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**THIS ACTION IS FUNDED BY THE EUROPEAN UNION**

**ANNEX III**

to the Commission Implementing Decision on the financing of the annual action plan in favour of China for 2024, under the Multiannual Indicative Programme for the Asia-Pacific region

**Action Document for European Perspectives on Digital China (EPDC)**

**ANNUAL PLAN**

This document constitutes the annual work programme within the meaning of Article 110(2) of the Financial Regulation, within the meaning of Article 23 of the NDICI-Global Europe Regulation.

## 1 SYNOPSIS

### 1.1 Action Summary Table

<b>1. Title CRIS/OPSYS business reference Basic Act</b>	European Perspectives on Digital China (EPDC) OPSYS number: ACT-62500 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
<b>2. Team Europe Initiative</b>	No
<b>3. Zone benefiting from the action</b>	The action shall be carried out in the European Union Member States and the People's Republic of China.
<b>4. Programming document</b>	Regional Multi-Annual Indicative Programme for Asia and Pacific (2021-2027)
<b>5. Link with relevant MIP(s) objectives / expected results</b>	<p>This Action will support the implementation of the Specific Objective 1 of the China section in the Regional Multi-Annual Indicative Programme for Asia and the Pacific (RMIP, 2021-2027):</p> <p>SO 1: Promote European values and interests in the bilateral relations with China, in line with the multi-faceted approach.</p> <p>The Action will contribute, in particular, to the following Expected Results:</p> <ul style="list-style-type: none"><li>• ER 1.1: Monitor and promote human rights, fundamental freedoms, peace and security both in China and in partner countries, and increase awareness among stakeholders in China of the EU, its values, principles, and its system of governance, including on rule of law, human and labour rights, fundamental freedoms as well as international norms and standards notably on the digital front.</li><li>• ER 1.2: Increased frequency and/or more efficient preparation and follow-up of high-level dialogues and sectoral dialogues, and enhanced people-to-people ties (e.g. culture and education, and research) and facilitated coordination on reciprocal mobility, migration and people-to-people exchanges including on right-based migration management and civil society exchanges.</li><li>• ER 1.3: Improved market access, level playing field and fair and equal treatment for European businesses operating in China and competing with Chinese businesses in partner countries.</li></ul>

	<ul style="list-style-type: none"> <li>ER 1.4: Strengthened digital agenda in support of the EU's rules-based, multilateral, human-centric and market-driven approach to Artificial Intelligence, 5G, ICT standardization, data protection, research and innovation and the tackling of online fraud.</li> </ul>			
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>				
<b>6. Priority Area(s), sectors</b>	Priority Area 2 – Pursuing EU Interests with Key Partners  151 - Government & Civil Society-general			
<b>7. Sustainable Development Goals (SDGs)</b>	Main SDG (1 only): Goal 9: “Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation” Other significant SDGs (up to 9) and where appropriate, targets: Goal 5: “Achieve gender equality and empower all women and girls”			
<b>8 a) DAC code(s)</b>	151 - Government & Civil Society-general 15110 – Public sector policy and administrative management			
<b>8 b) Main Delivery Channel</b>	Channel 1: 60000 – Private sector institutions			
<b>9. Targets</b>	<input type="checkbox"/> Migration <input type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance			
<b>10. Markers (from DAC form)</b>	<b>General policy objective @</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Climate change adaptation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>11. Internal markers and Tags</b>	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Digitalisation @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	digital connectivity	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	/
	digital governance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	digital entrepreneurship	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	digital skills/literacy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	digital services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Connectivity @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	digital connectivity	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	/
energy	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
transport	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
health	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
education and research	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Migration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Reduction of Inequalities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>BUDGET INFORMATION</b>				
<b>12. Amounts concerned</b>	Budget line: 14.020131 Total estimated cost: EUR 3 000 000 Total amount of EU budget contribution: EUR 3 000 000			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>13. Type of financing</b>	<b>Direct management</b> through Procurement			

## 1.2 Summary of the Action

Digital technologies today represent key geo-strategic and geo-economic assets for all global powers. The EU and China are active competitors on digital technologies, with similar priority areas for investments (Artificial Intelligence, semiconductors, 5G, the data economy). In China, such competition is often set in an uneven level playing field for EU companies. Chinese data and cybersecurity legislation is a particularly complex aspect, as several new laws and policies on data security, data privacy, data exports, pose serious challenges for compliance by EU companies. The geopolitical situation – in particular Russia's aggression against Ukraine – has added further elements of complexity, including on aspects such as cyber-attacks and disinformation.

