U.S. - CHINA STRATEGIC AND ECONOMIC DIALOGUE 2010

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Executive Summary

- 1. The second U.S.-China Strategic and Economic Dialogue (S&ED) convened in Beijing from May 24 to 25, 2010. U.S. Secretary of State Hillary Clinton and Secretary of the Treasury Timothy Geithner co-chaired the strategic and economic tracks respectively with their Chinese counterparts State Councilor Dai Bingguo and Vice Premier Wang Qishan.
- The U.S. and China each came to the Dialogue with its own wish list. On the U.S. side, the list included the Chinese currency reform, North Korea and Iran's nuclear program, trade imbalance, and access to Chinese markets of clean energy products.
- 3. The Chinese priority list included U.S. high-tech exports to China, U.S. trade protectionism, weapons sales to Taiwan, and recognition of China's market economy status.
- 4. The Dialogue produced altogether 26 specific outcomes including six Memorandums of Understanding. Nuclear safety, energy efficiency and security took up nearly half of the agreements signed. A program for deepening people-to-people exchange was also agreed upon.
- 5. However, there was no major breakthrough on the key controversial issues of North Korea and Iran. China was reluctant to join in a concerted effort to condemn and punish North Korea for its alleged provocative act of torpedoing a South Korean warship, the *Cheonan*.
- 6. On the issue of Iran's nuclear threat, China agreed to a watered-down U.N. resolution on Iran, but it had not signed on the annexes that aim at sanctioning specific Iranian individuals and companies.
- 7. Both sides were low-profile on the issue of Chinese currency appreciation.

 President Hu Jintao pledged to advance the reform under the principles of

- "independent decision-making, controllability and gradual progress", but the European debt crisis injected uncertainty on the timing of any such move.
- 8. Two issues of particular importance on the Chinese agenda were the accordance of China's market economy status, and the U.S.'s export controls on "dual use" technology with possible military applications. No consensus was made on either issue, and Vice Premier Wang Qishan had to press for a clear timetable for U.S. actions.
- 9. The S&ED is not without its limitations as no key issue can be solved within one single meeting. However, the S&ED did direct the relationship back on track after the rocky period experienced by the two countries earlier this year.
- 10. The U.S.-China relationship is complex and multi-faceted. The two countries can neither be allies nor overt enemies given the globalized world today and their deeply intertwined economies. The S&ED is therefore an important mechanism for deepening mutual understanding among the highest officials in both governments.

U.S. - CHINA STRATEGIC AND ECONOMIC DIALOGUE 2010

ZHU Zhiqun & Courtney FU Rong*

The Second US-China Strategic and Economic Dialogue

- 1.1 The second round of U.S.-China Strategic and Economic Dialogue (S&ED) convened in Beijing from May 24 to 25, 2010. Secretary of State Hillary Clinton and Secretary of the Treasury Timothy Geithner led the largest ever US delegation of nearly 200 cabinet and sub-cabinet officials to the meeting.
- 1.2 The U.S. delegation covered most of the departments of the U.S. government and included, notably, top officials from the Department of Defense and the U.S. Pacific Command. This represented the highest-level military contact between the two sides after the U.S. arms sale to Taiwan earlier this year. On the Chinese side, heads of various ministries, bureaus and commissions participated in the Dialogue.
- 1.3 Secretary Clinton and Secretary Geithner were special representatives of President Barack Obama. They each co-chaired the strategic and economic tracks of the Dialogue with their respective Chinese counterparts State Councilor Dai Bingguo and Vice Premier Wang Qishan.
- 1.4 The second Dialogue was given top-level attention and a positive tone prevailed. It showed signs of a meeting between equals. Candid and in-depth discussions were carried out on a wide range of issues. Several agreements were signed and pledges of cooperation declared, but major controversial

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issues such as the revaluation of the *yuan* and U.S. relaxation of high-tech exports to China remained unsolved.

