

## Q&A

Moderator (Roy):

- Thank you very much, Ambassador Cong. We want to start the Q&A session now but I'd like to start by saying how much I appreciate the very broad overview that you've given on Canada-China relations and China's development over the past 70 years. And if I could, we have invited our participants to send questions over the past several days, and we have quite a list, and I'll try to go through them grouping them more or less together and several of the participants are now writing and adding new ones, so you'll see bouncing back and forth between questions. I'll be trying to integrate the new ones that come in.
- You mentioned Madame Meng's situation very much as a keystone in the improvement of the future relationships between Canada and China. I think it's fair to say that the Canadian government and many Canadians feel that the treatment of the two Michaels is similar for us, that is difficult for the country to embrace former relations and working towards develop our potential that's there as long as they too are in very difficult detention circumstances in China. Now, in the past, Chinese officials have indicated that there's no link between the arrest of the two Michaels and Madame Meng. And I wonder if you could clarify what Canada might do to improve their conditions of detention and eventually get to their release, if there is no relationship with Madame Meng.

Ambassador Cong:

- First, I would like to point out once again that the two Canadian citizens, Michael Kovrig and Michael Spavor, were arrested and prosecuted by the Chinese competent authorities in accordance with law for suspected of engaging in activities endangering China's national security. The facts are clear and evidence solid and sufficient. The Chinese judicial authorities have been handling the cases in strict accordance with law and at the same time protecting their lawful rights.
- So in our all communications with the Canadian side, we have made it very clear that Canada should respect the rule of law and China's judicial sovereignty.

- And as we have emphasized many times, the nature of these two cases are totally different from that of Meng Wanzhou's incident.
- For those two Canadian citizens, we are handling the cases according to law, and also I would like to point out that we are doing what we can within our legal framework to make sure that their lawful rights are protected. And especially against the backdrop of COVID-19, we have made some special arrangements for them. So there was some hyping up of the stories in the news media of the so-called "mistreatment" of those two Canadian citizens such as their reading glasses have been taken away and they are not allowed to have reading materials. That actually is not the truth. And they are entitled to the correspondence, you know, like those transfer of letters with their families and the outside. So we could also see that some family members of Mr. Kovrig had published in the newspapers his letters. There's nothing like we are cutting off the communication for those two Canadian citizens.
- So we are doing what we can to make sure that their lawful rights are protected.

Moderator:

- Thank you. I wonder if you could clarify one point on that, our understanding is that our embassy has requested or has not had been, not had any consular services, and the argument being that it's too dangerous at the time of COVID-19, but there are possibilities doing it by telephone or by Chinese equivalent of Zoom, Wechat I guess, and I wonder if you could.... you mentioned that there were some special arrangements that have been made. Are these kinds of things that you're referring to?

Ambassador Cong:

- For the consular visits, we are making sure that the Canadian side, has the access to that. So from the very beginning of the detention, we have granted many times this kind of consular access and including those senior diplomats as your ambassador. Only because of COVID-19, we have suspended the consular visits, just because of the consideration for the good health of the people. And as soon as the situation gets better, we will

resume the consular visits and we can make sure that will happen. And we also have communication with the people on the Canadian side. We are having a lot of discussions.

Moderator:

- Thank you. One last question on this, we see in 2014, a Hong Kong court with a British judge acquitted Huawei of trading illegally with Iran. And that if we take that as a statement of fact, it seems to be in Hong Kong court with a British judge, do you have any understanding of why it is that Canada would have accepted the request? I mean is there some sense that the U.S. may have been doing jurisdiction shopping trying to find some country, any country that would do it?

Ambassador Cong:

- We have argued from the very beginning that Madame Meng's detention was highly political, it is a political incident brought by the United States.
- And even the people here, the law enforcement agency, RCMP, had admitted in one of its papers that it believes the case itself, the detention itself is highly political in nature.
- So the United States and Canada, actually in the pretext of their extradition treaty, took those compulsory measures against Madame Meng. It's a kind of abuse of the treaty. So Madame Meng had been detained even though she had broken no Canadian law. So that's why we believe it violates seriously the lawful rights of the citizens of China and the rights of our enterprises. That's why we are firmly against this kind of act and asked the Canadian side to solve the problem as soon as possible.

