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Speech by President Herman Van Rompuy at the European Chamber of Commerce in Singapore

Let me start by expressing my warmest thanks to the organisers of tonight's gala: the European Chamber of Commerce in Singapore.

Since arriving in this "Lion City" early this morning, I have benefited from the cordial welcome and outstanding hospitality of the Singapore Government, whom I equally want to thank wholeheartedly.

Singapore is a vibrant city at the heart of a vibrant area of growth. This is why the EU's presence here and our good relations are so important.

This fifth Schuman Lecture follows those given by Christine Lagarde, Pascal Lamy, Romano Prodi and Peter Mandelson, all persons with whom I have worked with in one way or another. So tonight is practically a family affair.

I have heard that the local custom is to make three points. I hope not to breach protocol too much if I cover five areas in my remarks.

I want first and foremost to take stock of EU-Singapore relations. Second, I would like to place this relationship within the broader context of EU-Asia relations. Third, you rightly expect me to say a few words on Europe's economy and on how Europe and Asia can "grow together". Fourth, I will share with you some reflections on the challenges which the world community collectively faces at present. Finally, I want to leave you with a few personal thoughts looking back at my time at the very heart of Europe's decision making.

The primary goal of my visit is to deepen and broaden EU relations with Singapore. This is what I discussed with President Tony Tan earlier today. Tomorrow morning, I will continue this conversation with Prime Minister Lee. As I see it, the Free Trade Agreement and the Partnership and Cooperation Agreement initialled in 2013 constitute major building blocks.

Last month we concluded negotiations on an investment protection agreement which will be an integral part of the EU-Singapore Free Trade Agreement. This is the most comprehensive trade agreement the EU ever negotiated with a third country. It can be a benchmark for other countries in the region and a stepping stone for an EU-ASEAN free trade agreement.

Many of you present tonight are part of the successful European business community in Singapore. I wish to thank you for your personal contributions to the strong trade and investment links. I trust that you will enjoy soon the benefits of these new agreements.

Business comes to mind when one approaches the skyline of Singapore's financial district. But Singapore is also an intellectual hub. I was impressed with the exchanges I had with students and scholars this afternoon at Singapore Management University. Singapore is also the natural location for EU public diplomacy efforts in Southeast Asia: the EU Centre, Jean Monnet Scholar, EU-Asia Dialogue are all based here.

I believe in mutual enrichment through intellectual interaction. Many Singaporeans have gone to Europe for studies. A growing number of European students, scholars and researchers find Singapore a conducive environment for their work. European Universities such as INSEAD, ESSEC or TU Munich have located their Asian campuses in Singapore.

Finally, and I will talk about this later in greater detail, Singapore and the EU need to work together in facing global challenges and addressing security threats in our respective regions. Our Partnership and Cooperation Agreement provides indeed a good framework for increased dialogue and understanding on such issues.

Let me now turn to the broader framework of EU-Asia relations. A few weeks ago, I chaired the Summit of the Asia-Europe Meeting - ASEM for short - in Milan. In his speech, Prime Minister Lee pleaded strongly for Europe to "take opportunities to partner Asian economies for the benefit of both sides". I believe his voice was heard.

The 10th ASEM Summit gave further impetus to economic, political and cultural cooperation between Europe and Asia. Discussions focussed on connectivity – the free flow of goods, investment, information and people as a key requirement for economic growth and prosperity. Transport links need to be enhanced so that our trade relations can grow even stronger. Also, in this 21st century, digital connectivity is a key area for trade and future development.

In Milan, we also stressed the importance of high quality education to foster innovation and thereby contribute to growth and employment. The Asia Europe Foundation – or ASEF – the only "brick and mortar" institution of ASEM, is based here in Singapore. It supports cross-fertilization of ideas. I can only praise the vision of former Prime Minister Goh Chok Tong under whose stewardship ASEM and ASEF were launched two decades ago.

Relations with ASEAN deserve special consideration. I had a very substantive meeting with ASEAN leaders in Milan only a few weeks ago. Both sides are keen to strengthen relations.

ASEAN is one of the world's fastest growing regions and is building an economic community of 600 million increasingly sophisticated and demanding consumers. It is a great match for the European Union, which is the world's largest economy and has a Single Market of 500 million consumers.

Our robust trade and investment figures reflect this similarity. The EU is ASEAN's 3rd largest trading partner after China and Japan, and we are in fact the biggest investor in ASEAN economies. This creates jobs and stimulates the economy for the benefit of our people.