- 1.5 The Dialogue produced altogether 26 specific outcomes ¹ including six Memorandums of Understanding. Nuclear safety, energy efficiency, and security took up nearly half of the agreements signed.
- 1.6 Commerce Secretary Gary Locke, a key member of the U.S. delegation, sought to promote clean-energy deals with China, and urged U.S. clean energy firms to take up opportunities in China.
- 1.7 The two countries also agreed upon a program for deepening people-to-people exchange. President Obama announced the goal of sending 100,000 American students to China in the next four years to learn Mandarin and experience Chinese culture. In response, the Chinese announced the creation of 10,000 scholarships for American students.
- 1.8 North Korea became a dominant security issue during the Dialogue after the publication of a report by a team of international investigators that pointed to Pyongyang as the culprit of the sinking of South Korean navy warship *Cheonan*. However, no agreement was achieved in this regard.
- 1.9 Each party came to the Dialogue with its own wish list. On the U.S. side, the list included the Chinese currency, North Korea's nuclear program and its alleged sinking of South Korea's warship *Cheonan*, Iran, trade imbalance, access to Chinese markets of clean energy products. The Chinese priority list included U.S. high-tech exports to China, U.S. trade protectionism, weapons sales to Taiwan and recognition of China's market economy status. Obviously there was little convergence on these major issues.
- 1.10 The Chinese media was generally positive when reporting and commenting on the Dialogue. They were unanimous in branding it as a successful event. Xinhua English news service described the Dialogue as "having achieved

See Appendix one.

consensus and even forged agreements in a number of areas of crucial significance for both sides as well as regional stability." *China Daily* titled one of its front page reports "China, U.S. Reach Consensus on Currency Rate Reform".³

1.11 In comparison, the Western media were more reserved and even skeptical. They focused on the differences displayed by the two countries and their failure to achieve breakthroughs on thorny issues. A May 26, 2010 *Washington Post* report summarized all: "U.S.-China Talks End without Accords on Key Issues" (A09).

Background of the Strategic and Economic Dialogue

- 2.1 The S&ED is a combination and replacement of the former dual-track China-U.S. high-level dialogue mechanisms of the Strategic Economic Dialogue (SED) and the Senior Dialogue (SD) in operation since 2005 and 2006 respectively.
- 2.2 The SED, initiated by then U.S. Secretary of the Treasury Hank Paulson and Chinese Vice Premier Wu Yi and supported by then President George W. Bush and President Hu Jintao, was to provide an overarching framework for ongoing bilateral economic dialogues and future economic and financial relations. It was convened semi-annually and led by Secretary of the Treasury on the U.S. side and a Vice Premier on the Chinese side.
- 2.3 On the geopolitical track, the SD was pioneered by the then U.S. Deputy Secretary of State Robert Zoellick to forward his goal of engaging China so that it would become a "responsible stakeholder" in the international system. Zoellick, who resigned from the U.S. government and later became the President of the World Bank, was succeeded by John Negroponte.

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English.xinhuanet.com, May 27, 2010. http://news.xinhuanet.com/english2010/special/2010-05/21/c 13306543.htm

³ China Daily, May 26, 2010: p. 1.

- 2.4 When President Obama and President Hu met for the first time in April 2009 in London, they decided to combine the two mechanisms to form the S&ED. The new elevated dialogue, an annual meeting to be held in alternate capitals for officials of the highest levels, would last for two and a half days.
- 2.5 The S&ED is an institutionalized mechanism for addressing major challenges and opportunities that the U.S. and China face on a wide range of bilateral, regional and global areas of immediate and long-term strategic and economic interest.
- 2.6 Its goal is to deliver concrete, meaningful and sustained progress over time on long-term strategic and economic objectives while enhancing mutual understanding and building mutual trust. It grows out of the need to cooperate and coordinate policies between the two global powers.
- 2.7 The S&ED, however, does not seek to override or weaken other existing dialogue mechanisms between the related sectors of China and the U.S. It instead seeks to complement them and carry the relationship to a new level by providing a forum for direct involvement of the highest officials from both governments. It is intended to lay a solid foundation for building a positive, cooperative, and comprehensive China-U.S. relationship in the 21st century.
- 2.8 The creation of the S&ED shows that there is considerable change in the new Obama administration's China policy. Discarding President Bush's preference for unilateral and coercive diplomacy, the Obama team appears to be more convinced than its predecessor that engaging China is part of the solution to most, if not all, global challenges.
- 2.9 The first S&ED was held from July 27 to 28, 2009 in Washington, D.C. Memorandums of Understanding to enhance cooperation on climate change, energy, environment, and on collaboration in Integrative and Traditional Chinese Medicine were signed.

- 2.10 The two sides established a framework for future economic discussion and collaboration which rests on four critical areas of cooperation: 1) combating trade and investment barriers; 2) promoting a strong recovery and more balanced growth; 3) promoting more resilient, open, and market-oriented financial systems; and 4) strengthening the international economic and financial architecture.
- 2.11 Still, several issues remained unsolved and were carried over to this year's S&ED. For example, the U.S. did not fulfill its promise of loosening restrictions on the export of high-tech goods to China. This led Chinese Vice Premier Wang Qishan to press the U.S. government for a schedule to change the policy. In addition, the U.S. agreed to speed up its recognition of China's market economy status but did not set a timetable.