Moderator:

- Thank you. Now we have questions that cover trade and investment, international relations, so I'll start with a couple of questions on the economics if you'd like. You mentioned there are many prospects for improving economic and trade cooperation between Canada and China, perhaps you can elaborate on where you see there're being prime

opportunities what kind of things that was not so long ago China was promoting a free trade agreement with Canada. How would you see those opportunities developing and unfolding once we get past the immediate problems?

Ambassador Cong:

- Even as we are trying to solve the current outstanding issues, we are having a lot of cooperation in terms of trade and investment, so we do welcome, the high-quality and safe products from Canada. As we are even opening wider to the outside, I mentioned that we are forming a pattern of the domestic cycle as the mainstay, but at the same time, with the domestic and global markets reinforcing each other, so it's not a closed cycle, but "dual circulation". It's opening up at a higher level. So we're going to be introducing even less tariffs. Currently we have managed to cut general tariffs to less than 7.5%. That's the lowest among the major developing countries, and actually approaching the level of many developed countries. And we are going to cut it even lower and at the same time, we are managing to shorten the negative list for Foreign Investment Market Access. In 2016, it's more than 90 of them, and currently, it's just about 30.
- And we are also to make sure that there will be more convenient business environment for foreign investment. So as we are moving to open our doors even wider, I think Canada has its own advantage like clean energy, modern agriculture, ocean economy, and of course, it is also renowned for its services sector. So we have all these sectors, opening up not in terms of manufacturing but also in terms of service, so I think that a lot more Canadian companies nowadays are also watching the development of China very closely. And I'm happy to learn from the CCBC (Canada China Business Council), they released a business survey report a few months ago. And in the report, the majority of Canadian companies said that they will maintain or improve China's position in their future global business layout, so that's encouraging.
- And also I would like to give you an example of Hainan. Hainan was famous in the past like the oriental Hawaii. But nowadays it's more than a destination for tourists because we are going to build Hainan into a free trade port, with 0 tariffs and free flow of a lot of important factors. Of course it's a long process. It will be in 2035, then we will finish the building of the

Hainan free trade port. If you can take the opportunity from the very beginning, certainly you'll be most welcome. Even for universities and colleges, there are opportunities because in Hainan, the international universities, they can run independent campuses in the fields of science, technology, agriculture and medicine, that's also good news for a lot of famous universities and colleges here in Canada.

Moderator:

- Thank you. You certainly highlighted importance of science and technology there. And one of the issues that's confronting at least Canadian government and the Chinese at the moment around Huawei is the use of Huawei equipment and establishing 5G networks. Canada is a member of the 5-eyes community and the other 4 members of the community had decided that they don't want to have Huawei equipment in their 5G networks. Canadian government has not issued an opinion on that for the moment. I wonder if you could, perhaps relating it back to you, you mentioned a new global initiative on data security, what China and Huawei might do that can sway the fear of particularly the Americans but the other members of the 5-eyes community about the use of Huawei equipment in the new 5G networks.

Ambassador Cong:

- It's actually not what we are going to do but we are waiting to see what the other countries are doing, but I would like to say first, Huawei is a private company of China. It has achieved remarkable outcomes. It has served 170 countries and regions, more than 1/3 of world's population without any security threat. But for the United States, it has kept suggesting or claiming that Huawei is actually creating national security threat to the outside. But from what we have seen, the United States hasn't presented any evidence. And more recently it even attacked and you know, threatened the companies like Tiktok and Wechat, so it demonstrates once again that the United States' true intention is to contain China's development, so wherever there're some companies, you know, which have developed, in a very good way, and achieved some remarkable results or outperformed the U.S. companies, it is bent on cracking down on that.

- So for Canada, we do hope that the Canadian side will make the judgment on its own, from its own perspective and approaching the issue from its own interest because as you can see, as we have learned, the Huawei has very good cooperation here with Canadian companies, and is also doing a lot of contributions to the local employment, and also at the same time, it has helped those people living in the far northern areas to have the 4G technology, for building up the infrastructure and that's very much welcomed by the people there. So I think that for us, our hope is that Canadian government will approach the issue and provide a fair, just, open and non-discriminatory business environment to Huawei and other Chinese enterprises. And by doing so, it can also boost the confidence of foreign investors from other countries.