Furthermore, China and the EU are also proposing different approaches on global internet governance and as regards tech investments in the Global South. In 2015, China launched its Digital Silk Road (DSR) initiative, as a technological dimension of its Belt and Road Initiative (BRI)<sup>1</sup>. Through DSR, China channels investments in third

<sup>1</sup> [http://www.scio.gov.cn/zfbps/zfbps\\_2279/202310/t20231010\\_773734.html](http://www.scio.gov.cn/zfbps/zfbps_2279/202310/t20231010_773734.html)

countries' telecommunications networks, artificial intelligence capabilities, cloud computing, e-commerce and mobile payment systems, surveillance technology, smart cities, and other high-tech areas. These target in particular the Global South and are largely driven by China's big tech companies.

Against this backdrop, in a number of recent official documents and statements<sup>2</sup>, not least the Economic Security Strategy<sup>3</sup>, the Commission underlined the importance for the EU to reduce its dependency and de-risk its economy from third countries, notably China, and to diversify supply chains. To do so, the EU should be able to rely on independent data and analysis on China's digital and technological trends and transformation with implications for European economies and stakeholders.

By analysing the country's specific policies, progress and strategic investments on digital technologies (both domestically and in third countries), this Action will help build up knowledge and facilitate exchanges among European researchers/ experts on the role of China in this area and advise EU policy makers about their future strategic decisions. The Action will bring together a pool of European experts and researchers of different backgrounds, combining technical expertise relating to China's digital and technological developments with a sound understanding of the evolving geopolitical context.

### 1.3 Zone benefitting from the Action

The Action shall be carried out in the European Union Member States and the People's Republic of China.

## 2 RATIONALE

### 2.1 Context

The European Council Conclusions of 30th June 2023 on China<sup>4</sup> reaffirmed, along with the Foreign Affairs Council of October 2022 and the "EU-China Strategic Outlook - Joint Communication" of March 2019<sup>5</sup>, the validity of the EU's multifaceted policy approach towards China, where it is simultaneously a partner, a competitor and a systemic rival. This approach has served to address the different aspects of the relationship, through a period when economic and political relations have required flexibility and agility in bilateral dealings with China. It also kept open the space for bilateral engagement on matters of common or global interest. In recent years, there has been an intensification of the systemic rivalry and competition dimensions in the face of sanctions, economic coercion against Lithuania, heightened tensions across the Taiwan Strait and China's positioning on Russia's war against Ukraine. Continuing to consolidate unity across all aspects of the relationship remains crucial for the EU's capacity to maintain credibility and leverage. At the same time, EU unity should aim at balancing realistic and robust engagement with well-managed systemic rivalry and competition with China in support of core EU interests and values.

Readjusting and recalibrating are necessary in light of the evolving circumstances, including China's own actions and posture. In her 2023 State of the Union speech, President von der Leyen underlined the importance for the EU to keep open lines of communication and dialogue with China on topics where cooperation is needed. At the same time, it is critical to de-risk (not de-couple) our relations with China through diplomatic and economic means to reduce vulnerabilities and increase resilience.

At the 24th EU-China Summit in December 2023, the EU stressed the two sides' joint responsibility to ensure a transparent and competitive environment for the digital economy, including a level playing field for artificial

<sup>2</sup> [https://ec.europa.eu/commission/presscorner/detail/en/IP\\_23\\_3358](https://ec.europa.eu/commission/presscorner/detail/en/IP_23_3358);  
[https://ec.europa.eu/commission/presscorner/api/files/document/print/en/ip\\_23\\_4488/IP\\_23\\_4488\\_EN.pdf](https://ec.europa.eu/commission/presscorner/api/files/document/print/en/ip_23_4488/IP_23_4488_EN.pdf);  
[https://ec.europa.eu/commission/presscorner/detail/en/speech\\_23\\_2063](https://ec.europa.eu/commission/presscorner/detail/en/speech_23_2063);  
<https://www.consilium.europa.eu/en/press/press-releases/2023/12/07/24th-eu-china-summit-engaging-to-promote-our-values-and-defend-our-interests/>.

