

Dear colleagues and friends from Society for Industry and Trade,

It is my pleasure to meet you at the beginning of the year in the Chinese Embassy. In today's meeting, we'll focus our discussion on China's Belt and Road Initiative and the prospect of Sino-Dutch cooperation under its framework, which I hope will benefit both of us and contribute to our planing of the whole year's work.

I would like to mainly share with you three points: what inspired China to come up with the Belt and Road Initiative; what achievements we have made from this initiative; and what China and Netherlands could jointly do under this initiative.

First, what inspired China to come up with the Belt and Road Initiative?

Friends who are interested in history might not feel alien to the word "Silk Road". Over 2,000 years ago in China's Han Dynasty, Zhang Qian, a royal emissary, left Chang'an, capital of the Han Dynasty, and traveled westward on a mission of peace. His daring undertaking, known as Zhang Qian's journey to the Western regions, opened an overland route linking the East and the West. Centuries later, in the years of Tang, Song and Yuan Dynasties, such silk routes, both over land and at sea, boomed. Ever since then, the Maritime Silk Road has closely linked China with the Netherlands. Even today, talking about the famous Delft Blue, the Dutch people will say "No Delft without China", meaning it was deeply influenced by China's porcelain.

In the autumn of 2013, during his visit to Kazakhstan and Indonesia respectively, Chinese President Xi Jinping proposed the building of the Silk Road Economic Belt and the 21st Century Maritime Silk Road, which he called the Belt and Road Initiative. President Xi brought up the initiative based on his observation on global situation. The current world is at an age of great progress, great transformation and profound changes. Peace, development, cooperation and mutual benefit are trends of the times.

However on the other hand, the world is facing a myriad of challenges, such as sluggish trade and investment, wobbling economic globalization, increasingly unbalanced development, impact from large-scale migration of refugees and immigrants, as well as wars, conflicts and terrorism. Countries are exploring their own ways to deal with these challenges, but

it is obviously difficult to rely on a single country to manage or solve the global problems. Only by cooperation and aligning resources in a global scale can countries create synergy to promote world peace, stability and shared development.

Under these circumstances, President Xi called upon the world to draw wisdom and strength from the ancient Silk Road, which features the spirit of peace and cooperation, openness and inclusiveness, mutual learning and mutual benefit, and to join hands to meet the global challenges in the principle of extensive consultation, joint contribution and shared benefits. The initiative enables countries to create new development opportunities and impetus, leverage their comparative advantages for win-win results, and to make progress toward building a community of shared future for mankind. That, is the original intention and ultimate goal of the initiative.

Secondly, what achievements have we made from this initiative?

Over the past four years, over 100 countries and international organizations have supported and got involved in this initiative. Important resolutions passed by the UN General Assembly and Security Council contain reference to it. The Belt and Road Forum for International Cooperation held in May last year in Beijing drew 29 foreign heads of state and government and over 1500 representatives from more than 130 countries and 70 international organizations. The vision of the Belt and Road Initiative is becoming a reality and bearing fruitful results.

For your easy understanding, I summarize these achievements with the following 5 “connectivities”:

Connectivity Number 1: deepened policy connectivity. We have enhanced coordination with the policy initiatives of relevant countries, such as the Eurasian Economic Union of Russia, the Master Plan on ASEAN Connectivity, the Northern Powerhouse initiative of the UK, the Amber Road initiative of Poland, etc. China has signed cooperation agreements with over 80 countries and international organizations and carried out framework cooperation on production capacity with more than 30 countries.

Connectivity Number 2: enhanced infrastructure connectivity. We have accelerated the building of Jakarta-Bandung high-speed railway, China-Laos railway, Addis Ababa-Djibouti railway and Hungary-Serbia railway, and upgraded Gwadar and Piraeus ports in cooperation with

relevant countries. A large number of connectivity projects are also in the pipeline. Today, a multi-dimensional infrastructure network is taking shape, one that is underpinned by economic corridors such as China-Pakistan Economic Corridor, China-Mongolia-Russia Economic Corridor and the New Eurasian Continental Bridge, featuring land-sea-air transportation routes and information expressway and supported by major railway, port and pipeline projects.

Connectivity Number 3: increased trade connectivity. China has worked with other countries involved in the Belt and Road Initiative to promote trade and investment facilitation and improve business environment. Take Kazakhstan and Central Asian countries for example, customs clearance time for their agricultural products exporting to China is cut by 90%. Total trade between China and other Belt and Road countries in 2014-2016 has exceeded US\$3 trillion, and China's investment in these countries has surpassed US\$50 billion. Chinese companies have set up 75 economic cooperation zones in 24 countries, generating some US\$1.1 billion of tax revenue and 200,000 jobs for them.

