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WEBINAR

CHINA'S SANCTIONS ON EUROPE

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Introductory Remarks:

JOHN R. ALLEN President The Brookings Institution

Panel Conversation:

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Member of the European Parliament

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Member of the European Parliament

DOVILĖ ŠAKALIENĖ Member of the Seimas of the Republic of Lithuania

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PROCEEDINGS

MR. WRIGHT: Good morning. My name is Tom Wright. I direct the Center for the United States and Europe. I am at the Brookings Institution, and we're particularly delighted to welcome you all today to an important event on "China's Sanctions On Europe."

And to begin with, I would like to throw it over to our president, John Allen, who made a prerecorded message introducing today's event. So over to the video, thank you.

GENERAL ALLEN: Good morning, good afternoon, and good evening, ladies and gentlemen. For those I have not had the honor of meeting, I am John Allen. I am the president of the Brookings Institution. It's a great pleasure to welcome you all to today's event which focuses on the new and retaliatory sanctions China has imposed on the European Union and the United Kingdom.

As many of you, in March, the EU, the United States, the United Kingdom, and Canada applied coordinated sanctions against Chinese officials connected with severe human rights abuses against the Uyghur Muslims and other ethnic minorities in the Xinjiang province.

So, naturally, Beijing responded by sanctioning European think tanks, academics, EU committees, and European parliamentarians. Our panel today includes -- and several individuals who were actually targeted by these sanctions.

These retaliatory actions by China have been condemned by the European Union and the United Kingdom as an attack on democracy and are sure to complicate relations between China and Europe moving forward to include ratification of the EU-China Comprehensive Agreement on Investment or the CAI.

Furthermore, perhaps, more importantly, recent events have also highlighted the importance of centering human rights in foreign policy, an idea we know is central to the Biden administration's aims for American leadership at large.

So with that important context, let me now offer a warm welcome to our distinguished panel for today's event, will be introduced by my colleague, Tom Wright, who you have just heard from.

It's truly an honor to host this prestigious group at Brookings to engage with us on issues of democracy, human rights, and the future of the EU and U.K. relations with China, again, welcome.

Now before I hand the floor over to Tom, a brief final reminder that we're very much on

the record and we're streaming live and Tom will begin by moderating the conversation with our panelists

and then later taking questions from the audience.

And on this latter point, should audience members wish to send us any question, please

do so, and do it by email to events@brookings.edu; that's events@brookings.edu, or by Twitter using

#ChinaSanctions; that's #ChinaSanctions. So that it's a great pleasure to hand the floor back to Tom

Wright. We'll begin our event. Tom, the floor is yours.

MR. WRIGHT: Thank you. Thank you, John. And I would invite the panelists to turn on

their video at this point and audio and I will introduce them.

As John mentioned, this I think is an important event. On March 22, the Chinese

government imposed sanctions on 10 European or EU parliamentarians and four EU entities; several

days later, they followed up with similar sanctions on the U.K.

Those sanctions were reportedly in response to European and American sanctions on

the individuals involved in the mass oppression in Xinjiang province. I think it has been seen as a

Rubicon of sorts and we're particularly pleased today to be joined by three of those parliamentarians who

are subject to those sanctions.

`Reinhard Bütikofer is MEP for the Green Party, a former leader of that party, very active

in the Foreign Affairs Committee in the European Parliament and very outspoken on these issues.

Dovilė Šakalienė is a member of the Seimas in Lithuania, a Social Democrat, and very

also outspoken on these issues. And Mariam Lexmann is a MEP, so backing MEP for the EPP, and also

obviously outspoken on these issues. And a little bit later, at 10 o'clock, Washington time, we'll be joined

by Laura Rosenberger, who is a senior director for China at the White House, who would also engage in

this conversation.

I'll talk with here and then we'll have her talk with the rest of the panel. And, too, she

would like to be here for the whole event but we're very glad that she can join us for part of it.

So before we jump into it, just one or two other housekeeping issues. Today's event is

part of an ongoing partnership we have between Brookings and the Robert Bosch Stiftung, what we call

the Brookings-Bosch Trans-Atlantic Initiative or BBTI.

This is a multiyear project that seeks to reinvigorate trans-Atlantic collaboration on global

challenges. And at the core of that effort is our drive to produce new ideas through an increased dialogue

and in-depth research to sustain and adapt the trans-Atlantic relationship.

We, at Brookings, place great value on Bosch's commitment to quality and

independence. Which I think is particularly important in light of today's discussion. And they have been

an exceptional partner respecting and recognizing the value over independent scholarships.

So we are grateful for that. And then, as John said, you can ask questions,

#ChinaSactions on twitter, or email events@brookings.edu. And, broader, that we group all of the

questions at the end. We will integrate those questions throughout the event. So I will ask questions as

they arise and as they fit in.

So where I'd like to start really, and we'll get to the broader implications I think in a few

minutes. But, Miriam, maybe if I could start with you, and then Reinhard, and Dovilė.

But what I'd really be interested in is just how this has affected you personally? How did

you hear about this? You know, was it a surprise? Was it sort of expected? And what are just the

implications for you as a parliamentarian in Europe? And then we'll come to maybe the broader

implications in a minute.

But, Miriam, if we could start with you, and thank you again for joining us.

MS. LEXMANN: Thank you very much. Thank you, Thomas, and thank you for the

invitation. It's really a great pleasure to be with you and have the opportunity to share with American

audience.

I mean, personally, I have to say that I have not expected anything like this. I am only

one year in politics. I joined the European Parliament in February of last year. Previously, I was working

for the International Republican Institute. And I would like to say that I would like to thanks to my previous

employer because the support from the U.S., but also from IRI was very strong in my defense.

And it was kind of interesting because I was in touch with a journalist who is covering

mainly Hong Kong and we worked together on the issues related to Hong Kong and defend my efforts

defending democracy in Hong Kong.

And in that morning, he wrote me if I expect to appear on the sanctions because we knew

that the Chinese probably will respond with the sanctions with sanctioning some of the leaders. This

happened already also in the States before, so we could have expected it.

But I wrote him back that I don't think I am such a big shark for China to be on the sanction list, and a few hours later he was the first one who sent me the link to the Chinese Minister of

Foreign Affairs issuing the sanctions.

The sanctions are not really absolutely clear. I mean, obviously, it says that I cannot travel to China and my family, neither my family. I cannot do any business of financial transactions. What is unsure is that it talks also about associated people to me that the sanctions are also applied to them.

And I am so far, I did not meet a lawyer who was able to explain me.

I mean we don't know exactly what it means. We don't know if we will ever know what it means because it might be also phrased in such a weak way for purpose that's practically also people

who are working with us and associated with us will be not sure what they can or cannot do.

What I also believe what unfortunately can have an implication is that obviously I'm trying to be in touch with people who are coming from Hong Kong or Mainland, China. They mainly live already in the western part of the world, in the EU or in the U.S.

But, obviously, the contact with me, I don't know if this could be criminalize them as primarily it will go against their family members or relatives who are still in China. So, so far, I don't know.

I mean, personally, if there is nothing, you know, it has changed my life from one day to another because I wasn't planning to travel to China and I am not doing business in China. But, obviously, the kind of day-to-day implications will be seen later.

