Investment Plan for Europe goes global: China announces its contribution to #investEU

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At the High Level Economic and Trade Dialogue in Beijing today, China announced its intention to contribute to the Investment Plan, as well as closer cooperation with the EU on investment issues in general.

Today during the High Level Economic and Trade Dialogue in Beijing, Vice-Premier Ma Kai informed Commission Vice-President Jyrki Katainen that China will contribute to the Commission's €315 billion Investment Plan for Europe. China is the first non-EU country to announce its contribution to the Plan.

As well as this announcement, the two sides agreed to set up a joint working group to increase cooperation between the EU and China on all aspects of investment. The working group will include experts from China's Silk Road Fund, the Commission, and the European Investment Bank (EIB). The EIB, the Commission's strategic partner in the Investment Plan, was also represented at the HED in Beijing.

The European Commission and the Chinese government also signed a Memorandum of Understanding on the EU-China Connectivity Platform to enhance synergies between China's “One Belt One Road” initiative and the EU's connectivity initiatives such as the Trans-European Transport Network policy. The Platform will promote cooperation in areas such as infrastructure, equipment, technologies and standards. This will create multiple business opportunities and promote employment, growth and development for both sides, and it will be done in cooperation with the EIB.

Finally, the EU encouraged deepened collaboration between China and the European Bank for Reconstruction and Development (EBRD), including the examination of a possible membership in the EBRD in line with its rules.

Vice-President Katainen, responsible for Jobs, Growth, Investment and Competitiveness, said: "After a very constructive dialogue with Vice-Premier Ma Kai today, we have produced some real results for the future of EU-China cooperation in investment. This is the right moment to invest in Europe, and I am delighted that China has announced its intention to contribute to the Investment Plan. I am confident that other institutional investors will follow. We want to deepen our economic relations with China in the context of the Investment Plan, as well as the One Belt One Road initiative, to promote connectivity between EU and China."

EU Commissioner for Transport Violeta Bulc added: "I very much welcome the establishment of the EU-China Connectivity Platform. I am confident that it will bring significant benefits to both sides by exploring synergies between our respective infrastructure and investments plans and policies, as well as by providing business opportunities that will promote employment, growth and development in our countries."

The High Level Economic and Trade Dialogue in Beijing follows the EU-China Summit which took place in Brussels on 29 June at which the two sides agreed to cooperate closely on investment, connectivity, the digital economy and low carbon investment. The HED advanced on the Summit commitment to converge on the scope of the bilateral investment agreement negotiations and produce a joint draft text by the end of the year. In Beijing, Vice-President Katainen was joined by Günther Oettinger, European Commissioner in charge of Digital Economy and Society, who successfully concluded a new agreement on 5G; and Commissioner Bulc, who held talks on transport infrastructure investment cooperation.

Background

The Investment Plan for Europe has three objectives: removing obstacles to investment by deepening the single market, providing visibility and technical assistance to investment projects, and making smarter use of new and existing financial resources. According to European Commission estimates, the Investment Plan has the potential to add at least €330 to €410 billion to the EU's GDP and create 1 to 1.3 million new jobs over the coming years. It aims to address the current situation where the EU has
sufficient liquidity, but private investors are not investing at the levels needed. For more information, see this factsheet.

On 28 May, just four and a half months after the Commission adopted the legislative proposal on 13 January, EU legislators reached a political agreement on the Regulation for European Fund for Strategic Investments (EFSI) which is the heart of the EU's Investment Plan. On 22 July, the Commission agreed on a package of measures that will allow the EFSI to be up and running by early autumn.

In line with the European Council conclusions of December 2014, which invited the European Investment Bank (EIB) Group to "start activities by using its own funds as of January 2015", the EIB has already approved several projects to be pre-financed in the context of the Investment Plan for Europe, in which it is the Commission's strategic partner.

To date, nine EU Member States have announced contributions to the Investment Plan: Germany (€8 billion), Spain (€1.5 billion), France (€8 billion), Italy (€8 billion), Luxembourg (€80 million), Poland (€8 billion), Slovakia (€400 million), Bulgaria (€100 million) and the UK (€6 billion/around €8.5 billion).

Vice-President Katainen has travelled to 27 of the 28 EU Member States on the Investment Plan roadshow (Slovenia is the final stop on 9 October).

**Useful links:**
- Investment Plan for Europe – Questions and Answers
- Factsheet on HED EU-China Investment Cooperation
- Press release on 5G agreement
- Investment Plan Website
- #investEU on Twitter

Press contacts:
- Annika BREIDTHARDT (+32 2 295 61 53)
- Siobhan BRIGHT (+32 2 295 73 61)

General public inquiries: Europe Direct by phone 00 800 67 89 10 11 or by email