

Ladies and gentlemen,

Good morning. I would like to thank the organizers for their kind invitation to this event, and for giving me this opportunity to speak on behalf of the Chinese Embassy.

China and Finland have been enjoying excellent relations for 69 years since the establishment of diplomat ties in early 1950s. In recent years, the bilateral relations have been moving forward in a faster pace. President Xi Jinping's state visit to Finland in April 2017 is still vivid in my mind. Earlier this year, President Niinisto paid a state visit to China and became the first western head of state to visit China this year. In less than two years, the two heads of state exchanged visits and created a new historical record in China-Finland relations. The friendship between the two countries through history has deepened mutual understanding and trust between the people of both countries, and laid a solid foundation for our bilateral economic and trade cooperation.

The economic and trade cooperation between China and Finland has become increasingly closer in recent years. According to Finnish statistics, the total trade between China and Finland in 2018 reached 8.1 billion euros, an increase of 2.7% over the previous year. China jumped to the position as Finland's fourth largest trading partner in the world in the same year, and has been Finland's largest trading partner in Asia for 16 consecutive years. Mutual investment has also been on steady growth. Finnish companies have invested over 10 billion US dollars in Chinese market. At the same time, according to our estimate, Chinese companies have invested about

9.7 billion US dollars in Finland so far. If we count in the recent Anta-Amers Sports acquisition project, the investment from China is even bigger. A large proportion of the Chinese investment went into Finnish technology enterprises. The mutual beneficiary trade and two way investment have brought forward bigger market, more jobs and positive economic contribution for both countries. They have also created added values and opportunities for both Chinese and Finnish companies.

The main theme of today's event is "innovation". As we all know, Finland is an innovative country with a strong innovation atmosphere, an open innovation environment and world-leading technology in many fields. In fact, China and Finland are highly compatible in innovation and R&D. As early as 2012, Chinese government put forward the "innovation-driven development strategy", which placed innovation at the core of the economic development programme. A carefully-planned, top down design for that strategy was put in place and is being effectively implemented. Over the years, China has continuously improved its innovation capabilities and efficiency, vigorously optimized its innovation ecology, and mobilized the enthusiasm of various innovation entities. Works have been done to deepen the reform of the science and technology management system, to promote key core technology research, and to strengthen the construction of major science and technology infrastructure as well as innovation centers.

Last July, the World Intellectual Property Organization released the "2018 Global Innovation Index Report." In that report we saw China's ranking in the global innovation index rose further from the 22<sup>nd</sup> place in 2017 to the

17<sup>th</sup> place. China is the only middle-income country that entered the top 20. And China is the only middle-income country with a narrowing gap in innovation to the developed economies. This partly reflects the effectiveness of China's innovation-driven development strategy and quality focused development approach. As a result, China has made great achievements in information technology and other newly emerging industries, such as 5G, Internet of Things, artificial intelligence, telecommunication, high-speed rail and space industry, just to name a few. These industries are beginning to gain a competitive edge in the international arena. The new economy and business model like Internet+, shared economy, and smart manufacturing are booming, changing the lives of millions of Chinese people and becoming the "new business cards" of China's going to the world.

Although we have been able to make tremendous progress in innovation and technology, it does not mean we are perfect and there is no need for international cooperation. On the contrary, we are conscious that there are still a lot China needs to learn from others including Finland, and we think it is utterly important to have cooperation and exchanges in innovation and technology with the rest of the world. We view Finland as an excellent partner for such cooperation and exchange. Most of the Finnish companies may be small and medium sized, but they own special know-how and expertise in many industrial sectors. In 2017, the China-Finland Committee for Innovative Enterprises Cooperation was established with a view to provide a platform for Chinese and Finnish enterprises to carry out innovation cooperation. So far the Committee has convened three plenary meetings and some subgroup meetings, which greatly promoted innovation cooperation between two countries. More than 50 enterprises and research

institutes from both sides joined the Committee. They include famous companies like Nokia, UPM, KONE, Wärtsilä from Finnish side, and Huawei, Zhongguancun Group, BYD from Chinese side. During the third Committee meeting, Chinese company SIMIC Holdings signed a memorandum on strategic alliance with VTT, and the two sides set to work on comprehensive strategic cooperation in the fields of 5G, Internet of Things, artificial intelligence, and to set up a joint laboratory in Jiading, Shanghai. This has been a solid step for bilateral cooperation in innovation. In the future, the governments of China and Finland may continue to assist the businesses to find new ways of cooperation. We can promote such cooperation on government level by providing more supporting policies. We can encourage enterprises, universities and research institutes of the two countries to engage in mutually beneficial cooperation by organizing symposiums, round tables, training courses and joint research projects. We can support cooperation between provinces and municipalities of the two countries. We can facilitate the exchanges of talents on both sides. We can also cooperate in third countries under the framework of "the Belt and Road Initiative".

We warmly welcome Finnish companies to enter Chinese market, to sell your innovative products and technologies, or set up production in China. I am certain you will find good customers there. The Chinese government strives to provide a fair, transparent and predictable business and investment environment to all foreign companies and to safeguard their legitimate interest. Also, we are very glad to see that Chinese companies are increasingly interested in investing in Finland, and there exists huge potentials for technology and innovation cooperation between our countries. It is the stable and transparent investment environment, high

quality human resources, rich innovation achievements and reasonable overall cost that are attracting Chinese investors to Finland. We hope the Finnish government will continue to maintain the investment friendly environment towards Chinese investors in the future. We believe that with the deepening of bilateral relations, the trade and economic cooperation, including innovation cooperation between China and Finland will bear more fruits.

Finally, I wish this forum a complete success! Thank you!