MR. WRIGHT: Thank you. Thank you, Miriam. Reinhard, you have been in the wars on this for a while. So did this come as a surprise to you, and can you talk us through a little bit just what happened on the day it was announced?

MR. BÜTIKOFER: Well, thank you, first of all, Tom, and thanks to Brookings for putting this on. I think this is a great service that you're doing to transphonic exchange on China. I was not completely surprised, I must say. The Global Times, which is kind of the central organ of the extreme nationalists in China had targeted me before.

And on the day when China announced their sanctions there was an article that attacked me personally, together with Adrian Zenz, as to two people that should probably get it. So I thought I

might be on a roll, and but I was surprised indeed to see the escalatory size of the overall reaction from

China.

Now this is obviously not going to discourage me in my work. I don't think they expect

that. It's rather injecting more vigor, but it does personal consequences of course. I will refrain from

calling my Chinese friends in Hong Kong.

Because I would assume that their external contacts would be under surveillance and I

don't want them to be attacked for teaming up with somebody that China considers an enemy of

everything Chinese which I'm of course not. But I don't want to risk other people's future.

So that is an impact that it will have. I will obviously not be able to travel to China. But

other than that, I think the -- and we'll talk about that, I'm sure -- but I think the sanctions are more a signal

of a political defeat than that China has suffered than a signal of strength.

MR. WRIGHT: Thank you. Dovile, you're not an MEP, but you are a member of the

National Parliament. Can you talk us through a little bit your story and just why you think you were

targeted, and if it sort of came as a surprise, and how it's affected you?

MS. ŠAKALIENĖ: Well, it wasn't entirely a surprise. I am sitting on National Security and

Defense Committee and with being in the Parliament for a second term, and since I was really honored to

be invited to become a co-founder and co-chair of IPAC, and I think we have done quite, you know, a nice

job until now. And we are going to continue to do so.

So I also see, as Reinhard, that this is a very typical for the totalitarian regime response,

one that they have for 100 years now over there used to intimidate people and they probably forgot how

in democratic countries people react.

We are not intimidated, actually, probably we get more motivated. And since I have been

a human rights defender for 13 years before I entered the Parliament, actually, I have been always

dealing with a lot of them and being an issues. I mean the Belarus, or China, or some decisions in

Europe and limit in the rights of citizens.

So I'm used to, you know, getting some hate waves, or death threats, or whatever. But

when a huge, you know, multibillion country is trying to intimidate parliamentarians from Europe and

somehow stopping us from defending values of democracy and fundamental rights this is paradox. I think

this is unprecedented.

For the first time, sanctions are applied for defending human rights and not for human rights violation. It is some from family of political prisoners and exiles who met somebody from Soviet

regime, from communist regime. We have not forgotten the communist methods.

So I am wearing this as the badge of honor and a lot of support from my colleagues not in

communist or foreign affairs who called the ambassador immediately after those sanctions or from

speaker of Parliament, and all the speakers of European Parliament, ss you know, stepped up for us for a

very empathetic support from the presidents of this spread on Republic of Lithuania.

That gives me, you know, hope that standing united and especially now standing united

across the ocean might actually get us in a better position than we have been for years before.

MR. WRIGHT: Thank you. Thank you all. So what I'd like to sort of move on to is, you

know, why did they do this, like as, I mean, you have all been pretty active on speaking out on European

policy toward China in different ways and different aspects of that policy.

And, as we know, you know, in December, China made some last minute concessions on

these investment negotiations that was seen as trying to pull the rug from underneath the Biden

administration's efforts to have a multilateral approach to China.

Then, you know, a few months later, they come in with these sanctions which appear to

erode support for their agenda and consolidate support for a Euro position. So why that affects you

personally, very negatively, and it's a bad thing, it could be seen as sort of strengthening, you know, the

case you're making.

And we have a number of questions already from the people watching, Heldeberg

(phonetic), who is at the Federal Foreign Office in Germany asks: Is imposing sanctions on Europe

predominantly inspired by China's domestic policy?

There is another question here from a student, Markus Machevidetz (phonetic) asking, if

the targeting of MEPs means sort of a cross-partisan opposition to the vote on the investment agreement,

and a number of other sort of questions in that vain.

We can get on to the investment agreement in a minute. We don't need to talk about that

now. But Reinhard, if I could start maybe with you on this. What do you think the objective and sort of

rationale behind these sanctions was, and do you think they might work?

I mean, do you think there is a chance that while people will stand by you all now that

they might have a chilling effect? Like is there a strategic logic to what they have done and is that

concerning to you?

MR. BÜTIKOFER: Well, I do think they followed a strategic logic. But because they

mis-analyzed the situation they shot themselves in the foot. I believe that they misread. In Beijing, they

misread the message from the finalization of the comprehensive agreement on investment just before the

end of last year.

To put it bluntly, I think Chinese leaders figured that they had finally achieved one of their

main goals of driving a wedge between the European Union and the U.S. Because, obviously, Berlin, in

particular, but also Paris and Brussels were more eager to send the signal to Washington that they

insisted on their so-called strategic autonomy that sent a signal to Beijing that the trans-Atlantic alliance

was going to be back.

So I think they underestimated the role of parliamentarians, the role of the Democratic

public in discussing the merits and the shortcomings of such a deal and the context, the geopolitical

context, and they were taken aback.

But European foreign ministers felt obliged under pressure from the public conversation

to put these sanctions in place and in a way it may have amounted to a huge loss of face for Xi Jinping

himself, who had rested the Europe file from Di Kerchung (phonetic) end of last year and was so overly

proud of having pulled off this deal with Merkel.' And now, all of a sudden, not even three months

later, the Europeans team up with the U.S., and the U.K., and Canada to impose sanctions. I think that

was what sort of made them very angry and they didn't listen.

I have indications that they didn't listen to their diplomats in Brussels that much, probably

their diplomats would have advised them not to go that far. But now that they have done it, I don't think

they have a chance of really achieving their goals.

Obviously, most governments have been very tough in showing their solidarity. The

Chancellor hasn't. but the foreign minister has in Germany, In other countries, the leaders of state and

government have express their solidarity. Chinese ambassadors have been called in to be told off.

So I think China has miscalculated and this is not going to do them any good.

MR. WRIGHT: Thank you. And, Miriam, how do you see this? And, you know, what's your sense of where the debate is in Brussels and in the EU sort of as a whole in China? Has this shifted

it dramatically?

You know, we see the leaders -- Reinhard referred to Chancellor Merkel, you know, didn't

really talk about yet. You know, are we in a little bit of a bump of sympathy but that might, you know,

evaporate over time? What's your sense of where we're at at the moment?

MS. LEXMANN: Yeah, I completely agree with Reinhard. I think that the Chinese side

has probably underestimated that the moods, vis-à-vis China, has been changing during the last week, or

year, and particularly also dur to COVID and all of the what was happening through from the beginning of

the COVID crisis, when we know that practically China is responsible.

We don't know to what extent, but much earlier I was asking for an investigation and

where China has completely kind of broken all of the contracts and imposed tariffs, closed its markets to

Australian products.

So China was bullying democratic part of the world. We know that China was trying and

actually succeeded to change the report about Chinese influence on the public opinion in Europe, which

was both commissioned by the European Commission, and the wording of the influence of China was

changed due to the pressure from China and due to the fact that some officials gave up to this pressure.