Moderator:

- Thank you very much. One of our participants has just written and asked a quite specific question about high technology. He notes that China is quite advanced in artificial intelligence, and he noted that many Canadian researchers are on the leading edge in that field as well, he's wondering whether or not if there's room for specific cooperation between Canada and China in AI.

Ambassador Cong:

- You know, AI, as we have found out, especially against the backdrop of COVID-19, it has been playing a more prominent role in the development of economy, and I think it will become even more important in the future time. So I think there is a potential for us to have this kind of discussion on AI and to make sure that the technology itself will be used to make sure it will tap into more potential into our cooperation, and at the same time, to make sure that, there's no issue of data security, no concern, for that. So we can manage all those concerns relating to data security. So maybe there's a lot of discussions on the international rules for AI and personally I believe that it's a very good starting point for our two sides to talk to.

Moderator:

- Thank you. You mentioned earlier in your discussion of the U.S., the concept of decoupling. 50 years ago when Canada and China established diplomatic relations together, one of the centerpieces of that was that concept of engagement, working together for the better of both sides, and in particular, helping China was, ultimately inward looking at that time to welcome it into the international community to support it, subsequent countries including the U.S., basically followed the model that Canada-China set down, and then ‘till recently, though that seems to be that was the way but now seems to be increasingly in the domain of decoupling and isolation, as even talking about the possibility of a new cold war breaking out, which is difficult to imagine that would be anyone’s advantage. Just a couple of questions around that: If President Trump were to lose the upcoming presidential election in the U.S., do you anticipate that that would create a new context that would make, perhaps take away some of the aggression that’s been so exemplified in this move towards decoupling that we’re seeing in the U.S. right now?

Ambassador Cong:

- First, I would like to point out, for the idea of decoupling is an very absurd idea because decoupling from China is like decoupling from the huge market of the world, a market of 1.4 billion people and also decoupling from the future development. And also for the past 40 years, between China and the United States, because we had established diplomatic ties 41 years ago, the history has told us that both of us stand to gain from cooperation and to lose from confrontation, and over the past 41 years, there have been a lot of tangible outcomes in our bilateral relations, and that is good for our two peoples. So there are a lot of figures just like what I mentioned about China-Canada relationship, like whether it is trade volume, investment and also Chinese students studying in the United States and people to people exchanges between the two countries, of course that’s far bigger number than that of China and Canada. But I would like to say that over the years, the United States benefited a lot from its economic cooperation with China, and it’s just non-sense to suggest the United States, had suffered, from its cooperation or relationship with China. Actually it has benefited United States a lot, such as our products which is high quality and at

relatively low cost. It gives each American household each year around USD 800. It's a big saving for them. And we also created a lot of local jobs in the Chinese companies going to the United States for investment – millions of them. So how can you argue that the United States has suffered and only the Chinese side has gained from that? I'd also like to suggest that whoever is in the White House, our policy towards the United States remains stable and constant, that is to say, we would like to develop a relationship based on non-confrontation, non-conflict, mutual respect, and win-win cooperation. I think that's the only right way forward. So it's up to the United States to make the right decision. Thank you.

Moderator:

- Thank you. We have a specific question about South China Sea and the person who is posing it was asking, what might be done, I guess on both sides, particularly China, in the way the question was framed, to avoid a direct conflict in the South China Sea with the Americans. And I think that weaves in a bit for some of the other questions we received around the notion of China's been labeled as "wolf-warrior diplomacy" taking a more extroverted stance on the international field in the South China Sea with its neighbors just generally making its presence felt no more than it has in the past which seems to be being taken as a threat by many.

