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EU-CHINA HIGH LEVEL ECONOMIC AND TRADE DIALOGUE CEO LUNCH, BRUSSELS, 8 MAY 2009

ADDRESS BY PHILIPPE DE BUCK BUSINESSEUROPE DIRECTOR GENERAL

Dear Vice Premier Wang Quishan, dear Commissioner Ashton,

Thank you very much for giving me the opportunity to speak to you today on the occasion of your very important meeting. BUSINESSEUROPE, which represents 20 million companies across Europe, attaches the highest importance to a regular and structured dialogue between the EU and China in order to further ease and enhance our trade relations.

In the current economic crisis, both the EU and China face some similar challenges: first, we both have a strong interest in keeping markets open. I am therefore very pleased that China as well has taken a clear stance against protectionism and spoken up in favour of a rapid conclusion of the Doha round of multilateral trade negotiations, the most important stimulus package worldwide. Moreover, with regard to the respective measures to stimulate our economies it is important that those are in line with international rules and do not lead to any discrimination against foreign competitors. This principle relates in particular to domestic public procurement markets.

We are also confronted by the common challenge of climate change: European companies support action to combat climate change and are themselves committed to doing their share. Chinese companies are also active in light of the ambitious measures the Chinese government is implementing in terms of renewable energy and energy efficiency. The Copenhagen COP-15 conference will be essential to achieve a successful international climate change agreement. This will require mobilisation of all major economies to reduce emissions as soon as possible: we need to find solutions to reduce emissions globally. Moreover, we should ensure all cost-efficient climate technologies are deployed and developed. A lot of commercially available technologies exist already, in particular energy efficiency products for the residential sector. Up to 70% of emission reductions required until 2030 can be met with existing or near-commercial technologies.

In my view, the points I have just made reflect the common responsibilities that the EU and China have as leading global economies. With regard to our bilateral partnership, I would like to underline that a lot of improvements have happened over the past years which have substantially improved the EU-China trade relations. These reforms



deserve respect. We know each other better today. There are some issues, however, where I think that we could still make better use of our bilateral trade potential:

- Improve investment conditions: this means providing non-discriminatory treatment and effective protection, and opening up still heavy regulated sectors in order to gain its full economic benefit. Furthermore, we should stick to the voluntary character of technology transfer.
- Increase bilateral regulatory cooperation: there is a huge potential for companies to save money when they can apply internationally accepted norms, standards and licensing procedures.
- Some substantial improvements have been made in the fight against infringements of intellectual property rights and we acknowledge China's progress in streamlining its intellectual property legislation. But despite these efforts we are still facing a high number of counterfeit and pirated goods and therefore call to continue to address robustly this problem.
- Both the EU and China have a big demand of energy and natural resources for their industries. It is therefore important that the objective of a level playing field for access to natural resources and unfettered trade is pursued.

I would like to close by thanking you again for your willingness to engage in direct contact with the European business community. I hope that we can keep up and strengthen this cooperation in the further development of the High Level Economic Dialogue.