We know that China was censoring the lecture of EU ambassadors, which was published

in China. So there a lot of indications we have seen throughout the year when China started to

aggressively bully different countries and try to influence democratic institutions and the way how

democratic institution is partial in the EU.

And I think people started to be alerted. Yes, China probably did its best to set up the

stage when the investment agreement was finalized just before the end of the year. But that was not

enough because the mood was changing beyond the stage.

And I think now we see that, for example, the European Parliament, we have in few

reports which we had issued on Hong Kong and the Uyghur minority. We clearly stated that the

European Parliament is going to take human rights in consideration when scrutinizing the investment

agreement.

So there were already indications that people do understand that we cannot go without

China policy as it's set now; that we are vulnerable vis-à-vis China economically, but also in terms of

security.

And also, I mean, what I think that it becomes more and more evident that because there

is such a strong economic dependency in relation to the human rights issues when products are done by

the modern slaves in China are ending up in our markets.

We are becoming morally co-responsible for the human rights bridges. And I think this

has woken now not only politicians but many people in the EU member states. And I guess that now

these sanctions are not helping China, are only opening it even wider as to what China is able to do.

And I think that we need to respond not only being alerted, but we really have to sit down

as member states of the EU and change our strategy vis-a-via China, change our policy vis-à-vis China,

and also work even closer with our trans-Atlantic allies.

Because I think this is important as well that we are, as a democratic part of the world, we

will jointly, also independently, but jointly seek how we are supposed to respond to the challenges China

represents to all of us.

MR. WRIGHT: Thank you, Thank you, Miriam. Dovilė, Lithuania, I think, was

reconsidering, or maybe even left the 17+1 recently, the group Eastern Central European and Norden

countries that engages with China.

This has been influx in this part of Europe for a few years. Can you talk us a little bit

through maybe the impact that this particular incident has had on the general sort of debate on China and

the National Parliaments and in Lithuania?

But maybe also just how you see this broader struggle over China policy which it still

seems to me despite all of the different aspects of China's behavior over the last year or so, with COVID

and we'll follow your diplomacy, it still seems to be a little bit on a knife edge, right?

It's not a foregone conclusion that the point of view that you all represent will prevail, or

that CAI will be defeated in the Parliament. So how do you see that debate sort of standing at the

moment both in Lithuania, but also more generally?

MR. AKALIENĖ: So definitely I agree with Miriam that China somehow has definitely

missed the changing winds of attitude towards China's expensive policy in all spheres. And then, of

course, having in mind my background, I have been for my first time in Parliament very wary of China's

policies regarding human rights, economics, technologies.

Because what I see behind that is definitely not a goodwill intention just, you know, the

trade and, etc., but also the public (phonetic) showed that, you know, their humanitarian diplomacy is also

a very good way to actually push your agenda which is in my opinion in most ways incompatible with

democrats and human rights values -- so, you know, and union.

But what I also wanted to note that, yes, actually, I am glad that even being such a small

country, Lithuania, in the context of 17+1 format has really made the political statement. We have been

called by China, Washington minions, if I am correct. And I can also take that as a badge of honor, if

they want to call us that, because I feel that trans-Atlantic relationship and our strategic partnership and

alliance is very important if we really want to understand that in a large t-shirt, (inaudible) bond well,

maybe value use of western democracies.

So they probably have missed that point, but they're having more and more data from

more and more independent service. Like, for example, one of them just a year ago, showing that 570,

almost over a half a million Uyghurs that are working against their will in the cotton fields are delivering

those cotton products to our market and that does not sit well with us anymore.

And this intimidation policy is actually helping us, me and my colleagues from Lithuanian

parliament, from other national parliaments to get our message across. This is that the totalitarian regime

that has not changed, we really have a very extensive experience with communist regime for more than

half a hundred years.

We know what they do, and even they lack sometimes of a very specific data because of

know what we do to prevent experts to come and duly collect all of the data that would be really useful to

understand how far with genocide has come forth. That helps us to understand better as being all united

in national parliaments with European parliament across mid-Atlantic (phonetic) can really get the

message through.

Another important term and this is one we are talking about, technology insecurity. I

have been also pushing that issue for quite a long time. And I'm happy that my committee in National

Security and Defense also has taken very serious steps towards (inaudible) and understanding that there

is no independent businesses there in China currently.

So we really have to understand the costs of that so-called beneficial economic

operation. It's a mousetrap, not just a mousetrap that will hurt you, it's a mousetrap that would cut your

head. So we really have to be aware about that also. So we are really in Lithuania now probably not only

understanding how serious that is, but also planning quite a package of actions.

Actually, in just two weeks in the parliament, we are having hearings about Uyghur issues

but also about other issues related to our guidelines of how we will deal with relationship relations on talks

with China in the future and that is I think for Lithuania a very important step.

Although when I proposed resolution in the beginning of February, both committees, my

committee, National Security and Defense, and Committee on Foreign Affairs did friendly supported this.

But colleagues in the parliament really were having questions about how we're going to proceed.

So this unparalleled, unprecedented package of sanctions, there were National

Parliaments and European parliamentarians sealed the deal.

MR. WRIGHT: Thank you, fascinating. Thank you, Dovilé. Reinhard, if I can come back

to you, we have had a number of questions on the investment agreement and I'd very much love your

thoughts on this as well.

But can you talk us through, Reinhard, just where this stands now and what its prospects

are? And Natalie Liu, who is a diplomatic correspondent, The Voice of America, asks, you know, is there

anything MEPs think the Biden administration can do or should do to stop or discourage the CAI from

being ratified?

I guess a follow-up question might be, is it even necessary at this point? I mean is it sort

of finished or, you know, or is there a prospect that it could be revived once things die down from this

most recent incident?

MR. BÜTIKOFER: Well, with regard to the Comprehensive Agreement on Investment, I

would not rely on President Biden and his team, they have a number they have pledged. I think we're

men and women enough to take our own good decisions there.

The CAI had been in deep trouble way before the sanctions struck. And at the moment, I

would say it's dead as a door nail. You just can't imagine that the European Parliament is being attacked

as an institution and just proceeds with business as usual and goes to ratification of such a deal.

And when I say we're attacked as an institution, I mean this is not just sanctions hinting at

individuals. They have targeted five individuals from the European Parliament from all of the four major

democratic groups. They have targeted the China delegation which should be there interlocutor, and they

have also targeted the Human Rights Subcommittee.

So we view that -- and the president of the Parliament said so -- we view that as an

institutional attack on our democratic institution. And even colleagues of whom I know that they are much

more favorable to the deal than I have ever been have clearly expressed their frustration about China's

actions and said, we see no way of dealing with that investment agreement as long as the sanctions are

still in place.

Now I am not saying this is not ever going to change, but the two most powerful

proponents and motors behind the agreement, namely, Mrs. Merkel and Mr. Macron, may not be in a

position to push that much for that deal in the future. Merkel will be out of office before the end of the

year and Macron is finding himself embattled both from the left at the right in France over the deal, so and

he might not want to be making that legacy issue during his upcoming presidential election campaign.

So I think it's a safe bet to say it is, at the moment, much less probable that this will be

even up for ratification discussions over the first half of next year than people would have expected before

the sanctions.

