

11th U.S.-China CEO and Former Senior Officials' Dialogue

JOINT STATEMENT

The China Center for International Economic Exchanges (referred to as CCIEE hereafter) and the U.S. Chamber of Commerce (referred to as USCC hereafter) co-hosted the 11th U.S.-China CEO and Former Senior Officials' Dialogue on December 4, 2018 in Washington, DC. The 11th Dialogue session occurred at a time of unprecedented bilateral trade and investment frictions, but also following an important meeting between U.S. President Donald Trump and Chinese President Xi Jinping in Buenos Aires, at which the two leaders agreed to pause the escalating cycle of tit-for-tat tariffs, and pursue a comprehensive and enduring agreement over a 90-day period that would ensure the stability of U.S.-China relations. Against such a backdrop, CCIEE and USCC convened leading executives and former government officials, and held candid and in-depth exchanges with the goal of jointly advocating for the shared goal of promoting the sustained and healthy development of China-U.S. economic and commercial ties.

CCIEE and USCC reaffirmed their commitment to ensuring the Dialogue remains the foremost platform for exchanges between Chinese and U.S. business leaders. The participants in the Dialogue stressed that economic and commercial ties should remain the anchor of U.S.-China relations, and noted that such ties are of special importance for the stability, growth and prosperity of each economy and the world economy. Both sides expressed their sincere hope that the two leaders and their negotiators will come together and capitalize on the positive exchange between the two presidents in Buenos Aires so as to allow businesses on both sides to continue to create jobs, innovate and drive economic growth.

- The two sides held an open, vigorous discussion of priority concerns, including the negative implications, bilateral and global, of the widening differences between the economic policies and principles underlying the first and second largest economies in the world.
- The participants also discussed specific systemic issues, asymmetries in access to trade and investment markets, the contributors to trade deficits, the undesirability of unilateral actions to address concerns, and the costs of increasing balkanization of advanced technology markets.
- The two sides also held detailed breakout sessions on critical issues and opportunities in China-U.S. economic and commercial relations, including discussion of the strategies each country's companies could take to meet the challenges of the current unprecedented level of bilateral friction.

There was agreement on both sides that a negotiated framework for U.S.-China economic and commercial relations, whether a bilateral investment treaty, a free trade agreement, or another structure, would be highly beneficial, but that more work needs to be done on both sides to create the conditions that would allow pursuit of such frameworks. There was a consensus that prior practical activities undertaken under the Track II umbrella were worthwhile. There was a

consensus that the Track II process could contribute to management of bilateral frictions by continuing a practical program of activities that can promote mutual understanding and practical win-win outcomes.

Agreed Action:

The two sides strongly urge the two governments to take timely, significant, concrete measures to reestablish trust in the economic relationship by enhancing market access and a freer flow of goods and services. Both sides agree that clear and regular communications channels between the two governments are essential for resolving challenges.

Both sides agreed that the business communities of the two countries need to advocate before their governments with greater urgency to take a comprehensive view of the importance of bilateral trade and investment, further strengthen and expand economic cooperation and openness, enhance economic policy coordination and information-sharing, reduce obstacles and restrictions to bilateral trade and investment, and jointly explore new areas of cooperation to create mutually beneficial opportunities.

CCIEE and USCC call upon the leaders of the two countries to embrace openness in their domestic economies, oppose protectionism and provide stronger support for free and fair trade and investment facilitation globally.

In response to the input of the participants on both sides, CCIEE and the Chamber agreed to hold the 12th meeting of the U.S.-China Senior and Former Official's Dialogue in Beijing in 2019.