

Reinhard Bütikofer: 'The EU is slowly losing patience with Chinese delaying tactics'

8. April 2019 by [Eva van de Rakt](#), Reinhard Bütikofer

The next EU-China summit will take place on 9 April. The head of our EU office, Eva van de Rakt, spoke to MEP Reinhard Bütikofer (Greens/EFA) about his expectations for the forthcoming talks and negotiations.

Reinhard, the 21st summit between the European Union and China is to take place in Brussels tomorrow. How would you describe the mood in the corridors of the EU institutions at the moment?

The summit will be very interesting, because a new wind is starting to blow in EU-China relations. In a press release published by the European Commission and the European External Action Service ahead of the meeting, China was described for the first time as a 'systemic rival' of the EU. The press release goes on to suggest that the EU is starting to lose patience with Chinese delaying tactics on difficult subjects. Instead of forging compromises, the Chinese leadership has made a practice of repeated promises that are never delivered upon. This has led to a situation in which quite a few of the concessions agreed on paper at last year's summit have not yet been implemented. For example, an agreement was supposed to have been concluded between the EU and China by last October on the protection of geographical indications – things like Parma ham, black forest gâteau and champagne. However, China has reneged on this, on the questionable grounds that it doesn't want to get on the wrong side of the USA, which has not recognised these EU designations of origin. But in fact, Canada and Mexico have concluded talks with the EU on the same subject without running into any problems with Washington. In Brussels, all institutions, i.e. the Commission, the External Action Service, the Council and the Parliament, are united in saying that they have no interest in a purely token summit, as the Chinese side is hoping for, but are insisting on tangible results. This position may be based on an extensive debate on China at the European Council, which was said to have been the most serious discussion on relations with China since the Tiananmen Square incident in 1989. During these talks, considerably greater unity between the member states came to light than has been publicly expressed.

What will the main topics of discussion be?

Economic and trade policy matters, such as the investment agreement that has been under negotiation for many, many years to no effect, will be at the centre of discussions. Questions concerning the multilateral order will also be on the agenda. For instance, the EU is hoping to press for serious efforts towards WTO reform, without which the multilateral trade system risks grinding to a halt. But despite paying lip service to WTO reform, the Chinese side has had both feet firmly on the brakes. And thirdly, human rights and regional questions of international politics, such as Korea, the situation in the South China Sea and Ukraine will also be important themes.

What are your expectations of the summit?

I have three expectations of the summit. Firstly, the EU cannot afford to shy away from addressing reality. The fact that in Xinjiang, China has created the worst police state that currently exists anywhere in the world must not go unmentioned. Secondly, the European side must be absolutely clear that the EU expects a “one Europe” policy from China and will not accept any infringements of this. Thirdly, practical results. If there are not going to be any, it is better to forego the lyrical final press release and demonstrate determination to stop mistaking talk for progress.

At the end of March, the Italian government signed off a memorandum of understanding in the framework of China’s gigantic infrastructure plans to develop air, road, rail and sea routes, also known as “One Belt, One Road” (OBOR). This has triggered concerns at the international level. How do you see the decision?

I regret the Italian decision, but criticism should not overshoot. In substance, Italians have not made any big concessions to China. The bad news is that by going it alone in this way, Italy has made it harder to speak to China with one voice. But if you look closely, other countries have also laid themselves open to the same criticism, particularly the large countries, France and Germany, which have by no means always supported a European China policy in the past, but have selfishly focused mainly on supposedly national interests. If we are to point the finger at Italy here, there are three fingers pointing straight back at the critics.

In official statements, the Chinese government has repeatedly stressed its hopes of promoting cooperation between the participating countries, developing infrastructure and supporting trade, investment and the exchange of technology and know-how through the OBOR. What are your thoughts on the intentions of OBOR?

Overall, the “One Belt, One Road” initiative is a lot of things at the same time. It is a framework for the export of Chinese surplus industrial capacities. It is an instrument to bind regional neighbours more closely to China. It is the skilful exploitation of infrastructure development requirements in support of the strategic policy to increase Chinese influence. At a more specific level, it is an expression of neocolonialism, as it will lead to the excessive indebtedness of the supposed beneficiary countries. From a geostrategic point of view, it is an attempt to bring the rest of the world together against the USA under Chinese leadership; North America is the only continent not included in the OBOR initiative. Its maritime side also has a military dimension in terms of power projection, primarily in the Indian Ocean. And OBOR represents an attempt to replace the multilateral trade system with a new Beijing-centric order. China is currently in the process of unilaterally creating courts to deal with trade disputes along the so-called ‘New Silk Route’ exclusively under Chinese law. The promise that everybody will benefit from OBOR has so far quite obviously not been kept. Around 90% of all contracts for development projects that have been concluded under the initiative have been awarded to Chinese companies. And from a sustainability point of view, it is interesting to note that OBOR is likely to literally finance hundreds of new coal-fired power stations. Whilst coal-fired power stations are being closed down in China because you could cut the air with a knife, this filthy technology is being exported to dependent countries. Ahead of the forthcoming OBOR summit, the Chinese side was keen to publish a study that was to prove, so they claimed, how brilliantly OBOR fits in with the Sustainable Development

Goals. When the first findings of the European scientists they contracted were not quite as they had hoped, the study was simply dropped.

Italy is not the only country that has signed a memorandum of understanding with China. Many Central and Eastern European states have been courted by China in the framework of the 16+1 format, among which 11 EU member states. What is your opinion of the CEE-China format?

It is quite clearly a divide-and-conquer strategy. If a Chinese diplomat is particularly bold, they might say things like, we have to help Hungary protect their sovereignty against Brussels. And during a round of discussions in Brussels, a Chinese professor from Peking University answered my criticism of 16+1 with a furious response that my criticism was simply proof of German ambitions to dominate the EU. But you also have to admit that unfortunately, we, including us Germans, have only ourselves to blame for China's efforts to divide us, as we have not pursued a common European China policy that would also have benefited our neighbours, but wanted to reserve the harvest for our own companies. Then along comes China, brandishing 10 billion euros' worth of investment promises and the opportunity for the heads of smaller member states to meet a Chinese head of state or party. In recent times, though, some of the 16+1 countries, such as Poland, have grown extremely frustrated because China is not actually delivering within that framework either. I have been annoying certain Chinese interlocutors for a long time with demands for a Chinese "one Europe" policy. However, we will only be able to push through this demand if we ourselves work together as Europeans.

Should EU member states continue to participate in institutions that are dominated by China, such as the AIIB (Asian Infrastructure Investment Bank), or should they withdraw?

Many EU member states are already participating. They have around 22% of the vote between them and therefore do not, on their own, have a veto, as China does with its share of the vote. I feel that this participation is quite right, but it needs to be done right. Whereas the AIIB was sold as a multilateral financial institution when it was set up, it has now been sinicised bit by bit by its Chinese President. It has no standards of transparency and fewer reliable standards for the protection of the environment or workers than other multilateral development banks. It talks about accountability, but has made it such a bureaucratic obstacle race that it doesn't function. And in the meantime, the President of the AIIB openly refers to the bank as an instrument of Chinese OBOR policy. The bank has three European Vice Presidents, but they represent neither their countries nor the EU; they are simply there in the interests of their own careers. So far, there has been no coordination whatsoever between the participating European countries. The EU itself, which was also keen to join, was blocked from doing so by member states. All of these subjects can be seen in great detail in the new [study about the AIIB by Korinna Horta](#), published by the Heinrich Böll Foundation. The general public and policy-makers must start pay more attention to the AIIB again, or else at some point it will become nothing more than a Chinese instrument of power dressed up as multilateralism.