

Remarks by Jyrki Katainen, Vice President of the European Commission at the High Level Dialogue Session of the Belt and Road Forum for International Cooperation

It is a pleasure to be here to discuss Connectivity – the driving force of the twenty-first century.

The Asian Development Bank estimates that Asia faces a \$26tn infrastructure gap until 2030. Done the right way, more investment in cross-border infrastructure links could boost sustainable growth for all. That is why it is in Europe's interest to be part of this Initiative. China is at one end of the Belt and Road – Europe at the other. Our Trans-European Networks (TEN-T) are already extending East and South. We want to be better connected to our neighbours and partners. We want to build bridges – not walls. As China and the EU are both developing transport initiatives, coordination between us is essential.

This is the role of the EU-China Connectivity Platform. Looking ahead we should ensure that any ambitious scheme to connect Europe and Asia should adhere to the following eight principles – “Eight” being a homonym for prosperity in Chinese:

First, transparency on plans and activities, together with open, rules-based public tenders and reciprocal market access. Second, inclusiveness by ensuring that all parties and countries have a fair say on priorities. We should use multilateral frameworks, like ASEM, to make this a reality. Third, long term vision. We cannot deliver with a piecemeal approach. We need a robust feasibility study with a strong focus on economic and environmental aspects. Fourth, this will help to avoid the mistakes of the past. We have learnt the hard way how to assess the impact on the environment and on the local communities who will be most directly affected. Fifth, we must mainstream the principle of sustainability in line with the 2030 Agenda. The Paris Agreement provides Asia and Europe with opportunities to invent new and better ways to produce, consume, invest and trade. Sixth, cost effectiveness. Transparent, non-discriminatory and open procurement will minimise the fiscal burden, reduce the risk of misappropriation and ensure a level playing field. We need to apply global standard lending disciplines but also bring in a more innovative approach to financing, including public-private partnerships and risk sharing. Seventh, we must involve multilateral banks like the European Investment Bank, the European Bank for Reconstruction and Development, the Asian Development Bank or the World Bank. Their decades of experience make them an invaluable partner for new institutions like the Asian Infrastructure Investment Bank.

Finally our eighth and perhaps most important principle should be reciprocal benefits for all. Not only for countries, but also a fair chance for economic operators from all sides.