<sup>3</sup> <https://digital-strategy.ec.europa.eu/en/news/commission-recommends-carrying-out-risk-assessments-four-critical-technology-areas-advanced>

<sup>4</sup> <https://data.consilium.europa.eu/doc/document/ST-7-2023-INIT/en/pdf>

<sup>5</sup> <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A52019JC0005>

intelligence that respects human rights and fundamental freedoms. The EU also underscored the common goal of avoiding fragmentation of standards for information and communication technologies<sup>6</sup>.

According to official Chinese data, the scale of China's digital economy reached about 6.6 trillion euros in 2022<sup>7</sup>. The number of Chinese internet users is now well over one billion, and the country's internet penetration rate has reached 75.6% of the total population. The digital economy and the tech value chains are driving China's post-pandemic efforts towards economic recovery.

On a global scale, China aims in particular at further increasing its influence in international standard setting bodies, such as the International Organization for Standardisation (ISO), the International Electro-technical Commission (IEC), or the International Telecommunication Union (ITU).

In this light, the present action aims at strengthening the EU's Digital Agenda, providing evidence for discussions at the High-level Digital Dialogue, as well as improving the market access and the level playing field for European businesses operating in China and competing with Chinese businesses in partner countries.

By informing and supporting the EU and Member States' policymaking and strategic decisions on the evolution of China's digital policy, technological advancement and market developments, this Action will contribute to the EU's de-risking strategy and strategic autonomy, tech competitiveness and will support Europe's supply chain resilience and help to address possible strategic dependencies.

## 2.2 Problem Analysis

Digital transition is one of the key priorities of the geopolitical Commission (2019-2024) led by President von der Leyen, together with the green transition and a stronger Europe in the world, among other issues. In March 2021, the Commission adopted a Communication on the "2030 Digital Compass: the European way for the Digital Decade"<sup>8</sup>. It sets out a vision and targets for a successful digital transformation of Europe by 2030. It proposes to agree on a set of digital principles, to rapidly launch important multi-country projects, and to prepare a legislative proposal setting out a robust governance framework, to monitor progress. On the global stage, the EU will continue promoting a human-centred digital agenda as well as alignment or convergence with EU norms and standards, notably through Global Gateway<sup>9</sup>.

During her visit to China in April 2023, President von der Leyen further emphasised the need for the EU to reduce dependencies and increase resilience, included in the digital and technological sectors. Some of these dependencies already raise significant risks for the EU, such as the export of sensitive emerging technologies. In light of this, she announced the Union's intention to engage in de-risking (not de-coupling) from China by addressing the risk of dependencies through the diversification of Union's trade and investment relations. The importance of de-risking and reducing critical dependencies and vulnerabilities was also emphasised in the June European Council Conclusions on China. An "Economic Security Strategy"<sup>10</sup> was then released on 20 June 2023 to address key digital and tech areas such as microelectronics, quantum computing, robotics, artificial intelligence, and biotech as well as the use of export controls or investment screening to prevent the leakage of sensitive technologies for military purposes. Further, the Commission Recommendation of 03 October 2023<sup>11</sup> on critical technology areas for the EU's economic security for further risk assessment with Member States identifies identifies four technology areas that are considered highly likely to present the most sensitive and immediate risks related to technology security and technology leakage: Advanced Semiconductors technologies (microelectronics, photonics, high frequency chips, semiconductor manufacturing equipment); Artificial Intelligence technologies (high performance computing, cloud and edge computing, data analytics, computer vision, language processing, object recognition); Quantum technologies (quantum computing, quantum cryptography, quantum communications, quantum sensing and radar); Biotechnologies (techniques of genetic modification). This complements the efforts

