



“The Hamburg Summit: China meets Europe”

Speech at the official opening of the conference

(Translation)

by

Wen Jiabao

Premier of the State Council of the People's Republic of China

Hamburg City Hall

13th September 2006



HK

Hamburg
Chamber of Commerce

Dear Mr. Ole von Beust, Mayor of Hamburg,
Dear Dr. Karl-Joachim Dreyer, President of the 2nd Hamburg Summit,
Dear Mr. Michael Glos, Federal Minister of Economics and Technology,
Dear Chancellor Helmut Schmidt,
Ladies and Gentlemen,
Friends,

It gives me a great pleasure to join you at the 2nd Hamburg Summit: China meets Europe in this golden autumn. Since its inception, the Summit has played an important role in enhancing cooperation and friendship between China and the European Union. I would like to take this opportunity to express my sincere thanks to all of you who have worked over the years to advance EU's friendly cooperation with China.

China-EU relationship is stronger than ever before. We have put in place a mechanism of annual meetings between our leaders, establishing a comprehensive strategic partnership and cooperation. The EU has been China's largest trade partner for two years and China is the first non-EU country to participate at the Galileo program. They epitomize the extensive and multi-dimensional China-EU cooperation and mark a new stage of sound and stable growth of our relationship.

China-EU relations are based on a solid foundation. Politically, we share much in common as we both believe in multilateralism, pursue democracy in international relations and work for safeguard the authority of the United Nations.

Economically, China and the EU complement each other. China has maintained sustained and fast economic growth and has a huge market and abundant supply of labor.

The EU is developed, advanced in technology and rich in capital resources. China and the EU both have a strong history and are endowed with splendid cultures, and we are both committed to upholding the diversity of global

civilizations. We are therefore important forces for enhancing dialogue among civilizations. Mutual interests are common need have enables us to strengthen cooperation in the pursuit of the goal of enhancing mutual political trust, economic exchange, cultural interaction and common development.

Four days ago in Helsinki, I had an in-depth exchange of views and reached broad consensus with EU leaders on strengthening China-EU comprehensive strategic partnership. The European business community has played a key role in building strong EU ties with China. If China –EU relationship is likened to a huge ship in the ocean, the business community would be its powerful engine. Let's move into high gear work as one and propel this huge ship to sail forward, braving wind and waves.

Ladies and Gentlemn,

During this visit, I have been once again struck by the friendship the European people have towards Chinese people and their keen interest in China. This fills me with even greater confidence about the future of China's relations with the EU. To help you better appreciate developments in China, I would like to address several issues of common interests to you.

First, China is committed to pursuing peaceful development. It has not posed , does not and will never pose any threat to other countries.

In pursuing peaceful development, China aims at only one thing, that is, to secure a peaceful international environment for its development and to promote world peace through its development. We mainly rely on our own efforts in our development endeavor. We still meet the growing material and cultural needs of the people by expanding domestic demand. China has the largest population in the world, vast land, fairly rich resources and a market with a huge potential. All this enables China to develop itself mainly through its own efforts. In the course of development, China has also met with challenges in energy, resources and environment. However, after years of hard work, we have succeeded in embarking on a path of realizing comprehensive, coordinated and suitable development, that is, to form and

pursue scientific outlook on development and build a resource-conserving and environment-friendly society.

At the same time, we will continue to promote economic and political reform, open wider to the outside world and remove institutional obstacles to develop and ensure steady progress in China's modernization drive.

In international affairs, China will continue to adhere to its independent foreign policy of peace, strictly observe the UN Charter and the generally recognized norms governing international relations and foster friendship with all other countries according to their ideologies and social systems.

We do not seek to impose our values on others.

We do not interfere in the internal affairs of other countries.

We oppose hegemonism and power politics and will never seek hegemony.

China's defense policy, as its name clearly suggests, is defensive in nature.

We do not engage in arms race or military expansion. Having suffered from foreign aggression and bullying, the Chinese people know only too well what it means to be subjected to aggression and oppression. That is why we are both sincere and determined in pursuing peaceful development.

Second, China is a responsible country. The Chinese people will remain trustworthy friends and reliable partners of the world people.

Being a member of the international system, China is committed to upholding and building it. China is a member of over 130 intergovernmental organizations and a party to over 300 international treaties.

China firmly opposes terrorism and the proliferation of weapons of mass destruction. It takes an active part in international counter-terrorism cooperation and has developed a comprehensive legal regime for non-proliferation export control. China strives to work with all other countries to make the international political and economic order more just and equitable. It stands for peaceful resolution of international disputes through diplomacy and opposes the use or threat of force. On the Iranian nuclear issue, China is against the proliferation of nuclear weapons and calls for a negotiated solution to the dispute. On the Korean nuclear issue, China has worked hard

to ensure denuclearization as well as peace and stability on the Peninsula by urging parties concerned to enter into negotiation. On the Middle East issue, China has worked with other members of the international community to bring about ceasefire between Lebanon and Israel. China calls on Palestine and Israel to settle their dispute through political negotiation in accordance with the relevant UN resolutions and the principle of “land for peace” so that Israel and Palestine and other Arab countries will live in peace at an early date.