And at the same time, we're pushing very hard in the European parliament to emphasize

autonomous measures like doing anti-subsidy measures or ban, as Miriam said before, a ban on the

importation of products of forced labor or human rights due diligence mechanism or enhancing the EU's

investment screening mechanism.

So there are tools with which we can promote economic interests much more effectively

than by pursuing CAI. And it's interesting to note that many voices from the business community are not

more than lukewarm about CAI because they see all of the shortcomings of the deal in the first place.

MR. WRIGHT: Thank you. Thank you, Reinhard. Miriam, I'd love you to come into this.

But also if you could maybe address the question of the role of business. I mean you are, you know, in

the BP, the center right seems to have been a little bit more divided on China, interestingly enough, than

maybe, you know, they're centered after the Greens.

I know there is a diversity of views in all political groupings. But, of course, in Germany,

you know, its business has changed on it, but still you see aspects of business obviously supporting the

investment agreement. So could you just talk us a little through that? How do you see where this sort of

stands in the Parliament and where do you think it's headed?

MS. LEXMANN: Yeah, thank you very much for this question. I will maybe continue

when Reinhard has finished. It is important I mean, of course, it's great that the U.S. expresses and is

helping us to maybe suggesting what solutions the U.S. is taking in the different questions we have

mentioned.

The question is the human rights issue where, of course, the U.S. already implemented

certain legal framework for due diligence. We are only in the preparation phase in Europe. So I think the

cooperation should be on different measures; that, for example, how to set the due diligence that it's not

causing more harm to our companies which cannot be completely responsible for human rights bridges in

China.

But, of course, to the extent if they know about it and if they exploit the cheap labor of

China, they should be made responsible. Also the question is, in terms of due diligence, to what level of

the chain we should go. I mean we cannot make a shoe seller at the street, I don't know, somewhere in

the middle of the U.S. responsible, if the these shoes are made by forced labor in China, if the person

doesn't know because he buys it through some different chains of companies.

So it's very important to set this right that it's not harmful but it's really to the point and it

kind of addresses the problem we want to address. And since the U.S. already is ahead of us, I think it's

great to share expertise and experience and this is the support we believe that should be strong among

partners.

The second question is, I will maybe mention. Because, yes, the kind of deal it seems

that it's supporting certain big businesses who are operating already in China and who needs more

(inaudible) and more, I would say, security and more equal treatment which is legitimate.

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But we are more and more realizing that there is a vast amount of companies who are

losing out because of the IB facts, for example, and we are not giving the companies protection.

And I think this is another area where we need to cooperate to look into the loss. And

Dovilé has already started this discussion because she mentioned already that the demographically count

only that the Chinese market is going to help us economically.

But we are not looking at the costs which practically the illegal, cunning approach of

Chinese companies often restate subsidies, so there is no really equal competition. Our companies are

suffering and I think that this is what we need to look into. And, obviously, there are lots of companies

which are operating both in the U.S. and in EU.

So we need to exchange data about the loss because I think this is another argument

that which needs to be put forward with a lot of data and a lot of information that how much are actually

the costs, economically, I mean, calculated costs for how open we are to the Chinese companies and

economic cooperation with China.

And the third topic and issue is security because, of course, security has I mean costs,

too, and we need to know how much we are ready to pay for our security. And I think this is another

calculation we need to make and we need to also learn from each other and support each other with

information where we actually have to invest and where we have to kind of abandon costs in order to

provide security to our businesses but also to people in general, also their data, that our populations are

not manipulated through social medica, through different tools from China.

So these are the issues I think we need to open up. Not all of them are clearly related to

CAI. But I think indirectly CAI is only part of it and we need to look how we are supposed to, or how we

can answer certain questions which were supposed to be answered through CAI, but we should answer it

differently.

And I think this is the defense we need to have in Europe. But also, I mean, I guess

that's the kind of expertise and cooperation here with the U.S. is very needed and would be off profit for

both of the partners.

MR. WRIGHT: Thank you. I have a question. It's sort of a statement as well from

Stephen Erlanger of the New York Times, so I'll just read it out. And, Dovile, I'd like to go to you next, and

feel free to comment on this, but I also have another question for you as well.

Steven says, is it possible that China doesn't really care about whether the

Comprehensive Agreement on Investment is ratified? It accomplished its goal which is to send a signal to

the Biden administration and they have even generally favors the EU not China. So if it isn't ratified, why

should Beijing care about it?

So I think that I'll let you, why not. And, Miriam, we'll come back at that in a few minutes

if you'd like.

But, Dovilė, if you'd like to comment on that, and then I would also like to pick up on

something that Miriam said -- or pick up, sorry, not that Miriam said, another question that came in from

Paul Nugent, the World Affairs Council in Southeast Connecticut.

And he asks, you know, the U.S. is particularly active in pointing out human rights abuses

by opponents in the West, but less so those of some in the West and its allies. Has this approach not

undermined our attacks on China and Russia in the area of human rights?

This is a big question I think that has come up many times, particularly, after the January

6th insurrection here. How can we criticize China when we have our own problems and our own

grouping?

You have been very active on human rights for some time. Could you talk to us a little bit

about how you sort of have answered that question and how you see whether it's linked?

You know, our own record of maintaining high standards of human rights within our own,

you know, alliances and that connection to be able to s peak about it more, generally, vis-à-vis Russia

and China, and how all of this is playing out, of course, in the propaganda war? I mean the Global Times

that Reinhard mentioned earlier, you know, they're always beating the drum on this. So how do you see

that issue as well?

MS. ŠAKALIENĖ: I remember that the former Commission on Human Rights from the

council of Europe has said that fundamental rights protection is not a Sunday dress that you wear on

special occasion, it's daily hard work. So despite whatever problems we are facing in human rights

problems, human rights and freedoms protection problems, a daily issue in every democratic country

because we acknowledge them, we recognize them, we try to solve them, there is always a lot to do.

What we're trying to do is we're trying to identify. We try to find solutions and we try to apply them as best as we can and there always can be better solutions. When we are talking about the totalitarian regimes, the main idea is still deny that they do have problems or, you know, what about this

idea?

So what about you? What are you doing there? I also remember these anecdotal situations from my childhood when Soviet Union would say to the United States that there is racism there, so how can you talk about human rights to us? So I told you my family history, and I am glad that there

were Western states and that the united States were supportive to Lithuania in so many issues.

Because if we stand alone, we are much more likely to fail and to lose. If we stand united, we are much more likely to get tangible results. So when we are talking about what is happening in China, I really believe that what we need to do is to demand, as soon as possible, for independent international investigation into the ongoing legal genocide.

We can say illegit genocide, but we all have seen a lot of data, and at least according to two articles of genocide convention, genocide definition already shows horrible situation. We are not even talking about other systematic human rights violations such as, following members organ transplantation, and etc. But when we are talking about these horrible human rights violations, it doesn't mean that we deny our own.

In Lithuania, I am dealing with that every day, convention on disability implementation when we are talking about violence against women, gender-based violence and, etc., of course, it's our daily work. It's how we look at it, how we deal with it.

Do we really want to apply the whole standards, or do we apply the same standard so that no one anywhere should be trampled upon their dignity, no one anywhere should be made to work against their will in the cotton fields, no one anywhere should be sterilized because of their ethnicity; that's a very simple answer.

