

AUGUST 15, 2023

The ICES Bulletin

- Bringing you the latest insights on China-Europe relations -

Dear ICES friends...

We are delighted to present you the latest issue of our bi-monthly Newsletter. We warmly invite you to take a look at our takeaway, the events we participated on, and this month's event recommendations.

- Editor's Note -

Few relations are as crucial and valuable as the ones, past present and future, connecting Europe with China. At the ICES, we believe regular knowledge-sharing can be the bedrock that empowers mutually beneficial partnerships and the foundation for fruitful collaborations. In this biweekly newsletter, we identify and highlight the latest ideas and developments in a variety of fields, in view of improving cross-continental communication and understanding.

NEWS ROUND:

BUSINESS & TRADE

Cutting dependencies from China: challenging task for the EU

In the context of the green transition, the EU is facing some setbacks deriving from a lack of cash and coordination. Despite the bloc's strong potential and expertise in rule-setting, making it a leader in environmental standards, the industries remain sometimes frustrated by the limitations shown by the reduced funding proposals and the barriers encountered to access the former. Making the aim of cutting the EU's dependence on China a more arduous task. To this, the CEO of WindEurope declared that the challenge lies in the volume, not in the innovation or the technology side.

Cost and consumer challenges for Chinese EV makers seeking to conquer Europe

China's EV makers, recently arrived in Europe, are facing a new set of challenges. Even though some have encountered a promising start, Chinese brands are likely to struggle to sell cars in Europe at the same prices they do at home since logistics, sales taxes, import duty, and meeting European certification requirements add costs. Moreover, there are still some barriers to be overcome when it comes to consumers' preferences and awareness, which add to the fact that not all Chinese brands possess the same level of trust and recognition.





Germany moves towards tighter foreign investment controls

Germany's Economy Minister Robert Habeck wants to tighten the process for reviewing foreign investments through a new law aiming to enhance economic security. The former reflects Berlin's urge for companies to reduce their reliance on China as well as a broader push from the West to cut strategic dependence on the same country.

EU Chamber of Commerce in China: 'Uninvestable' is not the term to describe China

Answering to a comment from the US, the EU Chamber of Commerce in China said that 'uninvestable' would not be the term used to describe China. However, Jens Eskelund, the EU Chamber representative, pointed out that China was 'under-invested', and highlighted that EU investment in the country had been decreasing in the past years. The representative also raised concerns about China's business environment, including ambiguous regulations and security issues. Yet, the former acknowledged that China can do much to turn the situation around, as should market access improve, around 2/3 of the Chamber's members would consider expanding their presence in China, according to a business survey taken in June.

EU-CHINA RELATIONS

On China-France relations: Beijing seeks to make up for lost time after Covid

China has pledged to re-establish exchanges with France across various fields and levels to strengthen their relationship post-pandemic. Chinese Foreign Minister Wang Yi emphasized China's desire to elevate their comprehensive strategic partnership to new heights and encouraged France to lead in advancing the European Union's autonomy and relations with China. France reciprocated the sentiment, expressing its commitment to deepening cooperation and opposing division in favour of a balanced and peaceful world.



China, EU remain major trading partners despite decoupling, de-risking talks

Despite the concept of de-risking marking discourses and approaches in the last months, trade between China and the EU remains relevant and has witnessed growth. In fact, according to an analysis from the OECD, during the first half of 2023 China remained the leading supplier of goods to the EU, showing the relevance of the China-EU trading relationship.

On UK-China relations

UK foreign secretary visited China for the first time in five years. Amid criticism at home and the publishing of a significant report from the British foreign affairs select committee referring to Taiwan as an independent country, foreign secretary James Cleverly declared that Britain is 'clear-eyed' about its disagreements with China. The representative also pointed out that it would be a mistake to try to isolate the world's second-largest economy and said it was important the two governments continue with regular face to face meetings to avoid misunderstanding.



HAINAN



Hainan's protection efforts to safeguard endangered gibbons

Known as the world's rarest primate, Hainan gibbons have been listed as critically endangered by the International Union for Conservation of Nature. Yet in recent years, thanks to growing protection efforts, their population has risen from 7 to 37. Among the protection efforts, Hainan authorities have launched relocation projects and set up special monitoring teams to ensure the survival of the species.

Hainan's Qilou turn into a major tourist attraction

Haikou boasts the largest and best-preserved Qilou compound in China. The term Qilou refers to a building with a frontage arcade on its ground floor that allows pedestrians to pass through, and it was included by the state authorities in the country's first list of historic streets in 2009. This unique building style has turned into a major tourist attraction in Haikou.



Hainan shines bright as summer tourism flourishes

Millions of tourists have visited the resort island of the Hainan Province this summer to enjoy their summer vacation since the beginning of July. Data shows that Hainan continues to be a popular tourism destination this summer, following the 2023 Hainan Summer Tourism Consumption Trends Report. Moreover, given the integration of tourism with other industries, more consumption potential has been released to spur tourism consumption in Hainan, with duty-free shopping becoming a major driving force. In fact, thanks to various promotional activities, the Haikou International Duty Free City has been packed with tourists and buzzing activity.

RECOMMENDED RESOURCES

For this edition, we suggest you check the following materials:

- Rebecca Christie for Reuters: [EU members' China cuddling weakens Brussels' hand](#).
- James F. Downes for SCMP: [EU's China policy needs a revamp, but there's no one-size-fits all solution](#)
- Emil Avdalian for Carnegie Endowment: [What's Behind China's Strategic Partnership With Georgia?](#)
- Dr. Sebastien Goulard for The Geopolitics: [Italy's Departure From the Belt and Road Initiative: Deception and New Strategy](#)
- Mats Engström for ECFR: [The BRICS summit and Europe's China challenge: A better EU offer for the global south](#).

PREVIOUS EVENTS

Over the past two weeks, the ICES hasn't attended any events.

CONNECT WITH US

If you want to stay informed on our events and publications do not hesitate to visit our website and follow us on social media:

LinkedIn: [Institute for China-Europe Studies \(ICES\)](#).

Twitter: [@ICES-EU](#)

If you are interested in publishing your article on our website, email us at: info@ices-eu.org, with the Subject 'Article Submission_YourName_YourSurname'.

Thank you for being a part of our newsletter community! We appreciate your continued support and engagement. Stay tuned for more exciting updates in our upcoming editions. If you have any suggestions or feedback, we would love to hear from you.

Please note that all news and views cited in this bulletin, if not otherwise indicated, **do not represent the position of ICES.**

Copyright © 2023 ICES, All rights reserved.

Our mailing address is:
info@ices-eu.org