S&ED 2010: the Strategic Track

- 3.1 From the end of 2009 to the beginning of 2010, U.S.-China relations were in a downward spiral due to controversies over U.S. arms sales to Taiwan, President Obama's meeting with the Dalai Lama, Google's withdrawal from mainland China, etc.
- 3.2 Other security concerns for both sides include North Korea's nuclear program and its alleged sinking of *Cheonan*, U.S.-Japan military alliance and U.S. bases in Okinawa, Iran's nuclear development, and weapons proliferation in Asia.
- 3.3 After months of mounting tensions, President Hu's decision to attend the global nuclear security summit in Washington, D.C. in April 2010 and the following hour-long conversation between him and President Obama over the phone set the relationship back on track.
- 3.4 However, the second round of S&ED in late May was overshadowed by two unexpected incidents the deepening debt crisis in Greece, and the sinking of *Cheonan*.

- 3.5 In addition to the situation on the Korean Peninsula, discussions were conducted on international security challenges of energy efficiency, Iran, climate change, U.N. peacekeeping and counterterrorism. Agreements were produced outlining the framework for future cooperation.⁴
- 3.6 The U.S. would like China to support measures against North Korea following publication of the investigation report that North Korean navy torpedoed *Cheonan* in March. But China appeared reluctant to condemn North Korea and called for the parties concerned to "calmly and appropriately handle the issue, and avoid escalation of the situation."
- 3.7 Apparently China was cautious not to jeopardize its relations with North Korea, especially after Kim Jong-Il's visit to Beijing in early May. This means that there will probably be no immediate U.N. Security Council resolution condemning the act and punishing North Korea.
- 3.8 On the issue of Iran's nuclear threat, the U.S. stressed the importance of a unified international response. While China agreed to a watered-down U.N. resolution on Iran's nuclear program, it has not signed on the annexes that aim at sanctioning specific Iranian individuals and companies.
- 3.9 On the Chinese side, the Chinese team repeated its request for the U.S. to respect its core interests and major concerns, and to pay particular attention to the handling of sensitive issues such as those regarding Taiwan and Tibet. A senior Chinese military official conveyed the message that U.S. arms sales to Taiwan remain the biggest obstacle to U.S.-China military ties.
- 3.10 China also expressed its desire for the U.S. to use its clout to give Beijing a stronger voice in international institutions such as the meetings of the Group of 20 nations and the International Monetary Fund. This is part of the call for delivering reform on international governance to give developing countries greater representation.

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⁴ See Appendix one.

3.11 One positive outcome of the strategic dialogue was that regular military-to-military exchanges, which ceased after U.S. arms sale to Taiwan, are set to resume in the near future. This is a result of direct communication between high military officials of both sides.⁵

S&ED 2010: the Economic Track

- 4.1 China's currency issue was supposed to be a focal point of this round of S&ED, but both sides were unexpectedly low profile on this matter. Secretary Geithner made no mention of it in the opening remarks, and the U.S. team did not broach the subject in the first working session. Secretary Geithner later remarked that it was up to China to decide when and how to revalue its currency.
- 4.2 President Hu's remarks at the opening session that China will continue to steadily advance the currency reform under the principle of "independent decision-making, controllability and gradual progress" was interpreted by some as a sign of conciliation. But it was also cynically perceived by some in the media as successfully bringing the issue off the discussion table.⁶
- 4.3 Secretary Geithner, for his part, welcomed such a pledge by Chinese leaders to pursue currency reform as part of a broader agenda aimed at boosting domestic consumption and helping rebalance global growth.
- 4.4 A toned-down US on this subject could be attributed to its acknowledgement that the Chinese fully understand the issue and that they are prepared to eventually appreciate the *yuan*. However, China will alone determine the timing of any such move, and external pressure is probably going to be counterproductive.

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However, China has rejected a proposed visit by U.S. Defense Secretary Robert Gates on 1 June 2010 citing that it was "not a convenient time". "Gates snub linked to arm sale — expert", *China Daily*, 4 June 2010.

⁶ International Herald Tribute, May 26, 2010: p.3.