<sup>6</sup> <https://www.consilium.europa.eu/en/press/press-releases/2023/12/07/24th-eu-china-summit-engaging-to-promote-our-values-and-defend-our-interests/>

<sup>7</sup> [http://english.scio.gov.cn/m/in-depth/2023-11/10/content\\_116806911.htm](http://english.scio.gov.cn/m/in-depth/2023-11/10/content_116806911.htm)

<sup>8</sup> COM(2021) 118 final

<sup>9</sup> JOIN(2021) 30 final

<sup>10</sup> JOIN(2023) 20 final

<sup>11</sup> C (2023) 6689 final

under the “New EU Standardisation Strategy”<sup>12</sup> presented by the Commission in February 2022 and aiming at ensuring European leadership in global standards, working closely with EU Member States and standardisation bodies and organisations.

International standards, and possible Chinese deviations from them, can have significant effects on EU competitiveness and its traditionally strong role in standards setting. It is therefore important to monitor and understand the trend of Chinese standardisation activities in tech sectors and within standardisation bodies and organisations through this Action, also supporting the work of the EU and its Member States under the New Standardization Strategy. This should include coordination with the Seconded European Standardisation Expert in China (SESEC), another EU-financed project.

In response to these challenges, this Action aims at improving the understanding of China’s policies and investments in digital technologies, bringing together European researchers/ experts (including PhD students, etc.) and informing EU policy makers for future policies and investments to support the competitiveness of EU businesses.

The Action will address the increasing knowledge gap about China’s digital evolution and investments within European researchers and policy makers.

This Action will contribute to improving awareness in Europe of China’s growing technical and digital role globally as well as to foster the development of a solid network of European experts, including younger experts, able to provide EU-based perspectives on the future of digital technologies.

#### **Main stakeholders**

The Action will engage mainly EU stakeholders (academia, think tanks, private sector organisations/ companies, NGOs, professionals involved in digital and tech activities in China, law firms, consulting firms, etc.).

The outcomes of the activities will provide inputs to European policy makers (European Commission, EEAS, Member States policy makers, etc.).

European civil society and local authorities will be engaged whenever relevant, for instance by being involved in gaining access to the insights produced by the action or through events, seminars, and training courses.

## 3 DESCRIPTION OF THE ACTION

### 3.1 Objectives and Expected Outputs

The **Overall Objective** of this action is to increase the resilience of the EU bilateral relations with China in the field of digital policies and technologies.

The **Specific Objectives** of this action are:

1. To improve strategic understanding of European stakeholders and policy makers on China’s digital and technological developments (both on policies/strategies and investments), both domestically and in thirds countries as part of its Digital Silk Road/Belt and Road Initiative.
2. To enhance the role of EU experts and researchers specializing in China's digital and technological agenda in informing EU bilateral and connected policies.

The **Outputs** to be delivered by this action contributing to the corresponding Specific Objectives are:

- 1.1 Improved availability of quality, evidence-based, analysis on China’s digital and technological developments, and their timely and targeted dissemination among relevant European stakeholders.

<sup>12</sup> COM/2022/31 final



1.2 Improved availability and quality of advisory services on China's role in the digital and technological domain for EU policy-making.

1.3 A structured, operational and sustainable network of EU experts and researchers specialising in China's role in the digital and technological domain is established.

### 3.2 Indicative Activities

This Action will support the development a **network of experts and researchers** (including from academic institutions, think-tanks, research centres, law firms, consulting firms, or other companies) from several EU Member States. This should include European experts of different backgrounds and EU nationalities, with undisputed expertise on China's digital and technological developments (on issues such as microelectronics, telecom networks, artificial intelligence, data and cloud, cybersecurity, platforms, media and content, standardisation). A significant portion of such experts should have a good understanding of Mandarin Chinese.

