



THE HAMBURG SUMMIT

China meets Europe



November 30, 2021

Summary Explorative Session: “Regional integration as driver of innovation networks in China and Europe”

Top-down or bottom-up? China and Europe compare regional development models

Regional integration offers huge opportunities for economic growth. The panel looked at the different approaches in this field between China and Europe.

In a video message, Zhang Zhongwei, Vice Director of the Shanghai Municipal Development and Reform Commission, outlined the top-down approach used in the Yangtse River Delta Project which he called a “key pole of economic growth in China”. He added that the region had established a close partnership with Northern Germany to promote interaction between markets and businesses. Given that water covers 20.3 percent of the surface in the Yangtse region, there was strong demand for ecological governance, and China hoped to consult German colleagues from the Rhine and Elbe river basins, “so as to learn from Germany’s experience” with ecological restoration.

Dr. Rolf Strittmatter, CEO of Hamburg Invest (HIW), outlined plans by the five northern German states to position themselves as a leading future region for green hydrogen. “They have a common strategy, a common goal, high commitment. I think that in the future we will talk about megaregions in Northern and Southern Germany.” He added: “We need a scheme of incentives to support startups at a local, regional and national level. You need to have a common goal and then a strategy and a hands-on approach to realise those goals.”

Thomas Becker, the CEO of STRING, said a critical mass was needed for growth in a modern society. Megaregions that specialise in one line of business were the future growth centres, he said. “That is why we in STRING have this ambition to say that Northern Europe could be the future hub for industrial solutions in green business.” Becker cited the Fehmarn Belt underwater tunnel linking Denmark and Germany as a concrete project to help integrate the region. Economic regionalisation was a fact of life in Europe, said Becker. “That of course is not always very popular in national capitals, but it is very popular in Brussels.”

Luan Guangfu, Rotating President of CHINT Group, said that pilot projects such as the Yangtse River Delta Project were very important for China’s economic development. “In China, we talked a lot about the importance of infrastructure and then of course the government’s role in all this, and we talked about the importance of bringing together the different players.” He said companies were making innovative technology available to everybody in the region.

Moderator Corinne Abele, Head of Trade Information at Germany Trade and Invest in Shanghai, said that China’s use of the capital market to finance investment in the region was an innovative approach, as was the concept of pilot projects. “China is always using regional integration together with pilot regions.” That made the system competitive.

Regional integration, Abele said, can contribute to innovation by providing an experimental space where innovative products and business models can be tested.