

Harmonised Development - Sharing Prosperity

Business Declaration, EU-China Business Summit

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中国欧盟商会



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The EU-China Business Summit, which took place on Monday 5th September 2005 in Beijing, brought together the top business and political leaders of the People's Republic of China and the European Union for a day of focused exchange. Based on a core theme of "Harmonized Development- Sharing Prosperity", the Summit was an expression of the importance of the relationships between both trading blocks, not just at the political level but also at the business-level and has become a recognised annual occasion to celebrate the strength of these ties.

The Summit was jointly organised by the China Council for the Promotion of International Trade, the European Union Chamber of Commerce in China, the EU-China Business Association, the China Britain Business Council, the British Chamber of Commerce in China, the Confederation of British Industry and the Union of Industrial and Employer's Confederations of Europe with the Ministry of Commerce of China, the European Commission and the UK Presidency.

Chinese and EU business representatives participating in the Business Summit agreed on the potential for closer business co-operation. Jointly they agreed to work towards facilitating China-EU trade and bilateral investments. All participants emphasized the need to work together to increase ties and develop policy initiatives in order to enhance economic co-operation.

Developing a strong, cooperative and mutually beneficial relationship between China and the EU is in the interest of both parties. Chinese and EU business leaders support the strengthening of EU-China co-operation to promote trade and investment liberalisation.

Fundamental to a strong China-EU relationship has been consistent and constructive dialogue and all business representatives were eager to ensure that this is maintained. All business representatives support dialogue and consensus building in respect of China-EU trade disputes in the future. Both sides should implement their trade obligations and make efforts to avoid the use of the trade disputes mechanisms available.

All EU business organizations and participants to the EU-China Business Summit recognize the progress achieved by China in recent years in its building of a market economy. Both sides at the EU-China Business Summit encourage the EU and China to work positively to resolve the MES issues so that a timely EU decision can be reached.

The Chinese and EU business communities are strong supporters of the WTO multilateral trading system. They expect the Doha Development Agenda to bring benefits to all the members involved through further trade and investment liberalisation. They call on the Chinese and EU negotiators to urgently move the process forward and make the Hong Kong WTO Ministerial Conference in December a success. Chinese and EU business representatives are committed to pursuing their dialogue on WTO issues to improve mutual understanding and to explore possible areas for joint initiatives.

The Business Summit also met in different workshops to discuss the following priority areas for business (the conclusions of which are attached in the annex):

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- Financial and Business Services
- Business Engagement with the Community
- Internationalisation of Enterprises
- Brand Building and IPR

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Annex 1. Financial & Business Services

The Financial and Business Services Workshop provided an opportunity for Chinese and EU financial experts to assess opportunities for China-EU economic cooperation while identifying broader challenges and threats. Discussion focused on macro-economic outlooks, currency regimes and insurance forecast.

Above all, representatives agreed that it is a welcome development that Chinese and EU businesses are becoming increasingly intertwined. Whilst this process has accelerated in the financial and business services sectors following China's entry into the WTO, creating significant business opportunities, there are a number of business issues still to be resolved. The Chinese financial services sector is set to undergo considerable changes within the next year, and coordinated approaches to liberalisation from Chinese and European authorities, with business playing a key role, will be essential if resources are to be optimised and prosperity shared.

All business representatives emphasized that efficient, innovative and well-regulated financial services are a key driver of any country's overall prosperity. Chinese and EU companies can support these efforts by building up international best practice and adopting modern management systems. This will contribute to the expansion of future business exchanges.

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Annex 2. Business Engagement with the Community

The Chinese and EU Business communities recognize the importance of business engagement in the community and promoting responsible business practices beyond compliance with government legislation. They welcomed the opportunity to exchange views on a variety of business initiatives involving the key stakeholders and are keen to promote awareness of Corporate Social Responsibility (CSR). All representatives also agreed that CSR must be voluntary, adapted to the specific characteristics of every company and that further cooperation is desirable to share best practice on transparent business, encourage codes of conduct required by law and strengthen management practices to support CSR to ensure responsible business becomes essential business.

The Chinese and EU business communities welcome the international efforts by governments to agree on a global approach that involves all nations and regions to combat the risks of climate change for the post-2012 period. Only with such an approach will it be possible to achieve environmental and development objectives whilst addressing economic and competitiveness issues between nations. Part of the solution will be the research, development and deployment of both existing and new technologies; Chinese and EU business agreed to continue their co-operation in these areas and, in particular, their support for the Clean Development Mechanism.

Integral to business engagement with society is engagement with the community. All business participants agreed that improving the conditions for employees and beyond, down the supply chain, is essential to improving the long-term sustainability of business. Chinese and EU business leaders recognize the need for further cooperation at the local level, and are keen to engage with the Chinese and EU authorities to support their work in preventing the spread of, and educating affected communities about, HIV/Aids. Both business communities are also committed to improving the safety record of their workforce and implementing health and safety codes that meet international standards and to adopting international practice to improve the record of accidents in the workplace.

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Annex 3. Internationalisation of Enterprise

The Chinese and EU business representatives exchanged business strategies and best practices for developing new markets. The EU representatives emphasized their support for Chinese efforts at going global and Chinese participants agreed to assist EU companies to fully integrate into the Chinese economy. The exchange of management practices, especially in the global workplace, provided an opportunity for both sides to appreciate different corporate cultures and better understand the challenges of adapting at the local level. All representatives were keen to maintain the dialogue and promote closer ties to facilitate the integration of Chinese and EU businesses in the global marketplace.

Representatives encourage the authorities to step up efforts to support a fair playing field at bilateral and multilateral levels for Chinese and EU businesses and to facilitate equal access to markets. The WTO DDA negotiations provide the best opportunity to ensure market access around the world and to improve multilateral trade rules to the benefit of all. Recognition of international business practice was acknowledged as the key to establishing systems that support the internationalization of business.

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Annex 4. Brand Building and IPR

The Workshop on IPR & Brand-building provided an opportunity for Chinese and EU IP experts from industry to exchange views and elaborate on the connection between brand building, technology & innovation, and common challenges to IP protection.

The long-term benefits of brand building were highlighted by speakers in terms of developing corporate identity and enhancing consumer confidence. Chinese companies are becoming increasingly competitive in international markets and are beginning to brand themselves both at home and internationally. EU companies have committed much time to establishing their distinct names and quality of product and service. Through discussion both sides shared experiences, exchanged best practice and looked for ways to enhance cooperation in the future.

By systematically innovating and introducing more advanced products to markets, companies contribute technological progress that benefits consumers with quality goods, enhanced service, and lower prices. All representatives agreed that R&D activities rest on the premise that companies developing new technologies will be rewarded for their investments. Chinese and EU participants stressed that international norms have been set in place to regulate the use and recognition of standard and certification interest procedures and it is in the common interest of businesses to strengthen multilateral practices.

A strong legal framework is an essential requirement to guaranteeing the IP rights of all companies. It is enforcement that poses the biggest challenges to the authorities in the EU and China, especially with the gradual opening up of borders and proliferation of trade. The Chinese and EU business communities view the effective deterrence of counterfeiters as a key pillar of any enforcement strategy. Moreover, participants agreed that continued co-operation between business and government authorities will be necessary to combat organized counterfeiters.