These experts will be involved in the following activities:

#### **For the Specific Objective 1:**

- **Studies and reports:** The network, in close cooperation with the EU Delegation to China and the relevant European Commission services, will conduct i) large in-depth studies and regular monitoring tools, focusing on specific aspects of China's digital and tech developments and their implications for the EU, primarily aimed at policymakers; ii) regular ad-hoc reports upon specific requests. At least one report should be focused on gender-related issues (e.g., gender-based online hate speech in China, presence of female professionals in China's digital economy etc.).
- **Ad hoc analyses and advice:** The network will provide ad-hoc analyses, advice, and support to the EU (Delegation and Member States) and the relevant Commission services via punctual meetings, calls, video-calls, emails etc. on the aspects covered by the action.
- **Fact-finding missions in third countries:** The network will organise every year one fact-finding mission to one third country/region. The country/region will be selected in close cooperation with the EU Delegation, Member States and the relevant Commission services. The mission will include field visits, interviews and various contacts and research activities and be followed by a report discussing its main findings and implications.

#### **For the Specific Objective 2:**

- **Outreach, communication, events, training:** The network is expected to become a reference for expertise on China's digital and tech. Appropriate attention and resources to outreach, communication, and promotion activities will be given vis-à-vis EU policymakers, academia, companies, specific professional categories, etc. Communication tools could include a corporate identity, a website and social media profiles. Other outreach and communication activities may be considered such as seminars and webinars, publications, videos, podcasts as well as an annual conference, as appropriate and within the limits of the risks related to confidentiality as identified below.
- **Mentoring programme/traineeship:** The network will select two young researchers per year with a proven knowledge and interest for digital and tech in China for a mentoring/traineeship programme. Such programme will include their participation and contribution to activities within this action. The selected researchers should also be supported in their integration into the community of digital China experts.

### 3.3 Mainstreaming

#### **Environmental Protection & Climate Change**

**Outcomes of the SEA screening** (relevant for budget support and strategic-level interventions)

This is not applicable for this action.

**Outcomes of the EIA (Environmental Impact Assessment) screening** (relevant for projects and/or specific interventions within a project)

The EIA (Environment Impact Assessment) screening classified the action as Category C (no need for further assessment).

**Outcome of the CRA (Climate Risk Assessment) screening** (relevant for projects and/or specific interventions within a project)

The Climate Risk Assessment (CRA) screening concluded that this action is no or low risk (no need for further assessment).

### **Gender equality and empowerment of women and girls**

As per the OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that particular attention will be given to better understand the involvement and role of women in the digital transformation in China. The country has experienced a tremendous growth of e-commerce and of its digital economy in recent years. The impact of this transformation on women in general is still difficult to understand and to analyse. It is suggested under this action to conduct a study focused on gender-related issues in China's digital sector.

### **Human Rights**

Given the large spectrum and possible applications of technologies – especially in a technologically-advanced country like China – the Action is expected to bring useful insights on aspects such as human rights, youth, democracy, conflict sensitivity and resilience.

### **Disability**

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that the action does not propose any activity concerning any disability, nor contribute to this DAC.

### **Reduction of inequalities**

Respect for human rights is a fundamental value of the European Union. The design and implementation of the Action will give attention to those who are most marginalised, excluded or discriminated against and living in vulnerable situations as appropriate.

### **Democracy**

All activities will aim to strengthen the inclusiveness of policy dialogues with the Chinese counterparts, as well as to emphasise the importance of the rule of law, good governance, transparency and anti-corruption.

### **Conflict sensitivity, peace and resilience**

Monitoring the promotion of human rights, fundamental freedoms, peace and security both in China and in partner countries will be considered as appropriate.

### **Disaster Risk Reduction**

Building resilience and preventing disaster are primarily relevant in China when it comes to natural disasters. Digital solutions can play a role in disaster mitigation efforts, particularly in pre-disaster investment in infrastructure but also to increase our ability to reduce the impacts of a disaster and to possibly accelerate recovery pace after disaster strikes. The action may provide some learning about the link between DRR and digital developments and technologies in China.

## **3.4 Risks and Lessons Learnt**

<b>Category</b>	<b>Risks</b>	<b>Likelihood</b>  (High/ Medium/	<b>Impact</b>  (High/ Medium/	<b>Mitigating measures</b>



		<b>Low)</b>	<b>Low)</b>	
Political risk	Possible pressure from China's authorities on persons and entities involved in the implementation of the project	M	M	The EU will take appropriate measures to ensure confidentiality on the project, of the persons and entities involved and information produced by the activities of the programme.
Confidentiality	Leakages of information leading to possible political fallouts	M	M	Stakeholders involved will be briefed in advance to ensure that the sensitivity of the project is well understood and to allow for careful handling of the information collected/ produced.
Confidentiality	Limited access to information	M	M	The action will build on existing networks of experts and their available contacts and local networks as well as on academia and think tanks, to fill potential information gaps.

