

	Migration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	Budget line: 14.020131 Total estimated cost: EUR 7 000 000 Total amount of EU budget contribution EUR 7 000 000			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	Direct management through Procurement			

## 1.2 Summary of the Action

The EU-China Policy Support Facility will provide support for preparing and following up on high-level policy dialogues and engagements across priority policy areas and, thus, allow the EU to achieve impact in strategic priorities and in addressing global challenges. This could involve preparation and follow-up of policy dialogues; technical assistance through studies and peer-to-peer exchanges of experiences; development of high-quality evidence, data and analysis to allow the EU to engage effectively with Chinese stakeholders in support of strategic interests in our bilateral agenda towards China. The Facility activities will also promote core EU values of respect for human rights, gender equality, democracy, security, the environment, fair competition in business and trade relations.

The Facility will allow for a flexible and coordinated approach to react appropriately to emerging policy priorities and political developments and prepare longer-term projects as relevant. It will build upon the work of previous China-specific facilities funded by the European Commission's service for Foreign Policy Instruments (FPI) since 2007, which have provided critical ad-hoc technical support feeding into high-level policy dialogues and, in some instances, laying the groundwork for them (e.g. on critical raw materials).

## 1.3 Zone benefitting from the Action

The Action shall be carried out in the People's Republic of China, which is included in the list of ODA recipients.

# 2 RATIONALE

## 2.1 Context

The European Council Conclusions of June 2023 on China<sup>1</sup> reaffirmed, along with the Foreign Affairs Council of October 2022, the validity of the EU's multifaceted policy approach towards China ("EU-China Strategic Outlook - Joint Communication" of March 2019<sup>2</sup>), where it is simultaneously a partner, a competitor and a systemic rival. This approach has served to address the different aspects of the relationship, through a period when economic and political relations have required flexibility and agility in bilateral dealings with China. It also kept open the space for bilateral engagement on matters of common or global interest.

In recent years, there has been an intensification of the systemic rivalry and competition dimensions in the face of sanctions, economic coercion against Lithuania, heightened tensions across the Taiwan Strait and China's positioning on Russia's war against Ukraine. Continuing to consolidate unity across all aspects of the relationship remains crucial for the EU's capacity to maintain credibility and leverage. At the same time, EU unity should aim

<sup>1</sup> <https://data.consilium.europa.eu/doc/document/ST-7-2023-INIT/en/pdf>

<sup>2</sup> <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A52019JC0005>