

WANG HAO

A Role for Europe in The Belt and Road Initiative

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Good afternoon, everybody! It's a great honor to be invited to attend today's meeting. First of all, I'd like to extend my sincere thanks to the Schiller Institute, which has put a lot of effort and passion—in German, we say *Leidenschaft*—into organizing today's conference.

My topic is “A Role for Europe in the Belt and Road Initiative.” This is a topic which the organizers gave me. I found it a difficult, but a meaningful one. Difficult because, as a diplomat it is hard for me to tell Europe how it should engage in the Belt and Road Initiative. But, on the other hand, it is meaningful that, as the largest trade partner of China, the European Union should participate in this initiative.

European entrepreneurs have also shown their interest. So today, I would like to have a discussion with you regarding this topic.

Why the Belt and Road Initiative?

First, I would like to share with you why China put forward the Belt and Road Initiative. The spirit of the Silk Road was the connectivity of different peoples. In the age of globalization, this spirit still has its meaning. One of the preconditions to connecting people is infrastructure, such as roads and railways. China has learned from the imperialists how important transport facilities are for the development of the economy.

I would like to tell you a story of my own. When I was a kid, I often went to see my grandparents, who lived in the provincial capital, which was less than 200



Wang Hao

km away, but travel took almost a whole day, due to the bad road conditions at that time. It was not only a waste of time, but also reflected the inefficiency of the economy. Nowadays, the two cities are connected by a highway, just like most other Chinese cities, and the journey takes less than two hours. We Chinese have a saying: “To get rich, you must build a road first.”

Today, China is the second largest economy in the world, and building an advanced infrastructure network has made an important contribution to that. Presently, China

has 136,000 km of expressways, and 25,000 km of high-speed railway, which accounts for two-thirds of the world's total. Seven of the ten biggest seaports worldwide are located in China. Both passenger and cargo rail are rapidly developing in China. All of which has changed people's lives, as well as laying a solid foundation for the rapid development of China's economy.

In the age of globalization, there are still many places around the world which are underdeveloped and lacking basic infrastructure. The needs in these areas are enormous. According to the Asian Development Bank, Asia alone will need to invest \$1 trillion every year from 2017 to 2030 in infrastructure, in order to maintain its growth momentum.

As you might know, facilities connectivity is one of the five priorities of the Belt and Road Initiative. Here, facilities refers not only to transport facilities, but also includes oil and gas pipelines, grids, and cross-border cable construction. The aim is to expand road and rail links, and eliminate traffic bottlenecks to facilitate international transport and trade; and the improvement of ports and Asian infrastructure, oil and gas pipelines, grids, and cable networks.

We believe that proper transportation infrastructure is the basis for economic development. That is one of the reasons why China put forward the Belt and Road Initiative.

I would like to emphasize here that the Belt and Road is not a strategy, but an initiative. Every nation can participate and benefit from it. The Belt and Road Initiative is a public good that China offers to the world: It is a fast train to prosperity that is ready to take everybody along. It's also a massive, long-term project, not just for short-term profit.

Europe Is Already Benefitting

China is a country with limited resources and capabilities that depends on the active participation of other partners, including Germany and Europe: Here is how Europe can make a contribution and benefit from it. Actually, 19 European countries, including Germany, Great Britain, and France are members of the Asian Infrastructure Investment Bank (AIIB), which provides solid financial support for the Silk Road initiative. Germany is represented as the largest non-regional partner in the AIIB. Deutsche Bank belongs to the first group of non-regional financial service providers for the Silk Road initiative.

European companies also participate in projects within the framework of the Belt and Road Initiative, with their technology, capital, products, and know-how. I would like to emphasize that in order to participate in Belt and Road, European enterprises should take initiative themselves, instead of waiting for projects to come to them. They should look for the opportunities. In this area, the chambers of commerce of Europe in the countries along the routes can play an important role.

Ladies and Gentlemen: By cooperation along the Belt and Road, China and Europe both benefit economically and give the states along the routes improvement in both economic development and living conditions, which will further provide new opportunities for busi-



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China-to-Europe rail freight. There were more than 3,000 fast-train trips between China and Europe in 2017.

ness and improve Europe's internal and external security.

We already have some visible achievements, such as the more than 3,000 fast trains that have operated between China and Europe in 2017—forty-eight of them between China and Germany. The fast train has become a symbol of the initiative in Europe. Duisburg and Hamburg are two important destinations in Europe and have benefitted a lot from it. Other cities, such as Mannheim, Rostock and Bremen have also shown great interest in operating fast trains. We encourage more European companies to use fast trains to export their goods to China and other Asian countries, in order to save time and lower costs.

Last but not least, I sincerely hope that Europe and China will go along with the trend of the times, engage in open and win-win cooperation, embrace reform and innovation, and seize the historical opportunity of the Belt and Road Initiative.

I must apologize for leaving early, and cannot participate in the panel discussion although I am eager to do so, but my colleague and I have to catch the train to go back to Berlin, because our prime minister will be visiting Germany in a week. So, there is a lot of work waiting for us.

I wish the conference success, and wish all of you a nice day. Thank you.