#### **Lessons Learnt:**

Based on previous research and analytical assignments in this policy area, it is very important to sign confidentiality agreements with network members who will work on sensitive data collection. This will help to prevent leakages of information/data.

Furthermore, it is essential to ensure that experts are adequately briefed and aware of the risks involved in this project, regarding conflicts of interest and other China-specific risks (such as safety and security of the information).

### **3.5 The Intervention Logic**

By setting up a European network of experts on digital developments in China, this action will reinforce the EU's possibility to access updates and insights from a European perspective on this highly strategic area.

For example, it will inform the EU and Member States' policymaking and strategic decisions on the evolution of China's policy, technological advancement and market developments on digital and tech, hence contributing to the EU's de-risking strategy and strategic autonomy, tech competitiveness. IF better information on China's digital market and policies, industrial Internet plans, standardisation strategies, platform economy will be available, THEN the resilience of Europe's supply chain will be increased and possible dependencies will be addressed.

It is expected that the action will contribute to better awareness in Europe of China's growing technical and digital role globally and will help to inform EU and Member States' strategies to enhance Europe's competitiveness and support its values and vision in the digital domain. This will be done for instance by reaching out to a broader range of relevant EU stakeholders and, when appropriate, citizens, on the implications of China's digital and tech developments on Europe's economies, societies, and political systems will also be important in that respect.

Part of the action will be devoted to gaining a better understanding of China's tech investments in third countries through its Digital Silk Road. This makes it relevant to inform the development of Global Gateway initiatives.

### 3.6 Logical Framework Matrix

This indicative logframe constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract linked to this AD, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

Results	Results chain (a): Main expected results (maximum 10)	Indicators (a): (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
<b>Impact</b>	To increase the resilience of the EU bilateral relations with China in the field of digital policies and technologies.	Number of reports and updates on China's digital and technological trends and transformation shared with EU stakeholders	Zero (2024)	2 per year (2028)	Project progress reports	<i>Not applicable</i>
<b>Outcome 1</b>	1. To improve strategic understanding of European stakeholders and policy makers on China's digital and technological developments (both on policies/strategies and investments), both domestically and in third countries as part of its Digital Silk Road/Belt and Road Initiative.	1.1 Number of reports which are approved	1.1 Zero (2024)	1.1 2 per year (2028)	1.1 Project progress reports	European experts are able to gain sufficient access to information sources on China's digital and tech policies, investments and developments.  The quality of the data and information collected and the analysis is satisfactory.  EU experts are interested and motivated to be part of the network and to participate in planned activities.
<b>Outcome 2</b>	2. To enhance the role of EU experts and researchers specializing in China's digital and technological agenda in informing EU bilateral and connected policies	2.1 Number of consultancies solicited from Governments/other EU institutions to the network of the experts  2.2 Number of cooperation initiatives/ projects among institutions members of the network to foster long term collaborations	2.1 TBD (2024)  2.2 TBD (2024)	2.1 TBD  2.2 TBD (2028)	2.1 Reports and internal documents from the members of the network  2.2 Reports and internal documents from the members of the network	
<b>Output 1 relating to Outcome 1</b>	1.1 Improved availability of quality, evidence-based, analysis on China's digital and technological developments, and their timely and targeted dissemination among relevant European stakeholders.	1.1.1 Number of stakeholders reached in events organized with the support of the EU to present the studies and reports to EU institutions and Member States (by sex and other relevant criteria)  1.1.2 % of stakeholders aware of the knowledge products developed with the support of the EU who rate	1.1.1 0 (2024)  1.1.2 0 (2024)  1.1.3 0 (2024)	1.1.1 16 (2028)  1.1.2 TBD at the inception phase	1.1.1 Progress reports of the EU-funded intervention  1.1.2 Progress reports of the EU-funded intervention	

