

ML Strategies Update

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# **CHINA UPDATE**

# **QUOTE OF THE WEEK**

"The Asia-Pacific region – and you know the U.S. is a Pacific power – is one of the world's most dynamic regions. It contains the top four most populous countries, the three largest economies, many of the world's fastest growing economies, and a rapidly growing middle class of over half-a-billion consumers. U.S. trade with the Asia-Pacific region was \$2.9 trillion in 2013. Nations across the region face choices: Are they going to move toward greater political freedom and respect for universal rights and values? Are they going to open their economies while protecting workers, investors, and the environment? Are they going to strengthen the international and regional system of rule of law to treat all countries fairly? And by doing that, avoid conflict that could lead to loss of life and crippling economic consequences for all of us? We can't take the answers to any of these questions for granted, and they're all interconnected." – Assistant Secretary of State for East Asian and Pacific Affairs, April 1, 2015

# **U.S.-CHINA RELATIONS**

#### **Treasury Secretary's China Trip**

Secretary of the Treasury Jacob Lew traveled to China March 28-31, meeting with Chinese Vice Premier Wang Yang and Premier Li Keqiang. His remarks before each meeting can be found here and here.

#### **National Bureau of Asian Research Roundtable**

On April 1, Daniel R. Russel, Assistant Secretary for East Asian and Pacific Affairs at the Department of State delivered remarks to the National Bureau of Asian Research Roundtable in Seattle, WA. The remarks, found here, touched on U.S.-China trade, the Trans-Pacific Partnership (TPP) trade agreement, the U.S.-China Bilateral Investment Treaty, and other issues associated with the Asia-Pacific region.

## **Prospects for Democracy and Press Freedom in Hong Kong**

On April 3, the Congressional-Executive Commission on China held a roundtable on

Prospects for Democracy and Press Freedom in Hong Kong, featuring Hong Kong democracy advocates Martin Lee and Anson Chan. A transcript and archived video of the roundtable can be found here.

### U.S.-China Dialogue on the Law of the Sea and Polar Issues

On April 8-9, the U.S. hosted the 6<sup>th</sup> annual U.S.-China Dialogue on the Law of the Sea and Polar Issues at the U.S. Coast Guard District Headquarters in Seattle, WA. Experts from U.S. and Chinese foreign affairs and maritime agencies exchanged views on a wide range of issues related to oceans, the law of the sea, and the polar regions. The delegations were led by Evan Bloom, Director for Ocean and Polar Affairs in the Bureau of Oceans and International Environmental and Scientific Affairs, and Jia Guide, Deputy-Director General in the Department of Treaty and Law in China's Ministry of Foreign Affairs. China plans to host the next round in 2016.

#### **Chinese Ambassador Delivers Keynote Address in New York City**

On April 9, China's Ambassador to the U.S. Cui Tiankai attended the 25<sup>th</sup> Anniversary Awards Gala of the Committee of 100 in New York City, delivering the keynote address. Guests included China's Consul General in New York Zhang Qiyue, former Secretary of State Henry Kissinger, former Australian Prime Minister Kevin Rudd, former Secretary of Commerce Gary Locke, and Clarence Kwan, chairman of the Committee of 100 which is a non-partisan organization focused on addressing issues important to the Chinese-American community.

## Secretary Kerry on Detention of Chinese Women's Rights Activists

On April 10, Secretary of State John Kerry issued a statement on the ongoing detention of Chinese women's rights activists, saying "The United States strongly urges China to immediately and unconditionally release the 'Beijing+20 Five' – Li Tingting, Wu Rongrong, Zheng Churan, Wei Tingting, and Wang Man. These women were detained before International Women's Day in March after they organized a peaceful campaign to help end sexual harassment and promote equal rights for women. Each and every one of us has the right to speak out against sexual harassment and the many other injustices that millions of women and girls suffer around the world each and every day. We strongly support the efforts of these activists to make progress on these challenging issues, and we believe that Chinese authorities should also support them, not silence them."

#### State Department Report on Hong Kong

On April 10, the Department of State's Bureau of East Asian and Pacific Affairs released its Hong Kong Policy Act Report, highlighting key developments since June 2007. The report addresses U.S.-Hong Kong relations, electoral reform, developments in media freedom, export controls, and bilateral agreements and multilateral forums.

