



INTERNATIONAL CONFERENCE

THE EU-CHINA DIGITAL CONNECTIVITY: OPPORTUNITIES AND CHALLENGES

11 OCTOBER 2019 | EESC - JDE62 @ BRUSSELS

On 11 May 2019 in Brussels, the Baillet Latour Chair of European Union – China Relations and the EU-China Research Centre, College of Europe held the **International Conference “The EU-China Digital Connectivity: Opportunities and Challenges”**, organised in partnership with the European Economic and Social Committee (EESC).

The aim of this one-day conference was to bring together a wide range of top-level international academics, practitioners and policymakers to explore where EU and Chinese strategic priorities stand in the ICT sector and the broader digital economy, and to propose a development path for a digital connectivity that advances mutual interests.

The works of the conference were opened by Professor **Jing MEN**, Baillet Latour Chair of EU-China Relations and Director of the EU-China Research Centre, and by **Sir Graham WATSON**, Member of the EESC. Initial remarks on digital connectivity and the broader framework of EU-China relations were made by high-level panellists Minister-Counsellor **Weiyi XIAN** (Third Chief of the P.R.China Mission to the European Union) and **Asad BEG** (Adviser to the Ambassador at Large for Connectivity at the European External Action Service).

In three panels focusing on “Digital connectivity and security”, “European and Chinese approaches to digital transformation” and “Regulatory challenges and policy implementation” respectively, **12 outstanding speakers from the academia, industry and civil society** presented and discussed their research with more than **90 attendants**. Throughout the day, the conference managed to identify the main features of the EU-China digital connectivity and outline their implications at the domestic, bilateral and international levels.

Among others, discussions at the conference revolved around three key concepts:

1. **Plurality**. The layered structure of the ICT sector reflects on international actors and their interactions, creating new pluralities and exacerbating the pre-existing ones. As a consequence, identifying courses of actions and their motives becomes an even harder task in a domain where interpretations, intentions and identities are often crucial. Recurring to a mainly constructivist approach to more traditional concepts like power and sovereignty, the EU-China digital connectivity was examined in its inherent multiplicities, such as the EU’s rhetoric and its



underlying national interests, China's narratives in cyber-governance, and the digital identities and reputations of citizens and businesses. As much as this plurality makes bilateral and international relations in this domain even more complex, it equally implies that **no actor can govern it alone, thus asking for a stronger multilateral effort in the field of digital governance, where the EU and China could partner up.**

2. **Convergent contents, divergent approaches.** The digital transition has posed similar challenges to both European and Chinese policy-makers, businesses and citizens. Whereas China seems to have a competitive advantage in a number of key areas (5G, mobile payments, e-commerce), the EU has put extensive efforts in adopting measures that could protect both its competitiveness in this sector (FDI Screening) and individual rights (GDPR). A closer look at their domestic legislative frameworks reveals how the two have converged towards a common batch of policy measures to deal with technologies like Artificial Intelligence and their employment, but with different purposes. For example, personal scoring is now extensively used in both economies, but in China it rather serves as a means of discipline. In general, the future trend seems to be for them to **struggle with simultaneously decreasing levels of economic complementarity and increasing economic interdependence, becoming even stronger competitors.** This means for the EU to change its merger legislation (*rules for competition*) and for China to pursue stronger unilateral action in standard-setting (*competition for rules*).
3. **Trust.** As long as the ICT sector and the digital economy consist of a layered structure where multiple actors with plural identities interact with each other, both partnership and fair competition require mutual trust. Specifically, it was stressed how the actions and reputations of European and Chinese digital companies ultimately depend on the acceptance of their respective governance systems as trustworthy. Whereas closer ties in other sectors, like culture, may support mutual understanding, the creation of a trust-based EU-China digital connectivity thus seems to require extensive efforts in terms of both dialogue and domestic reforms, for the EU to be able to speak with one voice and for China to adopt a "rule-based" rather than "revolutionary" internal order. **Were these efforts of internal reform and dialogue not made, it would be inevitable for the two to keep clashing upon divergent value systems.**

In other words, discussions at this conference concluded that the tripartite classification proposed by the EU in its *Strategic outlook* of March 2019 – which sees Europe and China simultaneously as strategic partners, economic competitors and systemic rivals – does not only apply to the broader framework of EU-China relations, but also *within* the ICT sector and the broader digital economy. A clear understanding of this differentiation and of its political and economic implications thus is pivotal for the EU and China to overcome any challenges that could jeopardise their markets and businesses in this domain, and to build a **trust-based, fair and comprehensive digital connectivity that advances mutual interests.**