It is a pleasure to be here today, and a pleasure to speak very briefly in the place of my Commission colleagues Meglena Kuneva and Markos Kyprianou, who unfortunately can't be here. Commissioners Kuneva and Kyprianou are tireless advocates on the issues that we are here to discuss today, and as Trade, Health and Consumer Protection Commissioners we work closely together. The message I want to pass today is theirs as much as my own.

Obviously product safety in China has been pushed into the spotlight this year in a way that it has not been before now. Large recalls of pet food, toothpaste and toys dominated many summer newspapers in Europe and beyond. Understandably, where children and toys are involved, the level of concern was and is very high. Many rushed to condemn standards in China, and some here reacted strongly to defend them - or to accuse those who insisted on strong standards as trade protectionists. In the ensuing media scuffle, a simple point about product safety was sometimes overshadowed.

That point is that product safety is everybody's problem. Safety is a shared concern and shared responsibility. There are no conflicts of interest. It is not a made in China problem. It is not a Mattel problem. Of course customers play an important role in identifying defects and forcing producers to assume responsibility for their products, but the frontline responsibility, and the final responsibility rests with diligent businesses and with public authorities on both sides. Any country with ambitions to global export trade in food or manufactures needs to recognise that they need to meet the rules and show that they do.

This is not a problem caused by globalisation. It is true that Globalisation has made monitoring product safety even more complex: managing a global supply chain requires a huge amount of diligence, both from businesses and public authorities. But even if we produced everything in our own economies the need for strong consumer safety standards would not change. Scope for improvements and controls can be found in every step of the chain from product design specifications to factory floor to supermarket shelf.

While product safety is not a problem restricted to China, it will nevertheless be central to the global perception of China's growing weight as a manufacturer. China already makes a third of the world's consumer goods: three quarters of its toys. The European Union's RAPEX early warning system for non food products received more than 1000 notifications in 2006, and nearly half concerned China. In 2007 those numbers look set to rise by 50%. Consumers and businesses will inevitably need to be reassured that China can not just manufacture, but manufacture safely. This is crucial not just for our sake, as consumers, but China's long term success depends on its reputation. A reputation can only be built up step by step. But it can be destroyed in a moment. That is what is at stake for China, and for our companies who want to manufacture in China.

Today's focus is on food trade and sanitary standards and in this area the imperatives are every bit as important and unavoidable. Countries and companies that cannot provide that reassurance that they are producing and exporting safe food will not just lose customers, they will even see their products barred from other markets. After the events of this year,
restoring, and then maintaining consumer trust and confidence in Chinese products must be China's priority if it wants to maintain the export growth rates of recent years.

On food products, China represented 9% of notifications last year in our Rapid Alert System for Food and Feed (RASFF), with problems emerging on a wide range of products such as honey, peanuts, unauthorised genetically modified rice and animal feed. Notified problems originating in China are likely to rise in 2007. I regard the recent actions by Chinese authorities to rectify some of the lapses of this year as a positive first move. But it is a long and meticulous process, and inevitably China's partners will be watching very closely.

It is also important to note that the question of product safety is closely tied to the question of counterfeiting. A counterfeit product by definition comes with none of the safety guarantees of a genuine product. Eight in ten of every counterfeit items seized at the EU's borders in 2006 were produced here in China. Some of those products - fake medicines, fake car parts, fake aircraft parts - carry huge risks when they are faulty or just plain fake. China will never properly tackle the issue of product safety without addressing the tidal wave of counterfeit goods. This is a flood that the Chinese authorities must control, and end. We need to see a much clearer demonstration by China that they see the problem as theirs and not just ours.

I think these arguments make it clear why we are right to take this issue seriously. I strongly reject the argument that strong consumer protection rules are trade protectionism. I was frustrated by those who tried to turn the events of this year into an unfounded argument about protectionism. As Trade Commissioner I have always been very careful to ensure that Europe's preference for high standards does not become a pretext for protectionism. I will continue to do so.

The EU has always been an advocate of open and fair trade, but we expect our own businesses to meet stringent and transparent rules on consumer health and safety and we expect businesses that want to import to Europe, including those that are owned by Europeans, to meet them too. That is what our consumers demand, and increasingly that is what other consumers around the world are demanding.

I know that if Commissioners Kuneva and Kyprianou were here they would say that consumer safety is a zero-compromise issue. During the summer some Chinese officials pointed out that less than 1% of China's exports to Europe had alleged health risks. But Europe imports half a billion euros worth of goods from China every day - so even 1% is not acceptable.

So our joint challenge is to work together to make sure the wider EU-China wider trading relationship is not undermined by concerns about product safety. There was some suggestion this summer that China would use the policing of safety standards in its export markets as a pretext for raising unjustified barriers in its own markets. Politicising product safety in this way is hugely irresponsible and undermines the entire public safety system. As I said earlier, product safety is a shared problem.

Business often says that the currency of long term trading relationships is predictability. And predictability is about trust. Europeans will continue to expect the highest standards. China's own consumers will increasingly demand it. The businesses that produce in China, whoever they are owned by, have everything to gain from meeting that expectation. So does the Chinese government.

Thank you.