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THE PRESIDENT

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EUCO 49/14

PRESSE 97
PR PCE 42

Opening speech by President of the European Council Herman Van Rompuy at EU-Brazil Business Summit

I am delighted we could attend the opening of the 7th EU-Brazil Business Summit. Together with President Rousseff and President Barroso, we have just finished our Summit. It was an occasion to take stock of our important relationship and move our Strategic Partnership ahead, economically and politically.

The EU and Brazil are going through challenging times. It is a time of constant adaptation to an ever-changing economic environment. But the EU-Brazil relations are not going through a difficult time. We have very strong commercial and investment ties. The potential to deepen and broaden these are huge.

We can only win by opening our markets. An EU-Mercosur free trade agreement could be a unique opportunity. The EU is engaged in several FTA negotiations with other global actors. We think it is in our long-term interest. We need precisely a long-term view on our competitiveness in times like this when short-termism is always looming.

Ladies and Gentlemen,

We are getting around the most severe economic crisis that we have known for a long time. Growth is positive in nearly all EU Member States, but still fragile. But the worst is behind us. And we have done a lot already. Reforms paving the way for growth and jobs are continuing all over Europe.

P R E S S

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The European Union has significantly strengthened its Economic and Monetary Union. Right now our top priority is completing the banking union with the establishment of a Single Resolution Mechanism, an important guarantee for financial stability, before the end of this parliamentary term. This, together with other regulatory changes, will make Europe's financial sector stronger and better able to support the real economy.

Enhancing European competitiveness is a key priority these days. We have the world's largest single market with transparent rules and we want to fully benefit from it. We will continue to invest in innovation to unlock new sources of growth and jobs. We also want to establish further our presence in international markets.

The European Council devoted several of its meetings in 2013 to issues like innovation, the digital economy, energy and other drivers for growth and jobs. We are creating a real single market in these sectors combatting the current fragmentation. The time of crisis management only is over.

Despite our efforts, unemployment remains high. Creating new jobs is our main priority. While we will continue the structural reforms necessary to raise productivity and competitiveness, we are also taking measures to support growth and employment in the near term. Support to SMEs and youth employment are two key areas. Credit conditions are still tight in some of our Member States and this is an area where we will continue to focus.

I am confident that Brazil will sustain its competitiveness and growth in the coming years. Brazil has good macroeconomic fundamentals, plenty of talented and innovative companies, a demographic advantage and vast resources.

Trade and investment are important to boost economic growth and job creation everywhere in the world. Protectionism is not an answer to economic slowdown.

In key priority sectors, such as infrastructure and logistics, oil and gas, renewable energy, and agribusiness, there are huge opportunities for investment and technology flows and further business cooperation.

To come back to the issue of EU-Mercosur negotiations – they may reach a crucial phase soon. It will depend on the continuing support from European and Brazilian business to bring these negotiations to a successful conclusion. We need to move, because the rest of the world does not stand still.

Ladies and Gentlemen,

More than ever before, our economies and societies are interlinked. Your hard work on the ground matters tremendously, seizing new opportunities and developing innovative products or services. And so do all the direct contacts between companies from Europe and Brazil, between the peoples of our countries, not least all the students who each year discover new ideas, new way of looking at things, and who are learning from one another.

Working together, we can harness the benefits of globalization. With our policies and actions, we will promote opportunities to business and it will be up to you to seize them.

I wish you a very successful Business Summit and thank you for your attention.