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## A history-making memorandum

### Siemens in China

**China's decision to reform and open up 40 years ago reshaped the country's destiny. In the following decades, Siemens joined hands with the Chinese people to write an extraordinary chapter of modern history.**

On October 29, 1985, Siemens and the Chinese government signed the "Memorandum of Comprehensive Cooperation between the Machinery, the Electric and Electronics Industries of the People's Republic of China and Siemens AG". Siemens was the first foreign enterprise China invited to participate in such a comprehensive cooperation scheme.

Liu Changhua, who joined Siemens Representation Office Beijing in March 1984, witnessed the negotiation and signing of the Memorandum. "At that time, China's reform and opening-up had just started. China hoped to open its doors wider to the outside world, as well as bring in and absorb foreign advanced technologies. Siemens stood out with comprehensive technical strengths in many fields such as industry, mobility and energy. That's why we were able to seize the opportunity," said Liu. "In addition, the Chinese leaders appreciated Siemens' culture, history and our commitment to the Chinese market."



In 1985, Siemens and the Chinese government signed a memorandum of comprehensive cooperation.



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On the signing day, the Great Hall of the People was full of cheers and laughter. Witnessed by then vice premiers of both countries, both sides signed the memorandum and a series of project deals. Liu served as an interpreter and signing assistant. When then Siemens global president Karlheinz Kaske signed and stamped the documents, Liu needed to stand next to the signing desk, helping to turn pages and carefully ensuring that the inked stamp would not touch other pages. Though the task was small, the responsibility was significant.

Liu, proficient in German, was then responsible for external liaison, government affairs and personnel management of Siemens in China. Jürgen Oberg, the first Chief Representative of the Siemens Representation Office Beijing, even called him the "spokesperson of Siemens China".

Signing of the Memorandum laid a solid foundation for long-term and systematic cooperation between Siemens and China. A coordination committee was also set up to monitor and promote progress of the joint projects. Within the committee, Liu represented Siemens China responsible for communication and coordination with the China side.

According to Liu, the committee focused on fields including manufacturing, mobility, energy, semiconductor technology, communications and medical equipment. Siemens also promised to establish a modern technology training center in China to help nurture high-tech talents.



In April 1988, Oberg (left first in back row) and Liu (right third in front row) accompanied the committee members to visit the Itaipu Hydropower Station and a joint-venture factory of Siemens in Brazil.



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In April 1988, the committee visited the Itaipu Hydropower Station and a joint-venture factory of Siemens in Brazil. The tour was intended to prepare for China's Three Gorges Project which was at that still undetermined. Liu accompanied the delegation and also served as interpreter during the tour. Seeing the world's largest hydroelectric generator unit from Siemens, the Chinese leaders highly praised its leading technology and performance stability.

After that, everyone took a helicopter flight over the region and looked down at the prosperous towns on both sides of the Amazon River as well as the densely parked cars beside the power station and factory. When they learned that most of those cars were owned by ordinary workers, the Chinese leaders were extremely surprised. "Bringing in cutting-edge technology and establishing joint ventures can truly create a prosperous life for the people," they said. So it was natural that Siemens was chosen to provide transformers and generators for the Three Gorges project afterwards.

Over the past decades, Siemens and China have continued to work side by side and have further deepened their cooperation. In 2011, Siemens and the National Development and Reform Commission renewed the cooperation memorandum, focusing on industrial upgrading and technological innovation, energy saving and emission reduction, as well as the promotion and development of Central and Western China. In 2016, both sides further extended the partnership to jointly develop innovation and R&D, intelligent manufacturing and infrastructure, sustainable energy, and regional development. A year later, the cooperation was deepened in areas of innovation and the application of digital technologies.



In the late 1980s, Liu (right second) represented Siemens China in communication and coordination efforts within the committee.