaboration in this area.

6. UK-China Co-operation on high-speed rail

In recognition that China now had the longest high-speed rail network in the world (more than 11000 km) and that the UK plans to build its second high-speed rail line, , both sides agreed to promote substantive co-operation between UK and China on rail, in areas including design, engineering, construction, supply operation and maintenance, on projects in China and the UK.



7. Collaboration in Third Markets

Recognising the complementary skills and expertise of both countries in delivering affordable, efficient and sustainable infrastructure, both sides welcomed progress in working together. Both sides agreed to establish a strategic partnership on infrastructure and committed to work together to support further collaboration between UK and Chinese companies on projects.

8. EU-China Free Trade Agreement

Following the EU-China Summit and the UK Prime Minister's visit to China last year and the on-going commitment of the UK to an EU-China free trade agreement, both sides committed to work for a successful negotiation between the EU and China on the EU-China Investment Agreement. Both sides also committed to the long-term ambition for an FTA.

9. Due diligence

Both sides agreed that transparent access to corporate information and the ability to conduct 'due diligence' is an important issue for companies operating in and investing in both the UK and China. Improved understanding of the relevant laws and regulations governing due diligence activity in both the UK and China will largely increase the confidence of investors on both sides. The UK side is willing to organise related workshops, training, or study visits to the UK to increase understanding and share relevant experience. The Chinese side agreed to convene a meeting of relevant government departments to meet with representatives of the British business community to discuss concerns and clarify regulations in this area.

10. Co-operation on WTO

Both sides discussed prospects for the world trading environment and agreed that the emphasis should be on the implementation of the Bali package achieved at the 9th Ministerial Conference (MC9) last year. Both sides committed to working together in preparing a clearly defined work programme on the remaining DDA issues, and reaffirming the resolution to complete this work by December 2014. They also agreed that various plurilateral negotiations provide a valuable way to continue to strengthen world trade and play an important role in complementing global liberalisation initiatives. Both sides agree to explore ways to factor into the DDA market access negotiations. The UK expressed support for China's swift participation in the TiSA negotiations and encouraged China to continue to revise its offer on GPA. They will work together to find creative ways to move forward the ITA negotiations towards a commercially significant and balanced conclusion. Both sides also agreed to push forward pragmatically the initiative launched in Davos to liberalise the trade in environmental goods. In this context, both sides welcomed the research project on "China after Bali: Role of China in completing the Doha Round and Reinvigorating the WTO".

11. Intellectual Property

Both sides agree on the importance of an effective intellectual property (IP) system to stimulate innovation and economic development. Both sides will work together to help British companies protect IP in China and Chinese companies protect IP in the UK. Both

sides welcome cooperation activities between relevant agencies and agree to further exchanges on issues of mutual interest, including on administrative enforcement and measures to protect IP at trade fairs and exhibitions.

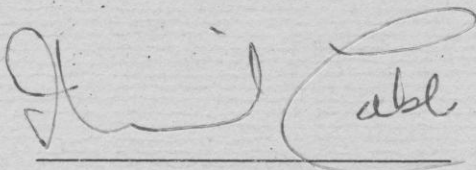
12. UK-China Co-operation on healthcare

Both sides welcome the growing UK-China collaboration on healthcare development and reform, in particular on advanced medical devices and trade in services, to be led principally by CCCMPHIE and UKTI Life Sciences plus UK trade organisations.

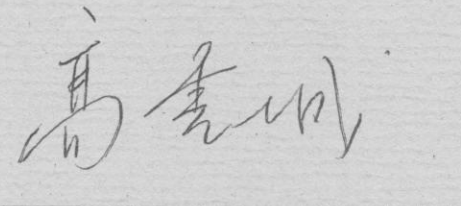
Finally, both sides look forward to the holding of the next Joint Economic and Trade Commission in 2015.

For the Department of Business,
Innovation and Skills of the
United Kingdom of Great Britain
And Northern Ireland

For the Ministry of Commerce
of the People's Republic of
China



A handwritten signature in black ink, appearing to be 'A. Cable', written over a horizontal line.



A handwritten signature in black ink, appearing to be '高善州' (Gao Shanzhou), written over a horizontal line.