



“The Hamburg Summit: China meets Europe”

Speech at the Opening Dinner

by

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Prime Minister Wen,
fellow ministers Ma and Bo,
Mr. Xu,
Ambassador Ma,
Former Federal Chancellor Schmidt,
Mayor von Beust,
Mr. Dreyer,
Mr. Schües,
ladies and gentlemen:

1. Welcome

It is a great pleasure for me to speak to you on behalf of the German Government here in Hamburg's city hall at the opening of the Hamburg Summit.

I pass on heartfelt greetings from Federal Chancellor Dr. Merkel. Back in May, the Chancellor and I visited China with a major business delegation. We are very glad, Prime Minister, that we can welcome you to Germany so soon after that visit.

2. Bilateral relations

The German Government greatly values the close and trusting co-operation with China: We are engaged in an increasingly intensive political dialogue. We have been promoting our scientific and cultural exchange for decades. We are working together to strengthen the rule of law. We are also co-operating ever more closely on international issues.

All of this is taking place on the basis of closely integrated economies. China is our leading trading partner in the Asia-Pacific. And in the other direction, we are proud to be China's leading partner in Europe. German companies are investing remarkable amounts in China.

And the German Government welcomes the fact that Chinese companies are increasingly interested in investing in Germany.

German firms have a lot to offer. For example:

- in the modernisation of infrastructure,
- in ensuring a secure energy supply,
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- in environmental protection,
- in improving medical care.

3. Market liberalisation in China

German commerce relies on a fair policy environment for international competition on the Chinese market. By joining the WTO, China has committed itself to free world trade and to opening up its own markets. Today, Prime Minister, China's market is much more open than it was 5 or even 10 years ago. But the process of market opening is not yet complete.

4. Barriers to trade

We need to keep an eye on certain developments. Our trade account has become imbalanced: Imports from China are continuing to expand much faster than German exports to China. By the end of this year, Germany's trade deficit is likely to easily exceed € 20 billion.

In recent decades, German firms have contributed much towards the development of technology in China. They remain willing to do so in future on an open market and on a voluntary basis.

We therefore wish to see further thorough opening up of the Chinese markets. This should occur

- at fair conditions
- and on the basis of equal treatment of domestic and foreign firms.

The German Government expressly welcomes the measures of the Chinese Government to improve effective protection of intellectual property rights. We share the goal of removing remaining gaps in the fight against product piracy.

5. Conclusion

Germany will be assuming the presidencies of the EU and the G8 in a few months' time. One of our aims is to further intensify dialogue and co-operation in the world. Partnership on a basis of equality is a necessary precondition for further progress in our world and for making our world worth living in in the 21st century.

Let us work together to achieve this!