China has also taken active part in international cooperation in combating non-traditional security threats such as avian influenza and in providing relief in major natural disasters.

Third, China pursues a strategy of opening-up for mutual benefit, and its development will bring more opportunities to the world.

To open itself to the outside world is a long-term and basic state policy pursued by China. Since 1978, China’s economy has maintained fast growth, contributing over 10% and 12% respectively to the growth of global economy and international trade.

Since its accession to the World Trade Organization in 2001, China’s annual import has averaged about US\$ 500 billion, creating nearly 10 million jobs for the exporting countries and regions. China’s export of inexpensive but quality goods

Offers more choices and benefits to consumers in other countries and helps ease inflation pressure there. China’s foreign trade volume exceeds US\$ 1,4 trillion last year.

China adheres to a policy of free trade and the principle of equality and mutual benefit. It does not seek trade surplus.

We are ready to work together with our trading partners to address trade imbalance through development. China has consistently supported active international cooperation, trade and investment liberalization and facilitation and the removal of all trade barriers.

We call on all countries to open markets, lift restrictions on technological export, boost international investment and establishing an international

multilateral trading system that is open, fair, reasonable, transparent and non-discriminatory.

China will continue to reform the RMB exchange rate floating flexibility on the basis of giving due consideration to the development of its economy, financial stability and the resilience of Chinese enterprises as well as the impact of such move on its neighbors, its region and the global economy and finance.

Fourth, China mainly relies on domestic supply to meet its energy need and has taken an active part in international energy development cooperation on the basis of mutual benefit.

China is a major energy consumer, but more importantly, it is a major energy producer. China is rich in coal deposit. Two thirds of its hydropower potential remains untapped, and the development of nuclear, wind and biomass power has just started. In short, it has a huge potential in domestic energy supply. China's energy policy calls for integrating energy development and conservation while giving priority to energy conservation.

Our goal is to build a stable, economical and clean energy supply system. In drawing up China's plan for economic development we have set a target of cutting energy consumption per unit GDP of 2005 of 20% by 2010. To safeguard global energy security, we call on the international community to develop a new energy security concept featuring mutually-beneficial cooperation, diversified development and coordinated guarantee. China will use the global energy market as necessary and strengthen cooperation with other energy producers and consumers including the European countries on the basis of equally and mutual benefit in a common effort to enhance global energy security.

Fifth, China places high importance on protecting intellectual property rights and the interests of IPR proprietors.

China is firm in its resolve to protect intellectual property rights and has made important progress in this regard. To us in China, to protect IPR is both an international obligation and a requirement for promoting China's own

development and enhancing its capacity for independent innovation. To protect IPR is to respect knowledge, encourage innovation and protect productivity. We must make sure that in China, steps taken to protect IPR are as hard as steel rather than something that are soft like bean curd.

We will improve mechanisms for IPR protection, strengthen law enforcement, provide both administrative and legal protection on a mutually reinforcing basis, crack down hard on IPR violation and truly protect the interests of IPR proprietors.

We will intensify our outreach efforts to the public and raise their awareness of the importance of IPR protection. We will also take an active part in international exchange and cooperation and work for more progress in the international effort of IPR protection.

Sixth, China provides sincere and selfless assistance to other developing countries and will contribute its share to realizing the UN Millennium Development Goals.

China is not an affluent country. But as permanent member of the UN Security Council and the biggest developing country, China takes it as its bounden duty to provide assistance to other developing countries to help them achieve sustainable development.

China's assistance to Africa, which is home to the largest number of developing countries, is a good example. Over the years, China has undertaken close to 900 infrastructure and social development projects in Africa and provides 18,000 scholarships and sends 16,000 medical personnel to Africa.

During the past three years, China has cancelled the debt incurred by 31 African countries totaling RMB 10.5 billion Yuan, extended zero-tariff treatment to 190 types of export products from 29 least developed countries to China and trained 10,000 professionals in various fields.

China supports developing countries in strengthening democracy, but it never imposes its own will on others. Nor does it interfere in the internal affairs of other countries.

China's overseas assistance is provided by government and operated by companies based on market rules. We give top priority to ensuring the cost-effectiveness of preferential loans. We follow international practices and endeavor to ensure openness, fairness, effectiveness and transparency of the assistance. China's assistance is focused on social development, agriculture, medical care, education, poverty reduction and environmental protection. We put emphasis on technological cooperation and professional training to help recipient countries with strengthen their capacity for self-development.

China's cooperation with other developing countries does not affect their respective cooperation with third parties and will not undermine the interests of any other country.

Ladies and Gentlemen,

Over 300 years ago, the great German scholar Leibniz, known as the "walking encyclopedia of Europe", once commented on the exchanges between China and Europe, the two great civilizations. He observed that we need to build a bridge for the exchange of knowledge and skills between faraway nations and finally reach new harmony. Today, 300 years later, China and Europe need all the more such a bridge to jointly build a harmonious world of lasting peace and common prosperity.

In conclusion, let us join hands to usher in new phase of win-win cooperation and harmony in China-Europe relations! And I wish the Hamburg Summit full success!

Thank you all!