



02 June 2017

12TH EU-CHINA BUSINESS SUMMIT
STRENGTHENING THE PILLARS OF GLOBAL TRADE AND INVESTMENT

2 JUNE 2017
BRUSSELS, PALAIS D'EGMONT

POLITICAL LEADERS PLENARY SESSION
09H45-10H45

A. OPENING REMARKS

Your Excellences

- Prime Minister Li Keqiang,
- President Juncker,

Honourable guests,
Ladies and Gentlemen,

I am extremely happy to welcome you today in Brussels for the 12th EU-China Business Summit. This annual gathering is a unique opportunity to discuss the latest political and economic developments and review the state of EU-China relations.

I think we can all agree that many things happened since we met almost a year ago in Beijing. Many are questioning the benefits of trade and globalisation and some seem inclined to close markets as a way to respond to emerging populism. As business, we acknowledge there might be some downsides of globalisation and trade. But they must not be seen as the cause of all the problems in our societies. And protectionism is not the answer.

China and the EU have largely benefited from trade and open markets. More than ever we have strong responsibilities in ensuring the multilateral trading system remains fit-for-purpose and able to respond to today's challenges in particular the digital revolution.



But we also need to recognise that rules are an important tool to address market distortions. For instance, economic operators need to be able to rely on effective trade defence instruments.

China and the EU have a strong and mature relation. The numbers are clear:

- In 2015, the EU stock of foreign direct investment in China was 168.4 billion Euro;
- In 2016 EU exports to China totaled 170 billion.
- China is the EU's second trading partner after the US with a share of 20,2 % in Imports and 9,7% in Exports.
- The EU is China's number one trading partner.

Because we are equal partners our relation needs to be balanced and mutually beneficial. We both need to win and we both need to make similar commitments. This is ever more important now when many are disengaging from trade and large parts of our society are demanding more inclusiveness and a wider spread of benefits.

As European business, we are committed in helping China succeed in generating more qualitative and sustainable economic growth. But our efforts are often impaired by existing barriers to trade and investment. More so than several years ago, the slowing down of the economic growth in China makes these barriers much more critical and visible for foreign companies.

This is why our efforts are focused in enhancing market access for goods and services in China and improving the overall investment environment for our companies. For the same reasons, we are eager to see real progress in our negotiations for a comprehensive agreement on investment.

We had a number of rounds of negotiation and we are waiting for some time for a first exchange of market access offers. It would be a



very positive sign to EU investors and to the markets, if both sides at the highest political level could agree on a date for an exchange of offers during this year's EU-China Summit.

“Strengthening the pillars of global trade and investment” is the theme of this year's Business Summit. I believe it is necessary that China and the EU restate their commitment to the global trading system. I was in Davos this year when President Xi gave a brilliant speech in favour of globalisation. Again, last month President Xi urged major multilateral institutions to join China's Belt and Road Initiative, stressing the importance of rejecting protectionism in seeking global economic growth. China also spoke out clearly, defending the Paris Climate Agreement.

But more than words, we need action from both sides. We need to see concrete steps to address long standing issues that prevent our relation to reach its full potential but also to become more balanced.

China is implementing a far-reaching reform agenda and we fully appreciate the complexity of the task. In this process, it's important that China considers the impact on its major trading and investment partners. Business operates in a global ecosystem and problems like overcapacity have an external dimension and impact.

There are many avenues to our cooperation and today we will have the opportunity to discuss some of them in particular in the digital area, sustainable development and climate change and connectivity. I am confident these discussions will open the door for more business opportunities and more possibilities of advancing China- EU relations.

We are all very keen to hear our distinguished speakers so I will immediately hand the floor to the President of the European Commission, Jean-Claude Juncker, to share with us his views.
