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Directorate-General for Trade

Directorate B - Services and Investment, Intellectual Property and  
Public Procurement  
**Investment**

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### NOTE TO THE FILE

**Subject: Report of the 19<sup>th</sup> round of negotiations for the EU-China  
Investment Agreement**

Participants: EU team led by Director Maria Martin-Prat, TRADE B  
China team led by Deputy DG Li Yongjie, MOFCOM

The **19<sup>th</sup> round** of the EU-China investment agreement negotiations took place in **Beijing** on **29** and **30 October 2018**.

At the round, the parties provided for the first time their formal feedback on the **market access offers** exchanged this summer in the margins of the 20<sup>th</sup> EU-China Summit. Overall the exchanges were constructive with a view to seek common ground and identify balanced solutions in an effort to bridge the gaps on a number of remaining issues. Some progress was made, in particular, on investment protection-related provisions such as **expropriation** and **compensation for losses**. The round also confirmed the progress made previously on both **state-to-state** and **investor-to-state dispute settlement**, albeit additional technical follow up is required along the path outlined by the Chief Negotiators. The discussions on **sustainable development** were valuable and allowed the parties to move closer on their respective understanding of investment-related aspects of environment and labour. The issues concerning **fair and equitable treatment** as well as on **national treatment** and its related provisions and exceptions will instead require further substantial follow up, together with the discussions on **transfers and capital movement provisions**, the latter still in an initial stage.

Next steps:

- The 20<sup>th</sup> round is tentatively scheduled for early 2019 in Brussels. The exact agenda and timing are yet to be confirmed.