

## Press Release

Berlin, 9 October 2014

### **German Economy Calls for Next Stage of Market Opening in China**

- **Equality of treatment must be guiding principle**
- **Further reduction of existing investment barriers**
- **Improvement of fair competition in third markets**

In the run-up to tomorrow's third German-Chinese intergovernmental consultations, the Asia-Pacific Committee of German Business (APA) calls for further opening moves of China towards overseas investors. "A new stage of opening the market is an important building block for the further development of the Chinese economy. An open market will set trends for more sustainability in China's development and put the prosperity of the Chinese society on a more stable footing," said Hubert Lienhard, Chairman of the Asia-Pacific Committee of German Business.

Parallel to the intergovernmental consultations there will also be economic talks between Chinese and German companies on Friday 10 October. At the 7th German-Chinese Forum for Economic and Technological Cooperation, German company representatives will enter into an exchange with the approximately 130 members of the Chinese business delegation about the further expansion of their cooperation, especially in the areas energy transmission, recycling and health industry.

The German economy advocates the equal treatment of German and Chinese investors in the Chinese market. "Our companies create value in China, they employ Chinese people, they grant access to high-end technologies for their Chinese subsidiaries and pay local taxes. They practically act like Chinese companies and, in our opinion, deserve equal treatment," stated Hubert Lienhard. For the APA, equality of treatment also means that German companies and their products and services are treated like domestic companies during public tenders. They should also have an opportunity in all sectors to set up independent investments without joint venture partners. With the global presence of Chinese companies, fair competition rules are also becoming increasingly important, for example for export credits or in the raw material trade.

China is meanwhile the most important trade partner and the leading target country for German investment in Asia. Last year, German companies exported goods with a value of EUR 67 billion to China. The volume of German direct investment in China amounted to some EUR 50 billion last year. Last year alone, the profits generated and reinvested in China by German companies amounted to nearly EUR 4 billion.

### **About APA**

The Asia-Pacific Committee of German Business is the voice of German business active in Asia-Pacific. APA engages in the dialogue on economic policy with the German government and those in the Asian region. APA voices the concerns and interests of German companies' interests towards Asia-Pacific. APA strives for more intense cooperation with Asia-Pacific and helps promoting trade and investment in both directions. APA is an initiative of the Federation of German Industries (BDI), the Association of German Chambers of Industry and Commerce (DIHK), the German Asia-Pacific Business Association (OAV), the Federation of German Wholesale, Foreign Trade and Services (BGA) and the Association of German Banks (Bankenverband).

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