- 4.5 In the face of the European debt crisis, the two sides reached consensus on protecting macro-economic stability and strengthening macro-economic policy coordination to consolidate the trend toward global economic recovery.
- 4.6 The U.S. delegation came with their president's goal of doubling exports within the next five years and creating two million U.S. jobs. They hope that expanded trade with China will help them achieve that goal.
- 4.7 Reducing Chinese trade and investment barriers, which are partly responsible for the uneven playing field for U.S. companies, and rebalancing trade to ensure that China's surplus economy depends more on their domestic demand for growth are two key objectives of the U.S. for the economic track dialogue.
- 4.8 The U.S. successfully persuaded the Chinese to agree to reforming the existing set of rules which promotes and protects domestic technology but disadvantages foreign companies. New innovation policies will be consistent with principles of nondiscrimination, intellectual property rights protection, market competition, and no government interference in technology transfer.
- 4.9 The Chinese also pledged to submit a revised offer to join the World Trade Organization's agreement on government procurement by 2010. This is a matter of importance for the U.S. as it ensures fair government procurement treatment for U.S. goods and services.
- 4.10 As part of the effort to achieve President Obama's economic goal, Secretary Geithner also urged China to go further in opening markets for imports and foreign investments from the U.S. while acknowledging the progress China has made during the past few years.
- 4.11 Two issues of particular importance on the Chinese agenda are matters carried over from last year that the two sides have yet to reach a consensus. One is the accordance of China's market economy status, and two is the U.S.'s export controls on "dual use" technology with possible military applications.

- 4.12 On the former, both sides agreed to continue the discussion at the China-US Joint Commission on Commerce and Trade (JCCT) to be held in the U.S. this year.
- 4.13 When China entered the World Trade Organization (WTO), all WTO members agreed to accept China's market economy status no later than 2010. Currently, more than two thirds of member countries have accepted China's market economy status. The U.S has yet to do so.
- 4.14 On the latter, Vice Premier Wang Qishan pressed for a timetable and roadmap for the removal of such trade curbs. In response, U.S. Commerce Secretary Gary Locke revealed that the export system is being reviewed and is expected to be completed by summer.
- 4.15 The U.S. export controls are meant to deny China's military access to technology that might aid its modernization. They apply to goods such as supercomputers, lasers, navigation systems and high-performance materials used in missiles. Most of the controls were placed in the aftermath of the Tiananmen Square incident in 1989.
- 4.16 In addition, Vice Premier Wang also urged the U.S. to give equal treatment to Chinese enterprises investing in the U.S. This is a concern shared by the U.S. and Secretary Geithner asked China to give American firms the same opportunities that Chinese companies enjoy in the U.S.

S&ED and U.S.-China Relations

5.1 The U.S.-China relations are undoubtedly one of the most important bilateral relationships in the world today. In the words of President Obama, "the relationship between the U.S. and China will shape the history of the twenty-first century."⁷

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President Obama's opening speech to the S&ED 2009, July 27, 2009. http://chinadaily.com.cn/china/2009-07/27/content_8478773.htm

- 5.2 With China emerging as a great power in the international system, expectations of it playing a bigger role in international affairs and assuming more international responsibilities are on the rise. In fact, few global problems can be solved by either power acting alone, and few can be solved without the U.S and China working together.
- 5.3 However, China still considers itself a developing nation with daunting domestic challenges. It does not seem to be ready for a global leadership role. As is evident from this round of S&ED, the U.S. came with a long priority list for China on both economic and security issues. But what China wants to focus on is mostly policies that can help turn it into an economic powerhouse without putting its prized geopolitical stability at risk.
- 5.4 The S&ED is a particularly important communication mechanism for them to work out their differences. It is a platform to better understand each other's long-term interests and intensions. It will continue to provide a venue to promote mutual understanding and establish a friendly atmosphere between the two sides.
- 5.5 Through time, the mutual trust established will help to ensure a stable bilateral relationship. And it will play a crucial role in times of crisis, problem solving and conflict resolution. From the tensions between the two sides earlier this year relating to Taiwan and the Dalai Lama to the steady improvement of relations today, the two countries have become more mature in handling their relations, especially the disagreements. The dialogue mechanism plays a significant role in managing the complex and multi-faceted bilateral relationship.
- 5.6 With the U.S. and China staged as two equal powers, the S&ED signals the emergence of a new partnership between the two great powers. But this does not herald the formation of G-2—with the U.S. and China co-managing global

affairs. Indeed, many do not have a positive view of the so-called G-2.⁸ Nevertheless, the S&ED serves the broad interests of both nations and represents a new kind of cooperative great-power relationship and global power structure.