And also then coming back to the trade agreement, I really feel that, yes, China felt quite arrogant about, you know, making that point to United States administration. And then I agree with Reinhard, they shot themselves in both legs, I mean, first, you know, by sanctioning the EY individuals and entities and then deciding, well, why not shoot our second leg and, you know, expand the sanctions

to more European countries to more people who are defending Europe human rights and to more

parliamentarians.

So, in my opinion, either they are completely disregarding the differences between the

totalitarian regime and democratic countries and feel that we have become such a superpower that we

can be completely arrogant and completely disregard us.

But then united, United States and European market, we are guite a big player and we do

have possibilities to make certain differences. And while Reinhard probably, and Miriam in European

parliament can really make a better point at that than I do, but still it's very easy to understand it.

But also talking about the standards, what Miriam mentioned also is a very big headache

for us. That's why we left in February and we have made a very clear statement, but we don't really see

the point and are participating in the 17+1 which is actually made to divide Europe and not really bring an

economic benefit.

But also, say we sign, ratify that agreement, say we feel that from our side, we are willing

to keep to it, is China really good to really adhering to international standards, to international

conventions? Are they really going to hold up their side of the bargain now?

I don't really think that we can have enough faith in that, so it's a very complex issue,

really very complex.

MR. WRIGHT: Thank you, and thank you so much for that. Reinhard, you may want to

comment on that. But I'd also like to bring in another question, too, which is on Taiwan. You know, we

have seen obviously a ratcheting up of tensions and provocations on the part of China on Taiwan

recently.

And we have a question from one of our audience members which is, if China physically

attacks Taiwan will the EU be passive in its response or take material action against the status act?

Obviously, there is a lot of space along that spectrum. It doesn't need to be, you know,

an all-out invasion. There can be different elements of coercion and pressure applied which I think is

what most, you know, experts believe China will do if it does escalate.

Could you maybe talk to us a little bit about how the EU sort of thinks about Taiwan now?

There has been maybe more links between the EU and Taiwan in the last 18 months. I was there last

year. They sort of commented on the shift in attitude from the EU.

But how do the parliamentarians and the broader European public and governments think

about the, you know, issue of Taiwan?

MR. BÜTIKOFER: Well, that's a very good question. Thank you for that. I would indeed

confirm that the attention has been shifting. For a long while, Taiwan wasn't even on the radar screen of

the European political arena. That has changed over the years and we're now in the European

Parliament but also in the national context paying more attention.

For instance, in the electoral platform of my party for the federal elections in September,

we're advocating explicitly the position that Europe should oppose any move by China to united the

country, unite the Mainland and Taiwan by military force.

This used to be a position that everybody in Europe would immediately take, but it's been

waning over the years and I think we have to get back to that very explicit position ad we're moving in that

direction.

To say that explicitly, I am not a supporter of Taiwan independence. I don't think would

help stabilizing the situation. I think we should take the attitude of supporting and defending the status

quo.

But in order to do that we have to enhance our collaboration, our support for Taiwan's

democracy to do away with some of the restrictions that we have had around Europe for not meeting the

leaders of Taiwan, for instance, also coming up with maybe a few new innovative ideas.

In an op-ed that a couple of colleagues and I published last year, we proposed, for

instance, to have a Taiwan-run Mandarin radio program in Europe. Maybe that could be a way of

connecting more with Taiwan. So this is certainly going to play a bigger role.

If you allow, Tom, I would like to make a remark answering to Steven's question that

China might be happy with seeing the CAI going down the drain because it's of no economic value for

them.

I am not completely convinced that it would be of great economic value to them, in that

much I agree with Steven. But for them it mostly has been a political affair and not an economic affairs.

And as much as it was a great geopolitical gift from European side to Xi Jinping under his

Christmas tree to conclude that deal just three weeks before the Biden administration came into office,

now that the Europeans are toughening their stance this is also a setback for China.

China meant to position itself as the central international player on plural-lateral and

multilateral trade relations. China signed the RSEP; China agreed the CAI; China wanted to pick up

conversations with Korea and Japan; China indicated they wanted to join the CPTPP.

So China meant to move into an arena that has been left by the United States, and not

being able to pull off the European agreement in the end would be a political setback for that kind of an

agenda. And, therefore, I am not sure that it would just not bother them at all.

And the last point I would like to make with regard to the question from Paul, obviously,

when China hits back and points out mistakes that we're making we should listen, just every simply, listen

and look at the facts.

If China criticizes anti-Asian racism wherever it happens, we shouldn't ignore that, we

should work on that and counter that kind of racism, otherwise, we would be guilty of double standards.

But I would not agree with the statement that says, you can only criticize a devil if you're an angel.

MR. WRIGHT: Nicely put, I might quote you on that and say it when I'm asked about this

again that last line. Thank you, Reinhard.

Miriam, if we did commented any at all just what went before, I'd like to know, especially

since, you know, Laura will be joining us in a few minutes, just ask also about the U.S-EU dimension to

this, and also the EU-Asian democracy dimension, too, and the Quad.

And, you know, what's happening in Europe, of course, is not unique to Europe,

happened in Australia, you know, particularly, over the last two years, a lot of sort of economic and

political coercion.

There is more of a collective response not on reliance, but more of an international

response. What do you think the main areas for international cooperation are between the EU and other

democracies on China?

MS. LEXMANN: Yeah, I hope maybe you can come back to some of the questions and

then answer your question, in terms of -- because I have been working in democracy support. As I said, I

worked for the International Republic Institute before I became member of the European Parliament.

And what I think what was a grave mistake of us democracies is that we believe that

through economic cooperation, we are eventually changing the regimes we cooperate with into

democracies. We believe that through this cooperation the human rights situation is getting better while

the economic situation is improving.

I mean from the perspective of the EU, I mean there was a lesson which gave us this

example from Central Eastern Europe, where I come from, Slovakia, where practically it was successful

that the slow economic cooperation slowly helped Central Eastern Europe to get on track, you know,

supported the pro-democratic processes and become full-fledged democracies.

I think years back we had to learn, and we were supposed to that this strategy no longer

works that totalitarian regimes had learned how to use the economic cooperation into support of the

regime; that the regimes practically were becoming richer but the human rights situation often even

worser because the regimes were stronger.

And our great failure is in the fact that we have seen it, but we didn't want to see it. We

knew that this is happening but because we were kind of eager to cooperate further and further

economically because obviously it was bringing us gains, too, we were unable to kind of reverse this

process.

And now we are realizing that this has turned back to us. And it's not only that we were

indirectly supporting non-democratic regimes. But these regimes learned how through this economic

cooperation started to undermine our democracies, our institutions, democratic institutions started to

influence the public opinion and turning democracies into problems.

And I think this has to be, as a starting point, when we think where we're supposed to go

next. And what I believe, and I said it many times, that sometimes we kind of shy away from our values;

that we believe that on a geopolitical level we have to act differently not to pursue the same values as

back home and I think this is a grave mistake.

I think democracies, our stronger point is actually our values, the values which brought,

built the system of democracies in our countries. And we have to act through the same values and bring

these values in our action geopolitically.

And, as in maybe one example, I mean if we are consistent on human rights, if we are

consistent on free market competition, and we would protect this in our markets vis-à-vis Chinese companies this will bring us gains because now we are realizing that actually we are losing out through

our economic cooperation with China.

