



ML Strategies Update

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## CHINA UPDATE

### QUOTE OF THE WEEK

*“No bilateral relationship in the 21<sup>st</sup> century is likely to matter more than the ties between China and the United States. History is full of examples of collisions between rising and established powers. But there is nothing preordained about this. Our economies are inescapably intertwined. And neither of us can solve the great challenges of our time – from climate change to proliferation – unless we work together. Building a cooperative partnership with China is therefore a hugely important goal for the United States. This is why we have established mechanisms like the Strategic and Economic Dialogue and the Strategic Security Dialogue, which I lead for the U.S. side. The SSD brings together our civilian and military leaders to discuss ways to build mutual trust, expand cooperation, and manage our differences on some of the most sensitive issues in the bilateral relationship – from nuclear weapons to cyberspace. When we agree to work together on these kinds of issues – the very issues that threaten to undermine regional and global security – we will also be working to develop a long-term, constructive U.S.-China relationship. But a true partnership is one in which we can discuss our differences openly, not sweep them under the rug. And whether it’s on human rights, maritime disputes, or government-sponsored cyber-enabled economic theft, we raise issues of concern candidly and consistently with the Chinese. We do this not because we seek to contain China but because we want to work with China to help ensure that all Pacific nations find a way to rise together in a prosperous, peaceful, and stable Asia-Pacific.”* – Deputy Secretary of State William J. Burns at the Asia Society Policy Institute launch on April 8, 2014

### U.S.-CHINA RELATIONS

#### **Senate Resolution on Asia-Pacific Maritime Disputes**

On April 7, Senators Robert Menendez (D-NJ), Marco Rubio (R-FL), Ben Cardin (D-MD), James Risch (R-ID), and John McCain (R-AZ) – all members of the Senate Foreign Relations Committee – introduced S. Res. 412, reaffirming support of the U.S. government for freedom of navigation in the Asia-Pacific region and for the peaceful diplomatic resolution of outstanding territorial and maritime disputes. The resolution can be found [here](#).

#### **Deputy Secretary of State at Asia Society Policy Institute Launch**

On April 8, Deputy Secretary of State William J. Burns delivered the keynote address at the Asia Society Policy Institute launch in New York City. In his remarks, Mr. Burns discussed the nuclear situation on the Korean peninsula, the territorial disputes in the South China and East China Seas, China's role in climate change, as well as the U.S.-China relationship in general. A transcript of his remarks can be found [here](#).

### **China Discussed at Senate Hearing on International Development**

On April 10, the Senate Foreign Relations Committee held a hearing on "International Development Budget Priorities." In his opening statement, Chairman Robert Menendez (D-NJ) said that "Our work in Cuba is no different than our efforts to promote freedom of expression and uncensored access to information in Ukraine, Russia, Belarus, Iran, China or North Korea... It is common sense that we shouldn't ask the Government of Iran or Egypt or China for permission to support advocates of free speech, human rights, or political pluralism or to provide uncensored access to the internet or social media." The hearing can be viewed [here](#).

### **Chinese Ambassador at U.S.-China Cooperation Events**

Also on April 10, the U.S. Institute of Peace hosted a question-and-answer session with China's ambassador to the United States Cui Tiankai, focused on U.S.-China Cooperation in Peace and Security. The ambassador also participated in the 6<sup>th</sup> U.S.-China Project on Crisis Avoidance and Cooperation (PCAC), co-hosted by the United States Institute of Peace, China Institutes of Contemporary International Relations, and Fudan University. Details on the PCAC event can be found in a Chinese Embassy press release found [here](#).

### **Under Secretary for Arms Control at Multi-Lateral Event in China**

April 14 - 15, Under Secretary of State for Arms Control and International Security Rose Gottemoeller participated in the 5<sup>th</sup> P5 Conference in Beijing, China. This Conference was the latest in a series of meetings between the U.S., China, France, the Russian Federation, and the United Kingdom aimed at furthering the disarmament goals laid out in the 2010 Nuclear Nonproliferation Treaty Review Conference Action Plan. Gottemoeller also discussed regional and international security issues with her Chinese counterparts in Beijing. On April 15, Under Secretary Gottemoeller and her counterparts participated in the P5 Conference Public event titled, "Comprehensive Enhancement of the NPT." The event was hosted by the Chinese Arms Control and Disarmament Agency.

### **Senate Report on U.S. Diplomatic Strategy in the Asia-Pacific**

On April 17, Senate Foreign Relations Committee Chairman Robert Menendez (D-NJ) released a report titled "Rebalancing the Rebalance: Resourcing U.S. Diplomatic Strategy in the Asia-Pacific Region." The report examines the progress made, and the challenges that remain, for the Obama Administration's strategic policy of "rebalancing" to the Asia-Pacific. Among its policy recommendations, the report says that the rebalance should seek to encourage and shape the development of a positive and productive China that is fully supportive of regional norms and institutions and that plays by regional rules-of-the-road and international law. The report was issued in advance of President Obama's trip this week to Japan, South Korea, Malaysia, and the Philippines, and can be found [here](#).

### **U.S. Special Advisor for Disability Rights to Visit China**

April 18 through April 26, Special Advisor for International Disability Rights Judith Heumann will travel to Beijing and Guangzhou, China, and to Hanoi, Vietnam, from April 26-30. Ms. Heumann will meet with a broad range of government, private sector, and civil society representatives in both countries to discuss issues of mutual concern related to the rights of persons with disabilities. Ms. Heumann will discuss with Chinese and Vietnamese counterparts issues such as accessibility to physical spaces; inclusive education; access to stable and productive employment; well-written legislation governing persons with disabilities that is effectively implemented and enforced; and the ability of disabled persons' organizations to advocate for the rights of persons with disabilities. Ms. Heumann will draw on the experiences, challenges, and lessons learned from the disability movement in

the United States and explore ways to increase international cooperation to share best practices.