Connectivity Number 4: expanded financial connectivity. The Asian Infrastructure Investment Bank has provided US\$1.7 billion of loans for 9 projects in Belt and Road participating countries. The Silk Road Fund has made US\$4 billion of investment, and the 16+1 financial holding company between China and Central and Eastern European countries has been inaugurated. With distinctive focus, these new financial mechanisms and traditional multilateral financial institutions such as the World Bank complement each other. A multi-tiered Belt and Road financial cooperation network has taken an initial shape.

Connectivity Number 5: strengthened people-to-people connectivity. Every year, the Chinese government provides 10,000 government scholarships to the relevant countries. China's local governments have also set up special Silk Road scholarships to encourage international cultural and educational exchanges. Projects of people-to-people cooperation such as Silk Road culture year, tourism year, art festival, film and TV project, seminar and think tank dialogue are flourishing. These interactions have brought our people increasingly closer.

Thirdly, what China and Netherlands could do under the framework of the Belt and Road Initiative?

To this question, my answer is of three words: solid foundation; golden opportunity and great potential..

First, solid foundation. The development of political relations and the positive outcome of the comprehensive cooperation between our two nations in recent years have laid a solid foundation for our future cooperation under the Belt and Road initiative.

--Under the guidance of high-level exchange, our relations are entering the best period in history. The successful exchange visits by President Xi and King Willem-Alexander two years ago have pushed our mutual trust to a new height. Last year marked the 45th anniversary of the establishment of diplomatic relations at ambassadorial level between China and the Netherlands. Both our two sides held series of activities to celebrate it and to review the achievement we've made over the years.

Next month, King Willem-Alexander and Queen Maxima will visit China again, followed by Prime Minister Mark Rutte for the annual meeting of Boao Forum for Asia in April. The timing of these two visits is right after the closing of the 19th National Congress of the Chinese Communist Party, and shortly before or after the Chinese Spring Festival, which are the two most important events for us Chinese people this year. It proves that the foundation of our relations is sound and solid. We believe that these two high-level visits in 2018 will surely bring our mutually-beneficial cooperation to an unprecedented height.

--We have achieved fruitful results in the fields of trade, investment and connectivity. The Netherlands has continuously maintained China's third largest trading partner within the EU since 2000, while China is the Netherlands' second largest trading partner outside EU. In 2015, The Netherlands formally signed up to the Asian Infrastructure Investment Bank (AIIB).

In 2017, our bilateral trade registered a rapid growth. Our bilateral trade volume in the first three quarters of 2017 reaching 55.74 billion U.S. dollars, 14.9% up over the same period of 2016. Bilateral investment also increased steadily. From January to October last year, the Netherlands established 98 new enterprises in China, an increase of 10.11% over the same period of 2016 and its investment was 1.93 billion U.S. dollars, 443.21% up from the same period of 2016, ranking the first among EU countries. The Netherlands is also an important investment destinations for Chinese enterprises. By the end of 2016, China made a direct investment of more than 20.5 billion U.S. dollars in the

Netherlands, which make Netherlands its Number 1 investment destination in EU.

Examples of win-win cooperation between our two countries are countless. Nowadays, one-quarter of the goods in Rotterdam port come from China; one-third of China's import of infant formula milk in 2016 came from the Netherlands with a worth of 1 billion U.S. dollars. In addition, the freight trains from Chengdu, China via Tilburg to Rotterdam are commercially operating; China's ShunFeng Express has opened charter flights to Amsterdam. All these infrastructure connectivity are conducive in making our cooperation more convenient.

--We have made great progress in cultural and people-to-people exchanges. Nowadays, more than 300,000 Chinese tourists come to the Netherlands every year with an average consumption of 1200 dollar per person per night, ranking the first among Asian countries. There are 3 Confucius Institutes in the Netherlands and 13 Confucius Classrooms have been set up among Dutch primary and secondary schools. In China, there are two universities teaching Dutch language and China becomes Netherlands' second largest source in term of foreign students . The arrival of Chinese giant pandas "Wu Wen" and "Xing Ya" set off a frenzy in the Netherlands while the Dutch photographer Ruben Terlou's Documentary of "Walking along the Yangtze River" enjoy great popularity among Dutch viewers. Besides, the China Cultural Center in the Hague won the reward of "Best Organization of the Month"; The annual "Happy Spring Festival" is about to comp up soon. All these cultural and people-to-people exchanges will enhance the understanding between our two peoples and laid a solid foundation for our cooperation.

Second, golden opportunity. Both China and the Netherlands are undergoing major developments, transformation and adjustment, which bring out great opportunities for us.

Looking at the Chinese side, two months ago, the 19th National Congress of the Communist Party of China was successfully convened in Beijing. It was a major event in China's political and economic life. For, the Congress formulated a guide to action and a development blueprint for China in the new era. At the congress, president Xi Jinping emphasized that China will follow a path of Peaceful Development and work to forge a new form of international relations and committed to build a community with a shared future for mankind. He said, China will adhere to the fundamental national policy of opening up and pursues

development with its doors open wide, actively promote international cooperation through the Belt and Road Initiative so that all parties concerned will achieve policy, infrastructure, trade, financial, and people-to-people connectivity and bring out a new platform for international cooperation and shared prosperity.

