

Ministers, Excellencies, ladies and gentlemen

It is a great honour and pleasure to address you and I would like to thank our Chinese hosts, for welcoming us to the second ASEM Transport Ministers' meeting.

We face many important challenges, both in the EU and ASEM countries, to ensure that our regions and citizens stay prosperous. Many of these challenges are shared ones, in a world which is becoming increasingly globalised with rising demand for travel and mobility. These challenges, coupled with Asia's fast-growing economy and markets, are best addressed through transport: **the lifeblood and backbone of any economy.**

Transport is vital to opening up markets, developing trade as well as connecting businesses and people. Areas that do not have good connections are unable to grow or prosper. And to maximise the benefits for all, we need sustainable and efficient transport networks to make it work. That goes for both our regions.

In Europe, we are working hard to get rid of the barriers, bureaucracy and bottlenecks that are still holding us back from reaching that goal, along with the numerous 'missing links' across the EU transport network. All of these hamper growth and hinder the development of efficient networks.

Earlier this year, the European Commission published its views on the future of EU transport for the next few decades: the Roadmap to a Single European Transport Area. Its broad strategy is to respond to the longer-term challenges of reducing our dependence on oil, battling congestion and mitigating climate change.

Briefly, the main goal is to establish a single transport area where barriers between countries and between modes of transport like air, rail and road are removed. By doing this, we connect up and serve Europe's 500 million citizens, using transport to create jobs and economic growth.

Transport is the foundation of any economy since it constitutes the heart of the supply chain. And without good transport networks, the internal market simply cannot function properly. We aim to relieve congestion, eliminate bottlenecks and better 'knit together' the different modes of transport into a smoothly functioning network which links the Western and Eastern half of the European Union.

A great deal of investment will also be needed, to join up the missing links in our transport system and make sure it stays modern and high-quality, and above all – **safe and secure.**

For this, innovation is essential. We need it to develop intelligent solutions to make better use of existing infrastructure and ensure all the different transport connections are seamless as we move towards a low-carbon transport system.

'Smart' technology will make transport cleaner, safer and more efficient, so we are looking at developing new green technologies and alternative fuels to help reduce transport's carbon footprint.

These are just a few of our ideas and plans for the future.

But let me turn now to cooperation between Europe and Asia; Trade volumes between Europe and Asia have grown rapidly over the last few years and are now valued at more than 270 billion euros a year.

With more than 95 percent of the container traffic transported by sea between us, it is clear that maritime will remain the key transport sector for bilateral trade. These shipping routes are already among the busiest in the world.

Our longstanding trade and transport relationship has a great deal of potential to be strengthened further and will play a key role in building a closer Europe-Asia economic partnership.

I believe that we need to intensify that relationship and cooperation - **we should focus our efforts to increase traffic and strengthen ties.**

We could start by looking at other transport sectors whose potential is as yet unfulfilled – surface transport modes. Rail is an area where Europe has a lot of experience although Asia, particularly China, is also developing well. Cooperation between us will enhance safety. But overall, we need more integrated Europa-Asia inland links and to improve capacity at Asian airports and seaports so that we can cope with the expected rise in freight and passenger traffic.

Aviation is another sector where, if we work better and more together, there is huge potential. We would like to enhance cooperation with some of the region's key partners such as China, Japan and India and explore the mutual benefits of comprehensive air services agreements. We would equally like to strengthen the ties in with all South-East Asian countries.

We support, and are closely following, progress towards a Single ASEAN Aviation Market by 2015. Of course, we are ready to exchange experiences on integrating and liberalising regional aviation markets, given our track-record in creating the EU aviation market over the past 25 years.

I wish this conference every success in deepening our cooperation in transport for the common development and prosperity of our two regions.

It is events such as these which provide an excellent platform for exchanging views and practices, to bring our two regions closer together.

Thank you for your attention.