## **CHINA NEWS**

### **China's Work Plan for IPR Infringement**

On April 14, China's State Council posted its "2014 Work Plan for the Nationwide Crackdown on IPR Infringement and the Manufacture and Distribution of Fake and Shoddy Goods." The circular lists 32 work priorities for the year.

### **China-UK People-to-People Dialogue**

On April 23, the Chinese and British governments will hold the second meeting of the China-UK High-Level People-to-People Dialogue in Beijing. The theme of this meeting is "Sharing the Future through Exchanges and Mutual Learning." Vice Premier of the State Council, Chair of the Chinese side Liu Yandong and Secretary of State for Health, Chair of the British side Jeremy Hunt will jointly host and separately address the meeting. The meeting is the first of its kind to be held in China since the establishment of the China-UK High-Level People-to-People Dialogue.

### **Chinese Foreign Minister in Latin America**

April 18 through April 27, China's Foreign Minister Wang Yi will pay official visits to Cuba, Venezuela, Argentina and Brazil.

### **Queen of Denmark in China**

April 24 through April 28, H.M. Queen Margrethe II of the Kingdom of Denmark will visit China.

## **ENERGY & ENVIRONMENT**

### **CA Governor Seeks State Climate Collaboration**

On March 31, speaking at the Environmental Council of States spring meeting, California Governor Jerry Brown (D) urged state environmental officials across the country to join him in addressing climate change. California is already collaborating with Western states and China, and hopes to sign an agreement soon to work with Mexico.

### **Solar Trade Case Resolution Sought**

On April 9, seven senators sent a letter to Vice President Joe Biden asking him to help resolve a solar trade dispute with China. The Department of Commerce is in the process of investigating dumping and countervailing duty petitions on solar products from China. The letter can be found [here](#).

### **Chinese Pollution Tax Pending**

On April 10, China's State Council Legislative Affairs Office released a report concluding that the nation will hasten the development of environmental tax legislation that could penalize heavy polluters to help the central government pay for programs to address air, soil, and water pollution. The State Administration of Taxation, the Ministry of Finance, and the Ministry of Environmental Protection have submitted proposals, which would likely create pilot programs that tax high-polluting industries, such as steel, coal, glass, aluminum, and chemical companies.

### **U.S.-China Clean Energy Cooperation**

On April 25, the U.S.-China Economic and Security Review Commission (USCC) will hold a hearing on "U.S.-China Clean Energy Cooperation: Status, Challenges, and Opportunities." The hearing will examine China's energy needs and clean energy policies, recent developments in U.S.-China clean energy cooperation, and the implications of cooperation for the U.S. Panelists will include: Ms. Leocadia Zak, Director, U.S. Trade and Development Agency (USTDA); Dr. Joanna Lewis, Assistant Professor of Science, Technology, and International Affairs, Georgetown University; Ms. Sarah Forbes, Senior Associate, World Resources Institute; Ms. Jane Nakano, Fellow, Energy and Security Program, Center for Strategic and International Studies; Dr. Jerald Fletcher, Professor, Environmental and Natural Resources Economics, U.S. Director, U.S.-China Clean Energy Research Center-Advanced Coal

Technology Consortium, West Virginia University; Dr. Hwei Peng, Professor, Mechanical Engineering, U.S. Director, U.S.-China Clean Energy Research Center-Clean Vehicle Consortium, University of Michigan; and Dr. Valerie Karplus, Project Director, China Energy and Climate Project; MIT Joint Program on the Science and Policy of Climate Change. The hearing notice can be found [here](#).

## **TRADE**

### **USITC to Expedite Review of Duty on Chinese Graphite Electrodes**

On April 7, the U.S. International Trade Commission (USITC) voted to expedite its five-year ("sunset") review concerning the antidumping duty order on small diameter graphite electrodes from China. As a result of this vote, the USITC will conduct an expedited review to determine whether revocation of this order would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. The Commission's notice of institution in five-year reviews requests that interested parties file with the Commission responses that discuss the likely effects of revoking the order under review and provide other pertinent information. Generally within 95 days from institution, the Commission will determine whether the responses it has received reflect an adequate or inadequate level of interest in a full review. If responses to the USITC's notice of institution are adequate, or if other circumstances warrant a full review, the Commission conducts a full review, which includes a public hearing and issuance of questionnaires.

### **Commerce Duty Determination**

On April 14, 2014, the Department of Commerce announced its affirmative preliminary determination in the countervailing duty (CVD) investigation of imports of 1,1,1,2-tetrafluoroethane from China. As a result of the preliminary affirmative determination, Commerce will instruct U.S. Customs and Border Protection to require cash deposits based on these preliminary rates. Commerce is scheduled to announce its final determination in this investigation on or about August 5, 2014, unless the statutory deadline is extended. If Commerce makes an affirmative final determination, and the USITC makes an affirmative final determination that imports of 1,1,1,2-tetrafluoroethane from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue a CVD order. If either Commerce's or the ITC's final determination is negative, no CVD order will be issued. The ITC is scheduled to make its final injury determination approximately 45 days after Commerce issues its final determination, if affirmative.

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