- 5.7 The U.S. and China are neither allies nor enemies. They are interdependent and truly "joined at the hip". In the near future, competition and cooperation will continue to dominate their interactions. No open confrontation can be afforded by either side given their deeply intertwined economies. Hence the significance of the dialogue mechanism in managing the relationship into a mature one of co-existence and cooperation in spite of differences and competition.
- 5.8 The outcomes of the two rounds of S&ED however reflect its limitations. As Deng Xiaoping cautioned in the 1980s, there were inherent limits to better or worse relations between China and the U.S. Major controversial issues such as Taiwan and North Korea are unlikely to be resolved during these brief meetings.
- 5.9 China expert David Shambaugh of George Washington University has reservation about the promise of the S&ED projects. His reasons are first, the Chinese are unused to putting all the main players in one room to deal with the key issues in public; and second, there was no widespread acceptance in the U.S. regarding the idea of dealing with China as an equal.
- 5.10 Yet, the S&ED does play a positive role in promoting the relationship, which returned to normal after a rocky period earlier this year. The steady improvement of the relationship also justifies the function, value and raison d'être of such dialogue mechanisms. While bilateral conflicts will continue to

See for example, Elizabeth Economy and Adam Segal, "Time to Defriend China: The quest for the illusory "G-2" has wasted everyone's time for long enough," *Foreign Policy*, May 24, 2010.

⁹ See Zhiqun Zhu, "Joined at the Hip," *Beijing Review*, September 24, 2009, http://www.bjreview.com.cn/world/txt/2009-09/22/content_218057.htm

periodically surface, communication is key to directing the relationship back on track.

- 5.11 For the U.S., a smooth and productive relationship with China is critical to U.S.'s recovery efforts. This happens to be a mid-term election year in the U.S.; any foreign policy achievement will also help President Obama and the Democratic Party. For China, its relations with the U.S. remain its top foreign policy priority.
- 5.12 In order to fulfill the promises of the S&ED, it is crucial for both sides to ensure that declared pledges be followed with real actions, and that vague agreed-upon frameworks be filled in with detailed roadmaps. This will ensure that the meetings will not be reduced to mere media events in the future.
- 5.13 Since the S&ED cannot cover the whole spectrum of issues that animate the U.S.-China relationship, and not all of the topics on the agenda can be solved within a single meeting, other mechanisms such as the Human Rights Dialogue and the JCCT should continue to play their roles in addressing these issues.
- 5.14 Given today's deepening globalization and interdependence of countries, any confrontation between the U.S. and China will have world-wide effect. It is therefore in everyone's interest to have a positive U.S.-China relationship. Mechanisms such as the S&ED are very helpful in promoting mutual understanding and cooperation between the two great powers.

APPENDIX ONE

TWENTY-SIX OUTCOMES OF S&ED 2010 BETWEEN U.S. AND CHINA 10

- 1. Signed the Memorandum of Further Cooperation on Nuclear Safety for the Westinghouse AP1000 Nuclear Reactor between the Nuclear Regulatory Commission of the United States of America and the National Nuclear Safety Administration of the People's Republic of China.
- 2. Signed the U.S.-China Shale Gas Resource Task Force Work Plan between the Department of State of the United States of America and the National Energy Administration of the People's Republic of China.
- 3. Signed the Memorandum of Understanding Between the Department of State of the United States of America and the National Development and Reform Commission of the People's Republic of China on Implementation of the Framework for EcoPartnerships (to be known as the EcoPartnerships Implementation Plan), and to set up the Joint Secretariat for the EcoPartnerships program, and start the process of establishing new EcoPartnerships.
- 4. Signed the Memorandum of Understanding between the Department of Homeland Security, U.S. Customs and Border Protection and the General Administration of Customs of the People's Republic of China Concerning Bilateral Cooperation on Supply Chain Security and Facilitation.
- 5. Renewed the Memorandum of Understanding for the Collaborative Program on Emerging and Re-emerging Infectious Diseases between the Department of Health and Human Services of the United States of America and the Ministry of Health of the People's Republic of China.
- 6. Welcomed the progress made on implementing the U.S.-China Memorandum of Understanding to Enhance Cooperation on Climate Change, Energy and Environment and the Ten Year Framework on Energy and Environment Cooperation, and enhancing practical cooperation in areas such as climate change, energy, and environment.
- 7. Under the Ten-Year Framework on Energy and Environment Cooperation, the U.S. and China are to continue their efforts to carry out specific cooperation in six priority areas: clean water, clean air, clean and efficient electricity, clean and efficient transportation, nature reserves and wetlands protection, and energy efficiency. The publication of all seven related action plans was announced in both English and Chinese; the launch of their respective official websites on the Ten-Year Framework was also announced

