

How to handle state-owned enterprises in EU-China investment talks

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Executive summary

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Chinese state-owned enterprises (SOEs) are a major force in the Chinese economy and have become a key element in the EU-China trade and investment dialogue. The EU has a long history of dealing with SOEs, but the current EU-China trade and investment talks are the first time that SOEs are explicitly mentioned in the EU-China trade and investment talks.

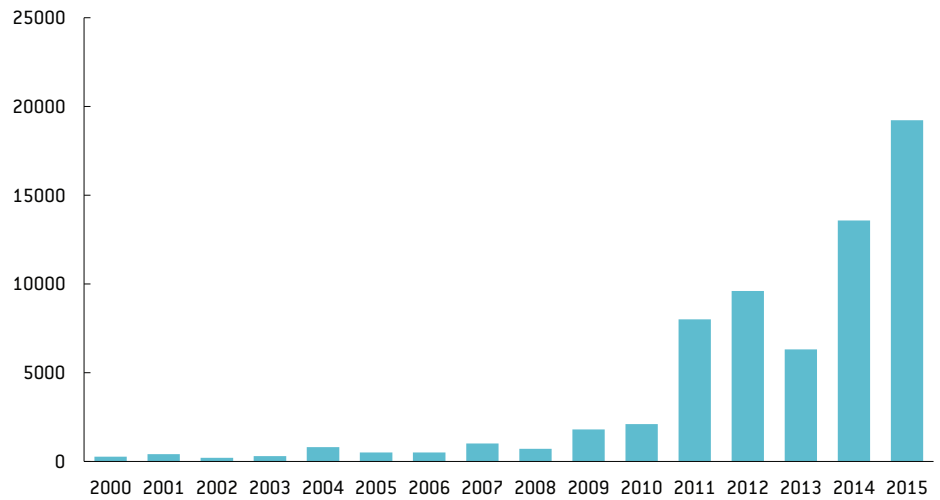
We examine the impact of SOEs on the EU-China trade and investment relationship. We find that SOEs are a major force in the Chinese economy and have become a key element in the EU-China trade and investment dialogue. The EU has a long history of dealing with SOEs, but the current EU-China trade and investment talks are the first time that SOEs are explicitly mentioned in the EU-China trade and investment talks.

Preferential market access in China, a key element of the EU-China trade and investment talks, is a major challenge for the EU. The EU has a long history of dealing with SOEs, but the current EU-China trade and investment talks are the first time that SOEs are explicitly mentioned in the EU-China trade and investment talks.

We also offer recommendations for the EU-China trade and investment talks. We find that SOEs are a major force in the Chinese economy and have become a key element in the EU-China trade and investment dialogue. The EU has a long history of dealing with SOEs, but the current EU-China trade and investment talks are the first time that SOEs are explicitly mentioned in the EU-China trade and investment talks.

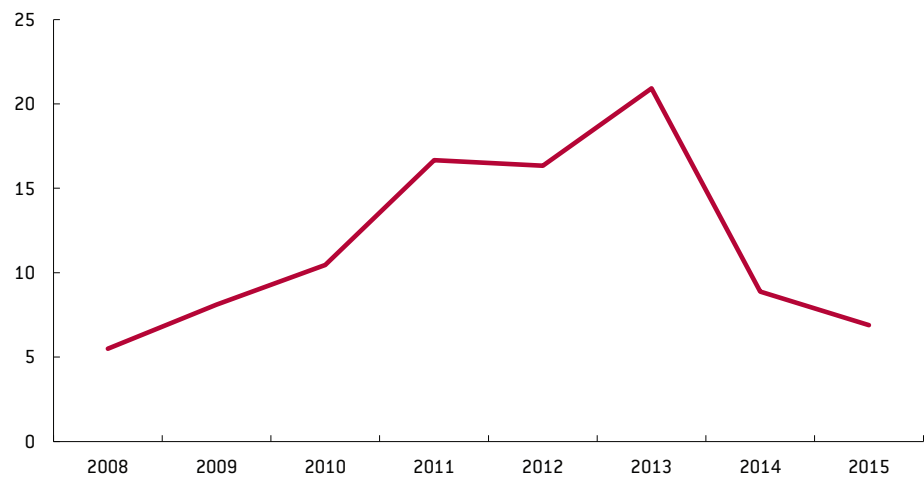
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Source: Bruegel based on Hanemann and Huotari (2016).

2: D C ()



Source: Bruegel based on Eurostat.

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Source: Bruegel based on Forbes.

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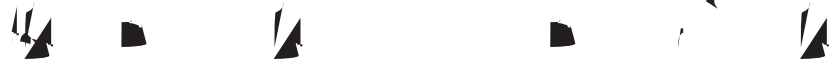
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