

# Opening Remarks by Commissioner Hogan to EU Chamber of Commerce in China Conference

**16<sup>th</sup> April 2016, Shanghai**

- Check Against Delivery –

- Many thanks for your introduction Hervé.
- And I'd like to give special thanks to Mick Adams and everyone at the European Chamber of Commerce in China for organising this event. I think I speak on behalf of everyone when I say we are all very pleased to be here and eager to make the most of the opportunities before us.
- The Commission is very fortunate to have such a strong and well-established partner. The Chamber is recognised by the European Commission and the Chinese Authorities as the official voice of European business in China.

- And the statistics speak for themselves: The Chamber now has more than 1,600 members in 7 chapters operating in 9 Chinese cities. Each chapter is managed at local level by boards reporting directly to the Executive Committee.
- The Chamber is also part of the growing network of European Business Organisations. This network connects European business associations and chambers of commerce from 20 non-EU countries around the world.
- And what better place to organise this forum than Shanghai? This city has been one of the great centres of the world economy for centuries – a crossroads where people come to trade and do business. Indeed, European traders have always been to the fore in building business relationships to this city.
- The background is favourable. Exports to China have flourished since 2010. In 2014, the EU exported more than €7.4 billion of agricultural products to China, which is an increase of €160 million from 2013.
- In addition, in the same year, the EU exported a total value of €4.5 billion to Hong Kong. The EU's agricultural trade surplus broke a new record in 2014 at €2.8 billion.

- On that positive note, let me formally welcome our business delegation from the EU, and wish you luck in the coming days. You have a great opportunity to introduce some of China's agri-food leaders to the unique quality and safety of our products.
  
- The business delegation is an impressive line-up:
  - 44 representatives from 15 EU Member States;
  - Active in a broad range of agri-food sectors;
  - A combined turnover of approximately €100 billion;
  - And all businesses with large potential in China.
  
- Some of you represent very big companies, others come from small enterprises. No matter the size of your operation, we will work together to spread the good news about the quality of our products, and introduce to importers and authorities the stories and values behind our agricultural production.
  
- This visit is part of the EU's "Tastes of Europe" campaign to promote the quality and diversity of our agricultural products.

- The campaign is now in China, it will continue in Japan for the rest of this week and after that in Indonesia and Vietnam in the autumn. We are also launching EU Restaurant Week in China and Japan during these visits.
- In so doing, we are branding and promoting our quality. Let me dwell on this point for a moment: In Europe, the notion of quality does not only apply to the final product but also to the production process itself, as well as to the welfare of farm animals and workers, and last but not least the soil and the environment.
- EU farmers are subject to some of the most stringent requirements in the world regarding environmental protection, animal welfare and the use of pesticides and veterinary drugs.
- These rules on food safety, environmental conditions, and animal welfare are often stricter than for most of their competitors elsewhere in the world.
- EU law lays down stringent requirements guaranteeing the standards of all European products. Our marketing standards encourage EU farmers to produce food and drink of a given quality, in conformity with consumer expectations.

- Quality is an issue for every farmer and buyer, whether dealing with commodities produced to basic standards or with the high-end quality products in which Europe excels. EU farmers and agri-businesses must build on their high quality reputation to sustain competitiveness and profitability.
- In addition, EU quality schemes identify products and foodstuffs farmed and produced to exacting specifications. Like China, we are proud of long standing traditions linked to the uniqueness of Europe's regions, to techniques of production handed down from generation to generation.
- I am referring in particular to Geographical Indications, such as our world-famous wines and cheeses, and also our high-quality organic products.
- In an increasingly open world marketplace, GIs embody the philosophy of caring about origin. In a globalised world, it is great to have food and drink that is different because of its origin; GIs are the opposite of a standardised restaurant chain meal which tastes the same all over the world, made to a standard recipe.

- In highlighting this quality, the ultimate aim of the "Tastes of Europe" campaign, and indeed the aim of the work that EU Trade Commissioner Cecilia Malmstrom and I do in multiple forums, is to support our exporters and generate new opportunities.
- The EU's is the world's top exporter and importer of food and drink – a fact we should highlight again and again. At the same time we wish to introduce Chinese consumers and agri-food professionals to the full range of our quality products.
- From the Commission's point of view, delegations such as yours are vitally important for building and reinforcing bridges between the EU and China. This is Europe's second largest trade partner, a major destination for EU investment and an increasing source of investment into the EU.
- We estimate that over 3 million jobs in Europe depend directly on export sales in China. And we believe we can grow that figure substantially, including but not limited to the agri-food sector.

- That is the big picture, ladies and gentlemen. But as always, the devil is in the detail. From your point of view, there are administrative, bureaucratic, linguistic and cultural considerations to take into account. The experts at EUCCC will be able to provide guidance on many of these.
- There are also steps required at the bureaucratic and political levels to facilitate our aims.
- There are a number of longstanding Sanitary and Phytosanitary market access barriers for EU exports, notably in the sectors of bovine products, pig meat and dairy.
- The European Commission is working closely with our Chinese counterparts to resolve these issues. Likewise, negotiations are at an advanced stage to sign a bilateral agreement on the protection of geographical indications, while talks are ongoing to frame an agreement on organic equivalency.
- Finally, we are deepening cooperation in the area of agricultural research and innovation cooperation.

- We have a great opportunity here today, ladies and gentlemen. I hope you make the most of this two-day visit and I am looking forward to further discuss and interact with you during the day. And I wish you the best of luck. Thank you.