		<p>the contents as innovative/strategic/relevant</p> <p>1.1.3 % participants' who are satisfied with the events organized (out of those who chose 4 or 5 from a scale from 1=lowest to 5 highest), disaggregated by sex and type of organisation</p> <p>1.1.4 Number of fact-finding missions to third countries organized with the support of the EU</p>	1.1.4 0 (2024)	<p>1.1.3 TBD at the inception phase</p> <p>1.1.4 3 (2028)</p>	<p>1.1.4 Survey conducted</p> <p>1.1.4 Progress reports of the EU-funded intervention</p>	
<p><b>Output 2</b></p> <p><b>relating to Outcome 1</b></p>	<p>1.2 Improved availability and quality of advisory services on China's role in the digital and technological domain for EU policy-making.</p>	<p>1.2.1 Number of in-depth studies finalized by experts with the support of the EU in response to advisory services requested that meet the terms of reference and quality standards</p> <p>1.2.2 Number of reports produced with the support of the EU in response to advisory services requested that meet the terms of reference and quality standards</p> <p>1.2.3 Status of the gender perspective analysis in the digital sector in China</p>	<p>1.2.1 0 (2024)</p> <p>1.2.2 0 (2024)</p> <p>1.2.3 A gender perspective analysis in the digital sector in China is not available (2024)</p>	<p>1.2.1 6 (2028)</p> <p>1.2.2 6 (two per year) (2028)</p> <p>1.2.3 A gender perspective analysis in the digital sector in China is completed according to standards and terms of reference , approved and and disseminated (2028)</p>	<p>1.2.1 Progress reports of the EU-funded intervention</p> <p>1.2.2 Progress reports of the EU-funded intervention</p> <p>1.2.3 Progress reports of the EU-funded intervention</p> <p>1.2.4 Satisfaction survey after the</p>	

		1.2.4 % of beneficiaries from advisory services provided with tech support of the EU who are satisfied with the service provided (out of those who chose 4 or 5 from a scale from 1=lowest to 5 highest), disaggregated by sex and type of organisation	1.2.4 0% (2024)	1.2.4 TBD at inception phase (2024)	service is completed	
<b>Output 1 relating to Outcome 2</b>	2.1 A structured, operational and sustainable network of EU experts and researchers specialising in China's role in the digital and technological domain is established.	<p>2.1.1 Number of visits to (think tank, academic) partners of the network in EU Member States organized with the support of the EU</p> <p>2.1.2 Status of the network</p> <p>2.1.3 Number of people reached with EU-funded awareness raising campaigns, disaggregated by sex and Member State (core OPSYS indicator, line 1433)</p> <p>2.1.4 Number of young researchers mentored by the EU-funded intervention with increased knowledge and/or skills on research on Chinese digital policies and investments, disaggregated by sex and Member State.</p>	<p>2.1.1 0 (2024)</p> <p>2.1.2 A network does not exist (2024)</p> <p>2.1.3 0 (2024)</p> <p>2.1.4 0 (2024)</p>	<p>2.1.1 120 (2028)</p> <p>2.1.2 Established and operational (2028)</p> <p>2.1.3 TBD at the inception phase</p> <p>2.1.4 6 (2028)</p>	<p>2.1.1 Progress reports of the EU-funded intervention</p> <p>2.1.2 Progress reports of the EU-funded intervention</p> <p>2.1.3 Progress reports of the EU-funded intervention</p> <p>2.1.4 Pre- and post-training test reports</p>	

## 4 IMPLEMENTATION ARRANGEMENTS

### 4.1 Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the People's Republic of China.

### 4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of adoption by the Commission of this Financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

### 4.3 Implementation Modalities applicable for Project modality

The Commission will ensure that the EU rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.

#### 4.3.1 Direct Management (Procurement)

The procurement will contribute to achieving Specific Objectives under Section 3.1. The global budgetary envelope reserved for procurement is indicated in section 4.5.