## U.S.-China Coordination Meeting on Disability

On April 14-15, the U.S.-China Coordination Meeting on Disability was held in Washington, DC. Special Advisor for International Disability Rights Judith Heumann led the U.S. delegation, while the Chinese delegation was led by Sun Xiande, Executive Vice President of the China Disabled Persons Federation. This was the first high level Coordination Meeting on Disability between the United States and China. The Meeting brought together government and non-government experts from the United States and China to discuss the rights of persons with disabilities. Issues for discussion included employment, education, the role of civil society organizations, and engagement of the private sector. The delegation also visited George Washington University and relevant governmental and non-governmental organizations.

## USCC Hearing on China's Next Five-Year Plan

On April 15, the U.S.-China Economic and Security Review Commission held a hearing on China's Competitiveness and Market Reform, focusing on China's next Five-Year Plan

(2015-2020). China's Five-Year Plans establish China's industrial policy by outlining the Chinese government's future priorities and signaling to central and local government officials the areas for large-scale investments and preferential support.

# TRADE

## **Commerce Determinations on Duty Investigations of Chinese Products**

On April 13, the Department of Commerce announced its affirmative final determinations in the antidumping duty (AD) and countervailing duty (CVD) investigations of imports of 53-foot domestic dry containers from China. The U.S. International Trade Commission (ITC) is scheduled to make its final injury determinations on May 26, 2015. If the ITC makes an affirmative final determination that imports of domestic dry containers from China materially injure, threaten material injury to, or materially retard the establishment of, the domestic industry, Commerce will issue AD and CVD orders. If the ITC makes a negative determination of injury, the investigations will be terminated. A Fact Sheet can be found here.

On April 14, the Department of Commerce announced its affirmative preliminary determinations in the CVD investigation of melamine from China. Commerce is scheduled to announce its final determinations on or about August 24, 2015, unless the statutory deadlines are extended. If Commerce makes affirmative final determinations, and the ITC makes affirmative final determinations that imports of melamine from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue CVD orders. If either Commerce or the ITC make negative determinations, no CVD orders will be issued. The ITC is scheduled to make its final injury determinations in October 2015. A Fact Sheet can be found here.

## **Protecting Intellectual Property in E-Commerce in China**

On April 28, the Department of State's Bureau of Economic and Business Affairs will hold a "Direct Line" call on *East China: Protecting Intellectual Property in E-Commerce in China*. According to the Bureau, with "over \$300 billion in 2013 sales and a compound annual growth rate of 120 percent since 2003, China is soon poised to become the world's largest e-commerce market. With this amazing growth come increased challenges to protecting valuable trademarks and copyrights in the online market place." The call will be hosted by Hanscom Smith, U.S. Consul General in Shanghai, along with the heads of the U.S. Patent and Trademark Office, Foreign Commercial Service, and Agricultural Trade Office in Shanghai. RSVP's are due by Friday, April 24, and can be made by clicking here.

# **ENERGY & ENVIRONMENT**

# **123 Agreement Renewed**

On April 10, the White House issued a Presidential Determination on the Proposed Agreement for Cooperation Between the Government of the United States of America and the Government of the People's Republic of China Concerning Peaceful Uses of Nuclear Energy, also known as the 123 Agreement. The agreement allows the U.S. to continue to export civilian nuclear equipment and products to China. China is the world's largest market for nuclear power technology, with more than two dozen plants under construction. The agreement is scheduled to expire on December 30.

# **Officials Lead Trade Mission to China to Promote U.S. Clean Technology Products**

On April 12-17, Secretary of Commerce Penny Pritzker and Secretary of Energy Ernest Moniz are co-leading a trade mission to China to promote U.S. clean technology products and services in the areas of green building/construction, energy efficiency, carbon capture, utilization and storage (CCUS), and environmental technologies in support of the Smart Cities-Smart Growth theme. U.S. Ambassador to China Max Baucus is also a member of this Presidential Trade Mission. The delegation of 25 American companies will make stops in Beijing, Shanghai, and Guangzhou.

On April 14, Deputy Secretary of Energy Elizabeth Sherwood-Randall, as a part of the trade mission, delivered remarks at the Microsoft campus in Beijing. Her remarks touched on climate change, joint clean energy initiatives between the U.S. and China, President Obama's Climate Action Plan and the agreement between the two countries regarding post-2020 climate targets, as well as developments at the Department of Energy. Her full remarks can be found here.

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