What President Xi said means that China, a country with a population over 1.3 billion, will become more and more open to the world. We will pursue the Belt and Road Initiative as a priority, promote facilitation of investment, expand foreign trade, further open the service sector and open the western region wider. All these will bring enormous business opportunities for cooperation between the Chinese and Dutch enterprises.

In the Dutch side, Dutch economy has been on a strong recovery and continues to prosper. Dutch investment, consumption and export show full growth momentum which made the Netherlands the most competitive country in EU. However, with EU's slow economic recovery, Brexit and the rising protectionism in the international trade arena, the Netherlands, being an exports-oriented economy, also faces risks.

Facing these risks, the Dutch government and the business communities turn their attention to the East. The Asia Pacific region has become one of the priorities of diplomacy of Rutte the third cabinet and the business communities also become more active in this region, especially in China. In addition, China, being the permanent member of the UN Security Council, and the Netherlands, taking its seat on the UN Security Council as non- permanent member for the sixth time, our coordination and communication within UN will also contribute to our bilateral cooperation under the initiative.

Third, Great potential. China and the Netherlands enjoy complementary advantages in terms of industrial structure. Both sides are fully qualified and capable of taking the Belt and Road initiative as a turning point and pushing bilateral mutually beneficial cooperation to a new height.

In the real economy, China is known as the “world factory” with big manufacturing advantages. The Dutch are famous for their innovative ability and the high-end technology. Your creative industries have long been among the best in the world. If the “Dutch design” and “Made in China” make a good combination, the value it creates will be immeasurable.

With regard to the Internet and smart economy, it is reported that more than two months ago, during the very night of Chinese Tmall “Double 11” online shopping festival, the Dutch company sold out three Aston Martin AM37 Yachts in China, with a price tag of 17 million Yuan, about 2.17million Euro each through the internet platform of Alibaba group. Only one night, three 17 million Yuan, which is enough to prove that the wave of innovation driven by Industry 4.0 and “Internet Plus” will create endless possibilities for the cooperation between China and the Netherlands.

On green and circular economy, we have even more room for cooperation. As President Xi repeatedly said, “people's aspiration for a better life is the goal for us to strive for”. While accelerating economic construction, China also pays more attention to the environment. We have put “the principle of harmonious co-existence between man and nature” in the basic strategy of socialism with Chinese characteristics in the new era, devoted to speeding up the reform of ecological civilization and building a prosperous, strong, democratic, culturally advanced, beautiful and harmonious China.

The Netherlands has many valuable experiences and good practices in modern agriculture, water conservation and management, smart cities, circular economy and green growth. To introduce these experiences in China and promote it in accordance with China’s actual conditions, will not only create huge commercial value but also meet the aspirations of the Chinese people for a better life, as well as maintain the sustainable development of environment.

In terms of third-party cooperation, China and the Netherlands are located at the two ends of the Eurasian continent and an enormous Eurasia market is linking us together. If we could mobilize funds, technologies, talents and facilities from both sides through the interconnection and construction project of the “Belt and Road”, and jointly explore the third party market with the Dutch technology and operation mode and the manufacturing capacity of Chinese manufacturing industry and its experience in developing countries, we could then make it possible to integrate the big markets in Eurasia and foster more business opportunities for companies in the two countries.

In addition, we have a great potential in people to people bond. The aforementioned Dutch photographer Ruben recently completed a new documentary series “*Door het hart van China*”, which is now on air in the Netherlands. If his first series, “*Langs de Oevers van de Yangtze*” is to show the audience about China from east to west, the new series will guide you a tour from north to south. I’m sure it will bring another sensations among the Dutch audience.

Indeed, China is huge. But besides panda, porcelain and places of historical interest and monuments, China has also made tremendous achievements during its process of modernization. Just as more and more Chinese tourists coming to the Netherlands each year, we sincerely welcome more Dutch enterprises and individuals to come to experience China by themselves. I hope that our people can better understand each other and our business may come across new inspirations and room for growth out of our similarities and differences.

Dear friends,

The foundation of the Sino-Dutch cooperation under the “Belt and Road” Initiative has been established. Opportunities have shown and the potential is ready to be tapped. You, my dear friends, are the elite politicians and entrepreneurs in this country and have the very keen insight and the instinct to be the best in the world. I believe that with the vigorous development momentum of the relations between our two countries, as long as we keep innovative and ambitious, we can step onto a new path of cooperation and harvest new fruits from it. Let’s take the opportunities brought along by the Belt and Road Initiative and work together to write a brilliant chapter for cooperation!

Thank you!