Relations between the EU and ASEAN have deepened and broadened significantly over the past two years. We are moving to new areas of concrete cooperation: improving aviation connectivity, crisis response and disaster management, addressing transnational crime and improving maritime cooperation.

ASEAN will face a crucial moment when launching the three communities, including a Single Market in the end of 2015. The EU wants ASEAN to succeed - and we have no doubt that it will. More than any other partner of ASEAN, we know the strategic benefits of regional integration. We also know how challenging it is to turn the vision of a regional Community into practical reality. Regional integration is essential for both peace and prosperity. Europe, after two World Wars, has learnt this the hard way.

The EU acknowledges the key role that the ASEAN plays in this region and beyond. The ongoing FTA negotiations with other ASEAN members should pave the way for a region-to-region FTA.

Finally, we are working towards the establishment of a Strategic Partnership with ASEAN. The EU will soon nominate its first Ambassador accredited exclusively to ASEAN. We would like to engage even more with ASEAN, including on political and security issues also in the context of the East Asia Summit.

To support these efforts, the EU will more than double its financial assistance to ASEAN integration (170M€) and to South East Asian countries from 1.7 billion to 3 billion € until 2020.

Tomorrow, I will travel to Jakarta where, in addition to meetings with the Indonesian leadership, I will also visit ASEAN's Headquarters.

More generally, the re-emergence of Asia is one of the mega-trends shaping our world. Asia is home to the fastest growing economies and, as a result, has rising global significance and influence.

I just attended the G20 Summit in Brisbane. It was the first G20 Summit that focused on the transition from fighting the global crisis to supporting the recovery. We agreed on a consistent set of strategies which will help set the G20 countries collectively on a higher growth trajectory.

From our perspective it was also important that the Brisbane meeting strengthen global action to tackle cross-border tax avoidance and tax evasion. Indeed, governments need effective financing mechanisms to deliver much needed services and infrastructure. In this regard I appreciate Singapore's support to the new "automatic exchange of information on taxation". As a major financial centre, Singapore's commitment is of particular importance. EU Member States look forward to implementing the new global standard in cooperation with their counterparts here.

Asia, one of the locomotives of world growth, also depends to a large extent on an open European market to keep up this performance. The EU's 500 million consumers absorb a sizeable share of Asia's exports. Europe on the other hand needs to return to the path of sustainable growth to create jobs for its citizens. Trade plays an important part. In this context, Asia's - including Singapore's - investment into promising sectors of our economy is a welcome contribution to Europe's recovery.

The EU is not sitting still, but moving steadily towards advancing global free trade and bilateral and regional free trade agreements. This agenda is ambitious and covers areas that bring additional value to the European economy – for example, services, Intellectual Property Rights issues, public procurement, competition rules and a greater promotion of the recognition of EU standards. In addition, investment is now an integral part of our free trade agreement (FTA) negotiations.

Important negotiations on free trade agreements (FTAs) have been launched with Japan, India, Vietnam, Thailand and others. 10 negotiations have been concluded since 2009, including with South Korea and, as I already mentioned, more recently with Singapore and Canada. We have also launched specific investment negotiations with China and with Myanmar.

And we took the unprecedented step to start negotiations with the United States of America on a Transatlantic Trade and Investment Partnership. A successful outcome would represent a major boost not only for transatlantic commerce, but for the world at large.

If all EU trade agreements currently in the works are put into practice, they will cover over 60% of our imports and exports. All this shows clearly: the European Union as the world's largest trading bloc remains open for business.

Working hard in overcoming its financial crisis, the European Union also contributes to world wide economic growth and development.

Over the past few years Europe has taken major steps towards a genuine Economic and Monetary Union. We have strengthened fiscal and economic governance in the Eurozone. We have established and reinforced a crisis management framework and have set up common European financial supervisory authorities. Consolidation in European economies was and is painful but necessary.

Together, these steps constitute an impressive achievement, especially compared to what was considered feasible only a few years ago. As a result, the Economic and Monetary Union has become significantly more robust. Proper implementation is a priority. However, further steps also remain necessary.

Most importantly, the full completion of the banking union is indispensable for the health and resilience of Europe's banking sector. Progress here will pave the way for growth and form the basis for recovery across the EU. We have reached a new stage in our efforts. This is no longer just about crisis response, but about setting the course for greater long-term stability.

In addition, the ongoing implementation of ambitious structural reforms in all EU Member States, will help to enhance growth, competitiveness and job creation throughout the EU.

Other essential structural reforms concern the single market, the energy union, the digital market and of course the research and innovation area.

