* ***Check against delivery -***

**Position Paper of the German Ambassador to the Hague,**

**H.E. Dirk Brengelmann**

* Discussion on the opportunities for Dutch Businesses in expanding trade with *new* trade partner should not forget the *old* trade partners
* Around 190 billion Euro was the impressive turnover German-Dutch trade added up to in 2018, which was a growth of roughly 8 percent after 2017. Following these numbers, Germany was again Netherland´s most important trading partner, and the Netherlands Germany´s second important trading partner – right after China.
* These numbers show something very clearly: of course, there lie a lot of opportunities in emerging markets and business with new trade partners. But the strength of our economies is also based on the well-established business relations with our old and reliable partners. So: do new things, but do not forget your traditional partners either.
* That applies certainly for the Netherlands and Germany, as our economies are very closely intertwined and interdependent.
* Industry is the backbone of the European economy and its long-term competitiveness. It employs 32 million people in Europe and an additional 30 million in industry-related sectors.
* our multilateral trading system is undergoing serious trouble and the European industry experiences increasingly protectionist trade measures from third countries. Other major economic blocks are moving forward in developing their own proactive industrial strategies.
* the German government is advocating very strongly for an ambitious European industry agenda. German Minister for economy recently presented the outline of a national industry agenda, as well as a Franco-German Industrial manifesto together with his French colleague as well as a Polish-German Statement on the European Industrial policy
* This has created a very intensive debate on Industrial policies, nationally and EU wide. Bund Deutscher Industrie (BDI) was very critical about proposed ‘champions’, arguing instead for e.g. more focus on SME and competition.
* Minister Altmaier very recently also reached out to the Dutch to government to also feed their ideas, experience and thoughts into this important debate.
* European industry is at a crossroads and we need a strategy to maintain its competitiveness, while at the same time also managing the energy transition and the digital transformation of industry.
* No panic. Europe has to join forces and even better harmonize our efforts in tackling new global challenges, such as trade disputes, digitalization etc. Then we are strong and have the best opportunities
* integrated approach is needed, which mobilises all European policies, including e.g. Research & development policy to develop better incentives for industries to work on innovative cross-border solutions. It is important to give the right ‘framework conditions’ so companies can succeed and grow in their own right.
* Important that both our governments advocate for an ambitious and comprehensive industrial strategy. Present European Commission made proposals to stimulate debate. We will have to see whether new Commission will want to add to this.
* think strategically without copying strategies of others – advocating our principals of free trade and moving on with our efforts for WTO-reform.
* While multilateral trading system is under pressure, the EU´s bilateral trade agenda is all the more important – important signal was the EU-Japan free trade agreement (entered into force on Feb1rst). Now important to push forward the planned agreements with Singapore and Vietnam.
* High-growth region of Asia pacific and fast-growing economies in Latin America offer many opportunities. Germany is also a strong supporter of the EU´s negotiations on a well-balanced agreement with MERCOSUR