

Framework Agreement for Establishing
Industrial Policy Dialogue
Between the Commission of the European Community
and the Government of the People's Republic of China

The Commission of the European Community and the government of the People's Republic of China (hereinafter referred to as the "Parties"), desiring to strengthen and consolidate ties between the two Parties, promote and enhance mutual understanding and awareness of current and forthcoming policy approaches, legislation and related issues in the industrial sector, taking into account the need to contribute to the cooperation between the EU and China, have agreed the following through friendly consultation.

Article I

The Parties agree to establish a permanent dialogue in the industrial sector for promoting consultation and mutual understanding.

The Dialogue should address issues of common interest to the Parties.

These include issues relating to framework conditions favorable to industrial competitiveness as well as sector-specific industrial policies.

The Dialogue comes within the framework of the EU-China Trade and Economic Cooperation Agreement.

Article II

1. The Parties intend to contribute to the improvement of the competitiveness of businesses from both sides, by ensuring a business-friendly level playing field for industry operators.

2. The Dialogue shall, in particular:

(1) on the horizontal level, exchange views on policies and related implementation strategies aiming at strengthening the determinants of competitiveness and productivity (ensure conditions are there for development: technology, skilled workforce, finance and other to form a competitive and innovative business environment),

(2) review and discuss policies ensuring an efficient functioning of the framework, the institutions and instruments that business depends on,

- (3) discuss strategies to comply with WTO rules and disciplines that directly and indirectly impact on competitiveness and productivity,
- (4) review and discuss sector-specific industrial policies,
- (5) discuss the strategy of EU-China cooperation in the field of industrial policy, and
- (6) enable businesses and other interested parties from both sides to contribute actively to the Dialogue.

Article III

The implementing organizations of the Dialogue are the European Commission Enterprise DG and relevant departments of the National Development and Reform Commission of the People's Republic of China. Either organization shall nominate a senior official as co-chairman for the Dialogue.

The implementing organizations will comprise appropriate officials, accompanied by officials from other relevant authorities, as may be appropriate.

In addition, the Parties share the view that to guarantee the efficiency of

the Dialogue, it should ensure proper involvement at all levels of the respective industries and other interested parties.

Article IV

The Dialogue should meet once a year. Meetings shall alternate between Brussels and Beijing unless otherwise decided. The working languages will be English and Chinese.

Either side will cover its own costs, including transportation costs for international traveling, traveling between cities and accommodation. One side will provide active support and assistance to the other.

Article V

The Parties agree that sector-specific Working Groups could be established at any time, if necessary, provided that both sides indicate their agreement by exchange of letters.

Article VI

Within the limits of the laws of the two Parties, the Minutes are subject to

modification following written consent by the Parties.

Article VII

The Dialogue shall come into effect on the third day of the signature.

Done in Beijing on October 30, 2003 in duplicate in the English and Chinese languages, both texts being equally authentic.

Representative of

Representative of

the Commission of

the Government of

the European Community

the People's Republic of China