But we hope that one day it is going to change. But it's not really changing, it's changing

to worse. And I think this is what we need to sit around the table as democracies and think, what is the

strategy when how to pursue our values strongly and more consistently in our cooperation with different

regimes?

And I understand it's impossible to withdraw completely now while we have to reset the

way how we cooperate and be stronger in our positions. And in terms of, number one, we have to be

step ahead. Because I just want to say one thing, we knew what is going to happen in Hong Kong.

And we are expressing our concerns again, and again, and greater concerns, and even

greater concerns. And we are unable to stop the wheel because we are unable to make a clear, clear

step. And maybe, I mean, we, as in the EU, we have not even imposed sanctions on the officials

responsible for the human rights bridges and the deterioration of the situation in Hong Kong.

And when it comes to Taiwan, we already know, and Reinhard has said it very clearly, I

mean we have to now assume what can happen and make sure that we will be absolutely clear that this

cannot happen because there will be costs.

MR. WRIGHT: Thank you. Thank you, Miriam. Reinhard, I know you have to go in a

minutes. And I'm going to be joined in a minute I think by Laura, as well. But if I could just give you an

opportunity to make any sort of final remarks and any of that, but particularly on the trans-Atlantic

dimension of this.

MR. BÜTIKOFER: Well, thank you, Tom, and I apologize for having to leave. But I

would want to highlight just one idea, one issue, which is -- and we haven't spoken about that yet, but

several very prestigious research institutions and researchers have also been hit by the sanctions:

MERICS, the largest European China think tank; Byung Uniden (phonetic) from Sweden, who is going to

head Sweden's China Competency Center; and Adrian Zenz, whom I mentioned already.

And I think it is important and I'm grateful to all of the academics and to all of the people

from the think tank world who have spoken up to defend these colleagues. But I think it is very important

also to emphasize this dimension and not just look at the politicians.

Because what China is trying to do, and Global Times has expressed that in writing, it's

trying to limit our ability to analyze what happens in China to limit our understanding of what's going on in

China, as if they wanted to say, look, the barbarians don't need to understand what we do. We'll tell them

what their role should be.

This imperial arrogance from China has to be pushed back against and I think one

elementary ingredient is indeed solidarity among people in the academic and think tank communities.

Thanks for being part of this and allowing me to also participate here.

MR. WRIGHT: Thanks, Reinhard. That's an excellent point. And I would say we did ask

the head of MERICS to join us, but he had a conflicting engagement today. But you're exactly right, and I

think we also want to send this message clearly, of course, that we will engage with those institutions and

stand with them as they are sanctioned by China.

But also just add on personal note, the last time I was in China, I think it was about three

years ago, and it was with that, on a small group delegation with Michael Kobrick, who subsequently was

arrested when he went back several months later.

And I think we, of course, also at this event should note that Michael Kobrick and Michael

Spavor still detained what I, you know, due process in China and they should be released. But thank you,

Reinhard, and feel free to stay on for as long as you want, or drop off whenever you need to.

Dovile, as we sort of -- Laura will join in in a minute. But just could you maybe just talk to

us a little bit about the trans-Atlantic dimension and how you -- and also the Asian democracy piece of

this, and how important it is for you to see real international cooperation on how to respond to actions by

China?

MS. ŠAKALIENĖ: Actually, if I could go back very shortly, while we were talking about

personal repercussions that we felt after the sanctions, actually, what may apply to us trying to intimidate

us with parliamentarians and also of academics is also applied directly to our family members.

Say, for example, my husband is a diplomat for two decades. He can never enter China;

he cannot work with China; and what happens is that this is I think very illustrative that what they apply is

these tactics so, you know, trying to punish, intimidate, and apply that, you know, to people who are not

not only innocent, but they are not even participating in the issues that are being punished for.

So, in my opinion, when we are talking about the trans-Atlantic context which is very important for us to understand that we are in the same team; that this really small European country,

Lithuania, and United States, we are playing on the same team.

We are playing for democracy. And that's why for me my country's position that we are

ceasing participation in 17+1, which I completely agree with our minister of foreign affairs when he said

this is made to divide Europe, this is a very good step in the direction of us being as unified as we can.

Next to that, European Union and United States of America is also, in my opinion, in a

dire need to make a strong bridge as we can to really resolve any questions that we can so that we could

actually make a very united position towards that are important to both of our countries.

So I am not a foreign policy analyst. I have been working with human rights and certain

security issues for many years. So, in my opinion, limited opinion, on the issues that you have asked, I'd

say that the strongest weapon -- I don't want to use that word -- but weapon seems very, you know,

undiplomatic, right -- the tool, okay.

So the strongest tool that we have is our ability to resolve our issues, our ability to

discuss, our ability to exchange the analytical information, our ability to work on both democratic and

security issues together, our ability to actually analyze with threats behind those so-called economic

benefits, our ability to see through the double agenda that is being thrown over to us.

And as I see that our next panelist has joined us, then I will add them on to this. And I'm

hoping that we can continue later.

MR. WRIGHT: Thank you, Dovile. And, yes, we're delighted to be joined by

Laura Rosenberger. Laura, thank you for joining us. I know, you know, you're super busy and we really

appreciate the time.

And I think Laura is known to most people who will be watching this, who are engaged in

these issues, Laura served in many positions in previous administrations in the State Department, and

originally, and is back now being a China expert.

But for the last four years, around the Alliance for Security and Democracy at the German

Marshall Fund and did an enormous amount of work with European allies and partners not just on the

China dimension to the challenge to democracy, but also, of course, Russia and broader challenges,

particularly in a technological space, and now as a senior director for China on the National Security

Council.

And I think it's a sign of how important this issue is, you know, here that Laura is with us

today. So, Laura, thank you for joining us.

MS. ROSENBERGER: Well, thanks, Tom, for the invitation. And it's so great to see

other friends on the screen and be able to join you all. And, sorry, for weird technical glitches here. It's a

little bit of a challenge sometimes in our space over here. I hope that we got rid of the big backlighting

there.

So, anyways, but, Tom, thank you so much for hosting this. This is such a really, really

important conversation. And, sorry, that I'm joining you partway through, but really delighted to be with all

of you today.

MR. WRIGHT: Well, thank you so much. And I'll just bring you up-to-speed a little bit,

Laura, on what we talked about, and then would love to, you know, chat for 10 or 15 minutes, and then

we'll bring Dovile and Miriam back in. Reinhard just had to drop off, made another engagement, but

passes on his best regards and appreciation for you joining this.

So we started out by talking to our three guests really about how this has affected them

personally. Because, of course, in addition to its being a geopolitical issue it's also a personal issue, it

has implications.

I think some of them are surprise, some of them are not, maybe Reinhard was expecting

it, being regularly attacked in the Global times. But Miriam maybe came a little bit more out of the blue.

But I think they have all been encouraged by the support internationally, but from in Europe, and feel that

the tide has turned a little bit on some of these discussions.

And we also talked about the implications for talking about human rights in foreign policy

and how it's important to do so, even when we deal with our own challenges, and Dovilé spoke very

eloquently about that. And we also talked about the trans-Atlantic dimension and, you know, Taiwan and

other pieces of this, too.

So I guess, Laura, my initial question to you is just, you know, how does the White House

think about the importance of, you know, what has happened with these sanctions on European

parliamentarians and think tanks, and U.K. parliamentarians and think tanks and entities, as well.