Ambassador Cong:

- First of all, for our foreign policy as a whole, we are committed to the peaceful development and we are pursuing an independent foreign policy of peace, and that's from the very beginning of the founding of the People's Republic of China. So for us, our intention is very clear, we don't want to seek hegemony. Rather we want to have those relationship of mutual respect and based on equal footing with all the rest of the world. For us, we have no intention to overtake the United States and to dominate the world. And for us, we would like to make contribution to peace, stability and prosperity in the Asia Pacific and beyond, so there's nothing like we are edging the United States out of Asia Pacific but what we have seen, in the recent months, is that the United States has kept building up the tension in the South China Sea. In fact, under the concerted efforts between China



and the ASEAN countries, this part of the water has remained stable and peaceful in recent years, but the United States is trying to stir up the situation. According to news report, for the first half of this year, it has sent war planes into the South China Sea more than 2000 times, thus escalating the situation in the region, and making it very dangerous for this kind of unintended incident to happen. So I think the right thing to do is for the United States to stop flexing its muscle and stop sending those advanced warships or airplanes into the South China Sea, and rather to make sure that they really would like to see that China and the relevant countries, the ASEAN countries, sit down together to resolve the issue through dialogue and consultation. So I can tell you that actually we are making progress on the negotiation over the COC (the Code of Conduct) which is intended to build long term stability and prosperity in the region. So we are making progress. So we don't want to see the United States being there to disrupt the process.

Moderator:

- Thank you Ambassador Cong. Have two more questions that I'll try to combine here around the high-level international diplomacy.
- One of it relates specifically to Canada. It asks whether you can see forums, international forums where Canada might be able to contribute to the easing of tensions and reversing the decline in, let's just say, friendly international relations.
- The second one which is a bigger fish. And it said there's a proposal recently that the five permanent members of the UN Security Council might put together a summit, that include China of course, it's a permanent member of the Security Council, to in a sense do a pretty basic rethink of some of the international institutions that we've been living under, I guess, since the Second World War. And I, those are obviously not on the same scale what Canada do, what the five might do, but I wonder if you have any sense of, on either of those topics where there might be opportunity for making progress?

Ambassador Cong:

- I think what concerns us today is that indeed, the international system and international order is under threat and it comes from the United States. It's becoming the largest and biggest trouble maker for the world system and international order. As you can see, that over the past 3 years, it has pulled out from a dozen of important international conventions and organizations like the Paris Agreement, the Open Skies Treaty. And more recently, it declared its intention to withdraw from WHO, actually it's a critical time for WHO to continue to play a leading role in the global fight against COVID-19. So that worries people a lot. So it's actually not we are waging diplomacy of "wolf-warrior" as you called it, but it's the United States that is becoming very crazy in this regard. But for us, we believe it's important that we stand up for multilateralism. We stand up for international organizations. So in this regard, I believe Canada can continue to play a very important role because Canada is an important member not only of the United Nations, IMF and World Bank but also of G20.
- I still recall that the last time that I was here in year of 2000, I was in Montreal receiving our delegation to attend G20 Ministerial Meeting. At that time, there was no summit, but the Ministers' Meeting, organized by the Canadian side. So from the very beginning, Canada had been playing a positive role in G20. So I think in all those important arena, China and Canada, have a lot of common or similar language, so we can work together to uphold multilateralism and oppose unilateralism. And for the so called summit, I believe anything that is conducive for maintaining the world peace and stability and promoting the world prosperity, we certainly welcome the initiatives and would like to work with other members of the international community including those permanent members of the Security Council.

Moderator:

- Thank you Ambassador. I'd like to shift a bit now to COVID-19. We have a number of questions at different levels of specificity. The most general one is what sort of cooperation do Canada and China have in regard to

fighting the pandemic. And what is the latest developments in its vaccine development that the two countries are both involved in.

Ambassador Cong:

- Since the very beginning of the outbreak of the pandemic, we have conducted a lot of cooperation in this regard and I would like to express our appreciation for the Canadian side for what it has done in the first few months of this year when China was experiencing difficulties in fighting the pandemic at home. At that time, people here had extended great help to the Chinese people and also managed to supply us with medical materials. And that was very much appreciated. Later on, we returned, 32 tons of medical supplies to Canada, and our sub-national governments had also made contributions to cities throughout Canada. Apart from that, I think the experts on the two sides are having a lot of discussions. For example, as far as I know, there was a video conference organized by the two Red Cross Societies. And the intention was to share information for the valuable information about fighting pandemic. And a lot of institutions here like the CIHR on the Canadian side, it has conducted a number of programs with its counterparts in China regarding the anti-virus medicines, a lot of things like that. So I think basically we are having very good cooperation. And that's been very good towards our two peoples and we are happy to see the ongoing process of that in future time.