Three weeks ago, at the last European Council I chaired, leaders welcomed the intention of the new European Commission to stimulate extra investments for a volume of up to 300 € bn. during the next three years. The responsibility for the Member States in terms of reforms but also investments is large: stimulating investments, economically speaking, means acting on the side of demand and on the side of supply !

Both our regions have to remain united when facing global challenges, such as climate change, energy security and non-traditional security threats including extremism and terrorism. Here, our partnership becomes more relevant than ever.

Major events will mark next year's calendar: the Paris Conference on Climate Change and the agreement on the new post-2015 sustainable development agenda. Our future is at stake. We all share responsibilities and need to work together in the run-up to these events to ensure that we achieve tangible results. The European Council adopted in October ambitious goals to reduce Europe's carbon emissions, increase its energy efficiency and renewables. We are still the largest donor in the world and are working with partners in view of agreeing ambitious goals for sustainable development.

But our cooperation with other nations has to extend to addressing regional conflicts as well. The crisis in Ukraine and deterioration of relations with Russia has an impact on Asia. When Crimea was annexed by Russia, Singapore stood on the side of international law. I appreciate Singapore's commitment to upholding a rules-based international order. We were all equally shocked by the downing of Malaysian Airlines flight MH 17 over Eastern Ukraine.

Similarly, the challenge of Islamic extremism originating in Middle Eastern conflicts, threaten Northern Africa and the Sahel, but also Asia and Europe directly. I recall here the words of PM Lee: "we must all take the ISIS threat seriously because it has a direct impact on the security and social cohesion of our countries." We have a common enemy: extremism and barbarism. We have to combat it, to beat it not only militarily but also by tackling the root causes. We need a 'comprehensive strategy'

Conversely, the security situation in Asia regarding proliferation of weapons of mass destruction, unresolved border disputes or tensions in maritime areas, is also a major concern in Europe.

I wish here to applaud ASEAN efforts in building formats for dialogue such as the Ministers of Defence Meetings, the Asian Regional Forum or the East Asia Summit that bring together key players and encourage dialogue and cooperation. It is of utmost importance that any conflicts be resolved peacefully and in accordance with international law.

The EU is already associated to many of these efforts and is willing to engage further.

In a similar way the EU appreciates Asian support, and concretely the support of Singapore, in some of its international endeavours aimed at contributing to international peace and security. The EU naval operation ATALANTA, off the coast of Somalia, which has brought in check maritime piracy in a key merchant route is a case in point.

As the world's leading international, development and humanitarian actor, the European Union is keen to increase its cooperation with Asian partners, including Singapore, in addressing also other global and regional challenges.

Finally, some words on my tenure as the first "permanent" President of the European Council. Chairing the meetings of the 28 European Heads of State and Government, and steering the European Union through financial and international crises during the last five years has been both exhilarating and extremely challenging. There were times when the euro's own survival seemed to be threatened. But we overcame the existential threat to the Eurozone. There have also been and still are moments, notably in responding to the Ukrainian crisis, when hard choices were necessary, for example on sanctions on Russia. Keeping the EU united has been my major goal. How difficult it seems, but deciding with 28 sovereign states on the stability of the Eurozone, a deepened EMU, a shrinking EU-budget and climate change is possible. The Union is nor blocked nor polarised.

As I mentioned earlier, in responding to the financial crisis we strengthened significantly the EU's Economic and Monetary Union. We advanced substantially in the creation of the Banking Union. The EU today is stronger institutionally than it has ever been before. But efforts must continue, in Brussels and in all 28 EU Member States in order to win back the trust of our citizens. In the first place to relaunch growth and job creation. It will be no small task for our successors. The first step is a package of new investments of 300 bn euro (2% of EU-GDP), in the public and private sector for the upcoming three years.

In the international agenda, as well, we have taken grave decisions at Heads of State and Government level. Courses have been set as regards Ukraine, Middle Eastern and African policies, but crises and threats are far from over. We live in a dangerous world. Interdependence does not only concern the economy. It affects our political and security choices as well. Terrorism has no borders.

The EU is a strong defender of multilateralism and of the UN-institutions: "The biggest ally of the UN" as SG Ban-Ki-Moon has often told me.

One outstanding lesson from the past five years, I believe valid for all Heads of State and Governments of the European Union, is that only acting together on the basis of our principles and with a clear understanding of our common interests will we be able to overcome the difficulties that we face. It is this conviction that has spurred the EU forward throughout its recent history and given it its strength.

It is in this spirit of dialogue, and solidarity that I visit Singapore today.
