

#### The Federal Authorities of the Swiss Confederation

# Official working visit to Bern by Chinese Prime Minister WEN Jiabao

Bern, 27.01.2009 - President Hans-Rudolf Merz today received the Chinese Prime Minister WEN Jiabao on an official working visit. President Merz was joined in the discussions by Vice-President Doris Leuthard, Federal Councillor Pascal Couchepin, head of the Federal Department of Home Affairs and Federal Councillor Micheline Calmy-Rey, head of the Federal Department of Foreign Affairs. A new bilateral investment protection agreement was signed during the meeting. Both parties also agreed on the preparation of a joint feasibility study on a future free trade agreement.

The working meeting with Prime Minister WEN Jiabao was the first official high-level meeting since the State visit by President JIANG Zemin in March 1999. In addition to the subject of relations between Switzerland and China, discussions focussed on the economic situation against the backdrop of the current global financial crisis, political dialogue, human rights dialogue and bilateral cooperation in the fields of science and technology.

Questions concerning economic cooperation were also discussed. Both sides agreed on the preparation of a joint feasibility study on a future free trade agreement between Switzerland and China. The Swiss-Chinese working group set up for this purpose should begin work in the second half of 2009 with the aim of deciding on the commencement of negotiations at the earliest opportunity.

The Federal Council delegation stressed during the discussions that significant progress had been made in identifying the causes of the financial crisis, and that there was a clear need to improve regulation in specific areas. Discussions on this issue primarily take place in the framework of the G-20. As one of the world's most important financial centres, Switzerland should be involved in the discussions

In the course of the working visit, a new bilateral investment protection agreement was signed. It replaces the existing agreement from 1986, which no longer adequately satisfies today's needs. Thanks to the new agreement, Swiss investors on the Chinese market will be the first to benefit from a higher level of legal protection. Swiss direct investment in China currently amounts to almost CHF 5 billion placing Switzerland fifteenth on the list of China's most important investors.

Chinese direct investment in Switzerland is currently still relatively modest. It is hoped that the new investment protection agreement will have an encouraging effect.

The Federal Council delegation raised the subject of the goal to institutionalise broad political dialogue contained in the 2007 joint declaration of intent between Switzerland and China on the promotion of dialogue and cooperation. The bilateral dialogue on human rights established in 1991 and the human rights situation in China were also discussed.

Following the discussions in Bern, the Chinese delegation, which also included the Foreign Minister, the Chairman of the National Development and Reform Commission - China's economic steering body - and the Minister of Commerce, travelled on to the WEF Annual Meeting in Davos.

#### Attachements:

Background information (pdf, 31kb)
Background information (in Chinese) (pdf, 76kb)

#### Zusätzliche Verweise:

- Chinese Prime Minister meets President Hans-Rudolf Merz on a working visit

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