



“The Hamburg Summit: China meets Europe”

Keynote Speech

by

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Ladies and Gentlemen,

On behalf of the President of the European Parliament Mr. Schulz, I would like to warmly thank you for your invitation.

It is not only a pleasure but also an honour to speak to this conference in front of such a distinguished audience.

China, an emerging mostly commercially driven- power meets the European Union, a regional civilian power trying to shape the external environment by trade and promoting its ideas, principles and values.

And we meet here in Hamburg, in Germany, the so-called "economic steam engine" of the EU, a highly export-driven economy dedicated to the external competitiveness advantages of the EU common commercial policy.

EU and China need each other and we have no alternative but to work together, especially in these times of generalised economic instability and uncertainty.

The global economic environment is more interdependent than ever.

In Europe we like to say that when the Asian stock markets sneeze, the European ones get a cold.

The geo-economic balance of power is fast changing, and China, along with other emerging economies, have become key players.

The bilateral strategic partnership between China and the EU is today one of the most important in the world.

There is an established common place between the EU and China for development and mutual cooperation, which is exemplified by the continuously growing bilateral trade and investment relations between the two economies.

While China is the EU's second largest trading partner and the EU has been China's first export market for several years, first rate figure evaluations for 2012 show that the US are overtaking the EU due to weak European demand.

The financial and economic crisis also affects our Chinese partners, mainly through subsiding demand from the West.

In turn, signs of a slower rate of growth in China are beginning to affect the outlook for European exports.

Ladies and Gentlemen,

According to Aristotle, Heraclitus [said] that "it is what opposes that helps and from different tones comes the fairest tune and all things are produced through strife".

The way China will develop in the next five years will have a direct impact on global well-being and security.

China's image and reputation, as well as its influence, will be shaped by factors going beyond its economic performance.

A stable and economically strong China, with a more balanced regional development, reduced social inequalities and a greater purchasing power for the population: Europe expects the recently appointed Chinese leadership to work in that direction.

It is no secret that there are issues on which there is strong disagreement between the EU and the Chinese authorities: democracy and human rights, arms embargo and market economy status.

We represent different cultures, we have different historical experiences and political models; we are at different levels of development.

But, no matter what our differences are, we should strive for global solutions.

Dear Friends from Europe and Asia,

As Vice President of the European Parliament responsible for the relations with Asia, I can assure you that the EU - China strategic partnership is a high priority for our institution.

With the entry into force of the Lisbon Treaty the powers of the EP, including the external dimension of the EU action, have considerably increased.

The EP has engaged in a dialogue with the National People Congress since 1980 and has voted numerous resolutions on China and the EU-China relations particularly covering trade relations, human rights, the free flow of information and the implementation of the rule of law.

The EP Sakharov prize for Freedom of Thought was awarded in 2008 to Hu Jia, a prominent human rights activist and dissident.

Having an open discussion is a sign of the strength of a relationship.

Inter-parliamentary meetings are characterised by their open and frank exchange of views.

There is no doubt that parliamentary relations will continue to play a key role in the architecture of the EU-China relations.

The EU-China dialogue is more than just trade, business and global politics.

The High-level People to People Dialogue launched in April 2012 is designed to improve communication between a wide range of civil society organisations - unions of students, artists, academics, journalists.

Dear Friends,

The European Union is facing one of the most serious threats in its history: the sovereign debt crisis in the Euro-zone.

Europe is willing and Europe will resolve its economic and financial difficulties, standing and acting united, building up a European public sphere without prejudices, on the basis of respect to shared commitments, the financial stability culture and common rules.

The agreement of the Eurogroup on the Greek debt bailout earlier this week is a decisive message both for the Greek economy and the stabilisation of the Eurozone.

Despite its first sluggish reflexes and in contrast to widespread public misperceptions or speculations, the European Union is achieving major steps in order to correct the structural failures and to introduce new pillars in its economic governance framework.

Further and quicker steps are necessary in order to match its completed monetary union structure.

Blueprints for medium-term and long-term measures are under EU inter-institutional legislative negotiations.

Let me assure you that the outcome of the discussions on the Multiannual Financial Framework for the period 2014-2020 will become one more example that most of the progress in European integration was made at a time of crisis.

China's new economic leadership should go hand in hand with enhanced responsibilities and participation to collective responses.

The EU looks forward to China as a responsible partner in global governance.

A partner engaged in multilateralism and in its pivotal role to contribute to the world stability.

Calls for China to get sufficiently engaged and involved in consultations within the global agenda setting should be answered with cogency.

Further promotion of bilateral trade and investment shall remove trade barriers and create a favourable business climate.

The policy environment for investment is starkly different between the EU and China.

Today, the EU is more open than ever to foreign investment, since the liberalisation in the relevant sector is being guaranteed by the EU Treaty.

Instead, foreign investors in China still face a significant number of trade irritants not least due to strong state influence on the market, discriminatory treatment, forced technology transfer, improved but still weak IPR enforcement.

Intensified cooperation shall only benefit both sides as many global challenges facing the world call for a joint response, from climate change to transnational organised crime to economic governance, energy security, food security, disaster relief and development. In particular EU and China are challenged to cooperate on African development by seeking commonalities and increasing their chances for synergies.

Looking to the future, the EU and China share a common challenge: the transition from the export led growth to a dynamic investment regime. Contractive engagement on the basis of trust, joining forces in challenging times.

I am sure the Hamburg Summit 2012 will have a positive impact on enhancing cooperation between the EU and China, and will be remembered as an important building block towards deeper and better mutual understanding.

Thank you very much for your attention.