#### 4.3.2 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option)

In case procurement envisaged under section 4.3.2 cannot be implemented as planned, this action may be implemented in indirect management with an entity. In such circumstances, the following criteria would apply:

- experience in working with public authorities and networks;
- experience in promoting alignment of EU interests, policies and values in partner countries;
- expertise in providing analytical advisory services, capacity building and/or technical assistance to public and private sectors in the field of digital technologies;
- deep knowledge of the China context.

### 4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

### 4.5. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)



<b>Implementation modalities</b> – cf. section 4.3	
<b>“European Perspectives on Digital China (EPDC)”</b> , composed of	
Procurement (direct management) – cf. section 4.3.1	N.A
<b>Procurement (direct management)</b> – total envelope under section 4.3.1	3 000 000
<b>Evaluation</b> – cf. section 5.2 <b>Audit</b> – cf. section 5.3	may be covered by another Decision
<b>Contingency</b>	N.A.
<b>Totals</b>	3 000 000

## 4.7 Organisational Set-up and Responsibilities

A dedicated steering committee will be set up. This steering committee will act as advisory and reporting mechanism in order to provide the strategic and policy guidance needed to ensure smooth project implementation for each of the designated focus of the action.

The steering committee will meet at least once a year and will define the priority work streams to be addressed. The steering committee will review and endorse annual work plans, monitor project outputs and achievements and provide advice on how to address obstacles and challenges identified during implementation. The steering committee, whose composition will be further detailed in the legal commitments, will comprise the relevant sections of the Delegation representing DG INTPA, DG CNECT, DG TRADE and DG GROW, as well as the implementing partner (contractor). Participation of EU HQ will be encouraged through virtual platforms. Private sector organisations and networks, civil society, including women organisations, will be consulted and involved in the implementation of the action, as appropriate.

EU Member States and other donors and stakeholders with an interest and/or active in the issues addressed may be invited to join the SC as observers. Full details of the operation of the Steering Committee and Programme Board will be outlined in the programme documents.

The coordination mechanism composed of Commission services managing actions with possible synergies with this one (i.e. DG INTPA, NEAR, FPI) and the EEAS will be kept up-to-date on any activities under this action that are relevant to dedicated strategic communication and/or public diplomacy actions. The identification of possible synergies with other actions will be shared by members of this coordination mechanism with the main governing body, the steering committee, including DG CNECT (in the lead of this action). The implementing partner or other relevant sections in the EU Delegation will facilitate the organisation of policy dialogue meetings, under the chairmanship of the Head of EU Delegation.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action and may sign or enter into joint declarations or statements for the purpose of enhancing the visibility of the EU and its contribution to this action and ensuring effective coordination.

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## 5 PERFORMANCE MEASUREMENT

### 5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner’s responsibilities. To this aim, the implementing partner shall

establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

The implementing partners are responsible for day-to-day monitoring and reporting based on the agreed indicators in the logframe. It includes entering the logframe in OPSYS at the beginning of the project as well as the current values on an annual basis. For baseline and/or endline targets that need to be defined for specific indicators, the implementing partners shall take the responsibility to collect data using appropriate tools including surveys and present the results in the progress report for approval by the contracting authority. Funding for the baseline and endline data collection will be incorporated into the overall budget within the implementing partners. Adjustments to the agreed indicators will be subject to a discussion and approval of the contracting authority. The contracting authority will also be responsible for the approval of interim progress reports including the updated current values of the logframe indicators in OPSYS.

Stakeholder engagement will be ensured by appropriate governance mechanism and communication and engagement strategy, monitored closely by the contracting authority during contract implementation.

The data collected will take into consideration the gender perspective.

## 5.2 Evaluation

Having regard to the nature of the action, a mid-term and final evaluations may be carried out for this action or its components via independent consultants contracted by the Commission.

- A mid-term evaluation may be carried out for problem solving and learning purposes, in particular with respect to the establishment and effective functioning of the network.
- A final evaluation may be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the action can be considered as a pilot and the network needs to be financially and operationally sustainable.

The Commission shall inform the implementing partner at least two months in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

The financing of the evaluation may be covered by another measure constituting a Financing Decision.

## 5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

## 6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

In line with the 2022 “[Communicating and Raising EU Visibility: Guidance for External Actions](#)”, it will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union’s support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.