Moderator:

- Thank you. There was one specific question about the joint venture between Canada's National Research Council and a Chinese company called CanSino Biologics, and they had worked together using the cell line developed by the NRC to develop a COVID vaccine. And under the agreement, once the vaccine was ready for trial, it's supposed to send to Canada so that we can try it here as well, and somehow those vaccines were blocked by the Chinese export authorities. The question is if the vaccine turns out to be safe and effective, will Canada have access to it?

Ambassador Cong:

- We support international cooperation in those anti-epidemic efforts including vaccine research and development. Vaccine research and development is a scientific issue and should strictly follow scientific laws and regulations. So China is willing to advance vaccine cooperation with the international community including Canada in an orderly manner in accordance with this principle of science, so I think there's still room for cooperation in future time.

Moderator:

- Canada is very well-established in the domain of trials throughout. It's something that's been going on here at a very high-level for close to 30 years, and so there's some concern that there is another level of intervention here that didn't have to do with science, and given the statements that we got from the people in China, in CanSino Biologics, were saying, "well you know, it were ready, it will deliver them but decision-making", I think the term "was complicated". The science and scientists here were ready. They have established networks to test vaccines all the time and you understand that there will be some disappointment on the part of the scientists who like to do science, and some concern on the part of the general public that you know, if these vaccines, this particular vaccine or some of the others that China indeed is working on, turn out to be safe and effective that whether or not Canada would have access to them?

Ambassador Cong:

- You know that for our position, I have been very clear that it's an issue related to science. And there is nothing else attached to that. So the speculation of someone, as you have just mentioned, I believe this speculation is unwarranted and groundless. So there's a danger that for some people, they intend to categorize everything, and trying to politicize them. That's dangerous. For the United States, some certain politicians, they're spreading what we called "political virus". While they are not doing enough to contain the virus in the United States, they are trying to shirk their responsibility and trying to deflect the blame to China, that's very dangerous. I'd like to say that whether it's vaccine research and

development or other forms of cooperation between China and Canada, still we are approaching the issues, in scientific light and we would like to see more of that in coming weeks and months.

Moderator:

- Thank you. Two more questions related in different ways to COVID. One of them, through our participants, has a Canadian passport but has family in China and would like to know when they'll be able to travel back to China. And another one which seems just already possible is asking question about why is it that Canadians have to have the COVID test before taking planes to China, I don't know the specifics of this kind of travel or arrangement, but perhaps you can clarify whether travel is possible between Canada and China, and if so, what kind of tests are required?

Ambassador Cong:

- For the particular case, you've mentioned about this certain person, who wants to travel to China, if he or she has any specific questions, I would like to suggest that he or she contact our Consular section of our embassy to find out what we can do for them because I'm not so sure about the specific information regarding their current status.
- And for the nucleic acid testing, I'd like to say it's readily recognized by all countries as a primary approach to test COVID-19, so in order to ensure safety in international travel and to reduce the risk of cross-border transmission of the virus, according to the announcement of the Civil Aviation Administration of China, together with the General Administration of Customs and the Ministry of Foreign Affairs, we have made the announcement that we will have this kind of testing. So as of yesterday, more than 118 countries already have implemented this kind of testing, so it's not targeted against the residents here in Canada, but rather, it's being implemented across the globe. And in the coming week, maybe another 25 countries will also be added to the list, so I think that's from what we have done, it is moving forward in smooth manner. Yesterday it has started here in Canada and also going smoothly. It's not to restrict people traveling to China but rather to create a safer environment for international flights.

Moderator:

- Thank you. Now I'm going to shift around again, the questions, you imagine, was more than a hundred participants are covered by a wide range here. This one is there's some evidence that the COVID-19 pandemic has increased racism, discriminatory rhetoric and behavior against Asians, and those of Asian descent including the Chinese. What do you think the Canadian government, in particular, Canadians in general can do to deal with this situation?