And is it sort of a crossing of the Rubicon moment? How does it fit into the broader

picture of what you're looking at geopolitically?

MS. ROSENBERGER: Well, thanks, Tom. And, again, thank you for having this

conversation because it is so critical. So let me actually start where you ended there with sort of how this

fits in that broader picture, and then zoom ion specifically to how we're thinking about, you know, Beijing's

position of these sanctions in retaliation for our collective actions.

You know, the Biden administration has been clear that working with our allies and

partners is a really central piece to our approach to China. We believe that there is so much more that

we can do together when we are working to address the challenges that we face globally, in terms of

upholding the principles of the international order, upholding the universal values that we all hold dear.

I think panelists and your audience will have likely seen President Biden's very clear

comments on the importance of values in our foreign policy, and specifically in our approach to China.

And I think that that is an area where we are seeing a lot of commonality, in particular,

with our European allies and partners, and where we see a lot of space for additional cooperation, as well

as other areas that are in our deep interests.

We have done a lot of work over the past couple of months since we came into office to

really rebuild and restore some of the foundations of our alliances and partnerships, both in Europe and in

the Indo-Pacific.

And, of course, Secretary Blinken's early trip to Europe a few weeks ago, was an

opportunity to really, you know, begin to fortify some of that work. And, of course, he was in Europe just

as all of these retaliatory sanctions were hitting.

So I see our trans-Atlantic cooperation on China as absolutely essential to dealing with

the challenge that we face from China, but also in both upping our own competitive game. I think we

often think about sort of the work with (inaudible) at least I think the framing work together with allies and

partners is sometimes framed just in terms of countering something else.

And I think it's really important that we also understand that we're for something. And our

collective actions on these sanctions was actually an example of that where we are for the values of, you

know, upholding human rights globally and are going to speak out together on those.

So I think, you know, it's within that context that we see both the collective action that we

took, you know, the EU, US, Canada, and the U.K. And I know Norway also recently aligned itself with

the EU sanctions as well.

I think this collective statement is a really, really important moment of demonstrating that

these concerns about China's human rights abuses are not held by any one country but are really shared

amongst like-minded democracies and it's really about those violations about universal values.

And Beijing's retaliatory actions, of course, are also of deep concern to us, the way in

which it impinges on academic freedoms, you know, the way in which it, you know, is trying to engage in

coercive economic activities which we have seen a number of places around the world.

And so we stand in solidarity, of course, with our friends on screen here, and others, who

have been targeted by these coercive and retaliatory actions.

MR. WRIGHT: Thank you, Laura. And, Laura, we have a number of audience questions

that have come in throughout the morning. We have been just integrating them into the conversation and

some from journalists, as well. One from Demetrius Sevastopulo of the Financial Times asks, what other

steps will Biden, the Biden administration take with allies in Xinjiang, and are allies more or less willing to

stand up to China after these most recent sanctions?

And I guess that gets to the broader question of, you know, one, how has the mood sort

of changed over the last couple of weeks? And how do you think that sort of fits into the agenda going

forward?

MS. ROSENBERGER: Thanks, Tom, and thanks, Demetri. You know, I'm not going to

speak for our allies and partners about where they're at and in their own thinking. You know, if Miriam

and Dovilė want to speak to some of that from their own perspectives, happy to do that.

I guess, from where we are at though what I would say is, look, we see, you know,

growing concern in many capitals about both China's actions in Xinjiang, as well as, again, this sort of

course of in retaliatory actions that we have seen.

Of course, it extends to some of the targeting of companies through boycott movements,

as well, within China for companies that are saying they're not going to use products that, you know, are a

result of forced labor. And so, you know, as we are across a range of different issues relating to China,

we are engaging in very regular conversations with our allies and partners about what more we may be

able to do.

I'm not going to preview any specific steps right now. But, certainly, I would say those

are ongoing conversations. I think that we see mounting concern about what, you know, about the ways

in which China is flouting international rules, and norms, and values.

And it's an area where we see opportunities to continue to build. And we believe these

are conversations we need to have together with our allies and partners to understand where each capital

is at hand, you know, be able to build as we go along.

MR. WRIGHT: Thank you. I'll bring back in Dovilé and Miriam in a minute. But just one

last question which is, you know, you have worked on Europe and on Asia. You are back on the Asia file

now, you know, democracies, you know, spread across, you know, North America, Asia, Europe have

pretty similar interests and values. There are some differences, too, of course.

But could you talk to us a little bit about, you know, how, you know, that the Quad piece

of this, you know, and the Euro piece of this, and how it all sort of fits together and if you think there is

sort of a good prospect of more trilateral or, you know, sort of democratic cooperation which I know is a

big theme of the administration, but how does that sort of unfold and in practice from where you kind of sit

and given your sort of most recent experience sort of working and these issues have maybe a little bit

more of a trans-Atlantic angle?'

MS. ROSENBERGER: Yeah, absolutely. Look, we see, you know, our allies and

partners in both Europe and in the Indo-Pacific as absolutely central to what we're trying to accomplish.

And the more connectivity that we can build between our European allies and our Indo-Pacific allies and

partners, I think the better off we're going to be.

I think that we see a lot of discussions in European capitals and in Brussels about the

ways in which Europe can be doing more in the Indo-Pacific region. I think we see the Quad as a

springboard for being able to build out additional pieces.

But I think, in general, we're looking to see, you know, as we're early days here, even

though it feels less than early, in the sense that we have been off to a sprint I think over here moving out

early on a lot of fronts.

But we're really looking to identify with each of our allies and partners, what are their

interests, what are the different pieces that they want to work with us on, where do we have vulnerabilities

that we can work together to address collectively or with one another?

And I think that we're interested in a number of different ways that we can partner in kind

of flexible arrangements that will allow us to leverage one another's strengths as best we possibly can

and to stand with one another. And so we really welcome, you know, further engagement between

Europe and the Indo-Pacific. There is a number of different efforts that we see underway that are building

those out.

I'm glad to hear you talked about Taiwan earlier as well. I think, you know, the United

States obviously consent with its One China policy, has our own, you know, unofficial relations with

Taiwan.

We think it's really important that, especially with our democratic allies, we can work to

expand Taiwan's international space for its appropriate participation in, you know, in international

institutions and to engage on areas where there is a lot of work that we can do together.

Of course, Taiwan, much like many of our European partners and allies, has experience

with things like, you know, with threats to democracy, with disinformation, with other kinds of hyper

threats. And I think there is a lot of work that can be done there to learn particular lessons on those

issues.

So we're seeing all of these different configurations as platforms to build from, but very

interested in building that broader connectivity.

MR. WRIGHT: Thank you, Laura. So I would like to bring back in Dovile and Miriam.

Miriam, maybe if we could

Start with you, but just to offer you a chance to comment on anything Laura said, but also on maybe what

your priority would be if the U.S. and the EU were to work more closely together on China, what do you

hope will be accomplished later this year?

MS. LEXMANN: Thank you very much, Tom. Hello, Laura. We know each other from

the pro-democracy and kind of support of the democracies world.

Yes, I think I mentioned it already briefly before and what I believe where it's absolutely

necessary to work is to exchange among officials and civil servants that we know each other's steps. We

can learn it from each other, so mistakes and successes when we are proposing legislation.