Source: U.S. Department of State website. http://www.state.gov/r/pa/prs/ps/2010/05/142180.htm

- (http://www.state.gov/g/oes/env/tenyearframework/index.htm and http://tyf. ndrc.gov.cn).
- 8. Held the sixth meeting of the Ten-Year Framework Joint Working Group before the second round of the S&ED, and to hold the first U.S.-China Energy Efficiency Forum after the second round of the S&ED.
- 9. Held a working meeting of the Clean Energy Research Center on May 25.
- 10. To hold the Electric Vehicles Forum, the Fifth U.S.-China Energy Policy Dialogue, and the Tenth U.S.-China Oil and Gas Industry Forum in the second half of 2010; and reaffirmed the role of the Oil and Gas Industry Forum in promoting shale gas development in both countries.
- 11. To hold the first ever U.S.-China Renewable Energy Forum, and Advanced Bio-Fuels Forum on May 26 and 27, and start work on the U.S.-China Renewable Energy Partnership.
- 12. Announced U.S. Trade and Development Agency grants to support cooperation between U.S. and Chinese enterprises and institutions on combined heat and power, aviation bio-fuels, and smart grid standards projects.
- 13. Reiterated commitment to strengthening AP1000 cooperation and promoting cooperation on the nuclear safety technology of High Temperature Gas-Cooled Reactors between the Nuclear Regulatory Commission of the United States of America and the National Nuclear Safety Administration of the People's Republic of China after properly addressing the intellectual property protection issue and following the U.S.-China nuclear technology transfer practice.
- 14. Issued the U.S.-China Joint Statement on Energy Security Cooperation. As the world's largest producers and consumers of energy, the two countries share common interests and responsibilities to ensure energy security and face common challenges. The United States and China pledged to uphold the principles of mutually beneficial cooperation, diversified development, and energy security through coordination. The two countries also recognize that energy security and clean energy go hand-in-hand, cooperate in the areas of stabilizing international energy markets and ensuring diversified energy supply, and promote a rational and efficient use of energy.
- 15. To enhance cooperation on preventing and combating illegal trafficking of nuclear and other related radioactive materials.
- 16. To hold the third U.S.-China Bilateral Forum on Combating Illegal Logging and Associated Trade within this year.
- 17. To continue working toward a successful construction of a Chinese garden at the National Arboretum in Washington, D.C.

- 18. To continue dialogue on human rights on the basis of equality and mutual respect; commented on the successful conclusion of a bilateral Human Rights Dialogue on May 13 and 14 in Washington, D.C. and expect to hold the next round of the Human Rights Dialogue next year in China.
- 19. To cooperate on anti-corruption efforts, including bribery of public officials, through the U.S.-China Joint Liaison Group's Anticorruption Working Group, the APEC Anticorruption Task Force, and other multilateral fora; to jointly implement the United Nations Convention Against Corruption and to hold the eighth meeting of the Joint Liaison Group for Law Enforcement Cooperation in November in Beijing; reaffirmed the importance of advancing law enforcement cooperation to fight terrorism and transnational crime.
- 20. To hold the Eighth U.S.-China Counterterrorism Consultation within this year.
- 21. To hold a new round of dialogues on security, arms control, and non-proliferation prior to next year's S&ED.
- 22. To hold a new round of sub-dialogues on the following matters to identify opportunities for cooperation on regional and international challenges, namely, Policy Planning, Africa, Latin America, East Asia, Middle East, South Asia, and Central Asia, before the next S&ED meeting.
- 23. To conduct dialogue and cooperation on UN peacekeeping operations including their reform.
- 24. Announced plans to organize maritime search and rescue exchange and training programs in China by the U.S. Coast Guard and the Rescue and Salvage Bureau of the Ministry of Transport of the People's Republic of China.
- 25. Talked broadly about development issues, and agreed to enhance communication and dialogue on these issues.
- 26. Reaffirmed support for the Copenhagen Accord, announced the Environmental Protection Agency of the United States of America and the National Development and Reform Commission of the People's Republic of China's commitment to the November 2009 Memorandum of Cooperation to Build Capacity to Address Climate Change and their intention to meet within a month to begin implementation; and agreed on the initiation of discussions on short-term forcers.