Ambassador Cong:

- Of course, we are concerned about all those reports. There was indeed reports of a spike in this kind of remarks and actions against the Asian community including the Chinese origin. We have talked to the people here in the government and of course to the law enforcement agencies. And it is encouraging that those people, whether it is, Global Affairs or the RCMP, they have expressed their firm opposition to those racist remarks and actions. Canada is renowned for its cultural diversity and they have claimed that there's no tolerance for this kind of activity. So hopefully their words will be translated into actions and to take concrete steps to make sure that these kind of actions will not happen again so that the people here, whether they're from China or elsewhere, they can live in a safe environment.

Moderator:

- Thank you, Ambassador. We're getting close to the end of our time, so we've got two quick questions here and we'll turn it back to Amelia. This is one of our attendees, has questioned the fact she's saying here in Canada, we have a pension plan and we have a healthcare plan, does China have similar programs?

Ambassador Cong:

- It's basically similar to the pension program. And I think that is also one of the areas for our cooperation because I believe your pension plan has invested a lot in China. That's one of the important investment destination

for your people here. Of course we can also learn a lot from Canada because you have had this system in place for many decades, but for us, it's just being developed in the past few years. So we still have a lot of things to learn. So hopefully you can share some experience with us because it's important for us when we are building a modern society. We need this kind of pension plan to make sure that people will feel safe as we are entering the "silver society" with a lot of people retiring in coming years. So I think that's one of the areas for our further cooperation. Thank you.

Moderator:

- It has certainly taken a while for us to get our system up and running. I can remember even in my lifetime, several major debates just how it should be done, as some of the great period, I'm happy to say that it's been working pretty well for the moment.
- A question that has just come in, that will take us back to almost to the beginning. You mentioned your Data Initiative that China was putting together and it's a specific question. It asked whether or not competition policy and anti-trust issues would be built into this data initiative which presumably look like it will. Competition law varies between jurisdictions but can have really important effects. Do you know whether or not competition policy and anti-trust would be built in in some ways into your data initiative?

Ambassador Cong:

- It is actually an outline of our proposal, it's a blueprint for the upcoming proposal. And it's inviting all participants to include their reason and insight into that. But I think that there are several very important key elements like we suggest:
  - To actively maintain an open and secured and stable supply chain of ICT products and services and stand against ICT activities that impair or steal important data of other states' critical infrastructure.
  - States should encourage companies to abide by laws and regulations of the State where they operate and States should not request domestic companies to store data generated and obtained overseas in their own territory.

- States should not obtain data located in other States through companies or individuals without other States' permission.
  - ICT products and service providers should not install backdoors in their products and services.
- That is the key elements of our proposal and I think it will be more studied by others, more will be fleshed out in coming month.

Moderator:

- Thank you. Those are certainly good principles to get established. We're getting pretty close to the end of our time, so just one last question, and when this is over, I'll turn it over back to Amelia.
- In fact, I shared a bit of this experience myself in that one time I was in China, we were a part of a sister city conference in China, and the question notes that there're many specific links between cities in Canada and China, and between provinces in China, and they're wondering what the state of such Canada-China provincial and city linkages are now and whether or not you anticipate they will continue to flourish in the future.

Ambassador Cong:

- A very important question, I have to say, and because we believe the sub-national cooperation has always been an important part of our relationship as a whole, and it will be playing an even more prominent role in the future time because I think that helps not only for the trade and investment between those provinces and cities, but also maybe more importantly, to deepen mutual understanding between the two sides. So currently as far as I know, there are 12 pairs of sister provinces and 49 pairs of sister cities between China and Canada, very impressive figure. Most of them are doing very well even as they're weathering the storm of the pandemic, and having reduced international flights, still they have been keeping in close communication over the video link or by telephone conversation. And I think that they are looking forward to the post COVID-19 era so that they can resume all those important exchanges and cooperation. We would like to encourage, if anything that the Embassy here or the Consulate General in Toronto, Vancouver, Calgary, and Montreal,



whatever we can do to facilitate these kind of exchanges, we are more than happy to do that.

Moderator:

- Thank you very much, Ambassador Cong, and I'll turn it back to Amelia.

Ambassador Cong:

- Thank you so much, Mr. Atkinson, for your moderating.