For example, I mentioned the due diligence which the U.S, is already ahead of us. So,

obviously, I think that what will help is really kind of a practical exchange where you see problems, where

the legislation is fractioning what needs to be maybe changed so we can kind of learn the lessons from

each other.

In terms of also the intellectual property thefts, I believe that this is an area where we

really need to coordinate and see how we can legally protect our companies because I am kind of

learning the depth of this problem only now, I mean, recently, that how much how companies are losing

out and there is no even a legal framework which is protecting their interests which are also our interests.

And I think this is an area where we definitely need to work more closely together.

Another area is there foreign investment screening to see how to do it efficiently and for, I

mean, in terms of critical infrastructure, obviously, the 5G is one of the most debated areas where I think

we need to see how we can cover it here.

I mean there is already this trans-Atlantic alliance where the U.S. with a couple of EU

member states have practically agreed that they are not going to use (inaudible), but we need to find

solution how this network is going to be built up.

Germany is investing into research. I think there is a way how to coordinate in terms of

business and research that this is being done within the trans-Atlantic community or democratic states.

Here I would also mention when I am talking about research where it was mentioned in

our debate yet, and I have tried to kind of open this issue. In many debates, it's the academic area and

research.

We need to protect our research more thoroughly. Because I think there is lots of

intellectual property already in that through our universities, through our research centers. And I think

that there is not enough of -- or we do not pay enough of attention to this.

But also I think what we need to look into is not only the protection of our market from the

work, from the products which are being done by the more slaves in China, but what I think we need to

also make sure that our technologies are not being used, for example, in order to impose violence on

people in China.

Because this is unfortunately happening that it's not only that we need to protect our

markets, but we also have to make sure that our products are not being used for human rights violations

in China, but also elsewhere in the world.

So I think these are the areas where we need to really coordinate, and I think there is one

more area. I think we have to deviate our interests. Yes?

MR. WRIGHT: Could I let you come back in one second because I just realized Dovilè

has to drop off a few minutes early. So I just wanted to give her a quick chance. We'll come back to you

in a second.

Sorry, Dovilė, I should have took you first, but I just recalled.

MS. ŠAKALIENĖ: Thank you. Actually, it's such an engaging conversation, but I just

realized that also about 20 seconds ago. So, actually, I agree with all of that Miriam said, and I would add

to that. But, well, definitely, we have certain areas that probably we could have covered better and then

we could have worked together better. But what is important is that our strategic partnership and alliance

is, in my opinion, growing stronger than ever.

So that is a very big hope on the future. And what

We couldn't do for Hong Kong, I'm hoping that we would definitely take steps that this would not happen

to Taiwan because seeing the growing levels of aggression of the imperialism of that arrogant attitude, I

am worried.

I am very openly worried. And I think that we have a lot to talk about and a lot to do

together and I understand that I'm from a very small country. But, you know, we're still proud that being a

very small country, we broke down the Soviet Union and China definitely remembers that what we see

from intel data and from the open sources, we do remember that.

So I think that, you know, every member on the team counts, and adding to what Miriam

said, definitely, I'm happy that what we are talking about, for example, investment screening, we, in

Lithuania, on national level, have built quite a strong infrastructure and we're even strengthening that.

Because, we, while we haven't forgotten what has been happen with the totalitarian regimes, they're on our skin for so many years. But next to that, I believe that we could do a lot together

informational warfare. Because, well, we have seen where that leads us.

And next to that, cybersecurity because that's definitely an area that is not covered

strategically, Europe and United States, when we are talking about hybrid threats and especially

enough currently. But we do have a lot there and somehow to balance protection of human rights.

But also protection protecting national security interests, or even I would say Western

security interests because that's very important and geopolitical field might be shifting but certain

alliances and strategic partnerships I am sure will sustain anything that is thrown at us.

So I was absolutely delighted to participate here today. And thank you, everyone, you

know, for sharing such valuable insights. I really do have a lot to think about it after this conversation.

But then I will have to talk now about Uyghurs with Turkish television. So I'm hoping that

they also remember something, maybe I'll try to remember. So thank you so much, everyone.

MR. WRIGHT: Thank you, we really appreciate you joining us. And, Miriam, I'm sorry to

have to interject. Maybe if you finish that thought and then, Laura, we can come back to you for a final

closing comment.

MS. LEXMANN: Yes, thank you. Yes, I just wanted to say a final two things. One thing

is that we need to I think deviate our business interests and cooperation from China to within the

democratic part of the world.

So we need to support stronger economic cooperation among democratic countries

because then we have at least that certain guarantees that economic profit is not either supporting human

rights deterioration or it's not undermining our democracies.

And the final thing is that we need to be more strategic, not only to look as a kind

Western democracies, vis-à-vis China, but we need to look at third countries which are exploded by

China and prepare a strategy there.

Because if there is no strategy, this is going to turn against us, too. I mean we know that

China is expanding its interests in Africa, the Balkans, the Eastern partnership countries, I mean, all

around the world, Latin America.

And if you will not have our foot in the door, then this might turn against us because if

China is going to buy the infrastructures, especially strategic infrastructure in these countries, it will be

having enormous negative impact at the global setting, and in general, and we won't be able to reverse it.

So I think this is something which is urgently needs to be addressed by democracies.

MR. WRIGHT: Thank you. Laura, do you want to add a comment to any of that and just

maybe a closing remark?'

MS. ROSENBERGER: Yeah, absolutely. Well, as always, I learn so much from my

friend, Miriam. It's so good to see here, and it was so good to hear from Dovilė, as well. So I think that

these kinds of practical areas that Miriam and Dovilė have just listed out are absolutely the pieces that we

need to be drilling down on with another across the Atlantic.

There are so many areas, whether it's investment screening, the IP theft question, how to

protect our research base while being consistent with our values, you know, these are all really, really

critical areas.

I want to pick up though on one specific piece that Miriam just point to there, which is

cooperation in third countries. Because I think this speaks to you what I was mentioning earlier, the fact

that we need to be developing together affirmative plans that are consistent with and uphold the

international rules-based order and that provide the ability for countries to be resilient to the kinds of

course of activities that we often see from Beijing in them.

And so I think this is an area where we very much welcome additional cooperation and

dialogue across the Atlantic. And I think there is a lot more for us to do there. When Secretary Blinken

was in Brussels a couple of weeks ago, he announced the relaunch of the U.S.EU dialogue on China.

And I think that will be a really important mechanism for us to be able to really drill down

on a number

Of these specific pieces. And I think it's a welcome opportunity for us to do that. I think we see it as a

really important piece of business.

And, you know, I would just say, again, I think we are, you know, very -- we have taken

some really important steps early on here in the Biden administration, but we have a lot of work to

continue to do to build on that. And so we just really look forward to standing with and working with our

European allies as we work on building out our approach to dealing with the challenge with China.

MR. WRIGHT: Thank you, Laura; thank you, Miriam; thank you also to Reinhard and Dovilé for joining us earlier, and thank you to my colleague, Inacio, for putting all of this together, we really appreciate it.

And we look forward to remaining engaged, obviously, at all of these issues and also at a future point hopefully to doing something with some of the European think tanks who are also subject to these sanctions. But thank you all for joining us. Thank you also to the Robert Bosch Stiftung for their partnership on this event.

And, with that, we are adjourned. Thank you.

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