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A renewed EU-Asia partnership in a changing world

*Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort*

ASEM Development Conference

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Honourable Minister, Excellences, Ladies and Gentlemen,

Let me begin by thanking the Indonesian Government for hosting this conference with the European Commission.

I am particularly pleased to be here in Asia. This visit is also my first to the region since my appointment as European Development Commissioner in February this year.

I welcome the fact that we are in Indonesia – a country that has made dramatic strides in recent years both politically and economically. It is the first country in the region with which the European Union has signed a Partnership and Cooperation Agreement. This Agreement provides an opportunity to expand collaboration between Indonesia and the European Union in various fields, such as trade and investment, key sectors such as finance, macro-economic and industrial policy, education, health, and the environment. It is an example I hope to see repeated between EU and other Asian partners.

Why I am here today: The world has changed, Asia has emerged as a global player and we have global challenges that we face together:

- Europe recognizes and encourages the emergence of Asia as an economic but also a political power on the global scene. We also encourage regional integration which provides economic benefits and political weight.
- Developing Asia's share of world output has progressively risen from around 10% in 1990 to about 25% today.
- It is a real success story that has lifted around half of emerging Asia's population out of extreme poverty. Many countries have progressed from low-income to middle-income status
- The EU is a strong supporter of welcoming Asian's countries ever stronger voice in global forum, such as G20, and in the international organizations. At a time of globalization and interconnection, we need to cooperate as partners in a number of areas (will come back to it).
- In the development world, we don't have any longer a donor-recipient approach but we work as equal partners in a challenging global village.

We need also to adapt and redefine our EU-Asia development cooperation so it makes a difference

- I came here to confirm our Asian partners that we will:
 - continue to show solidarity towards them,
 - while exploring how to adapt our relations as Asia emerges as a global power and becomes richer
- We wish to work in a spirit where countries
 - to take ownership of their own development
 - ensure good governance, notably on the taxation system
 - and to work with Europe on addressing global challenges
- As the world is changing, Europe is also changing

With the Lisbon Treaty in force we are building new European external relations service with a real partnership between development policy and foreign policy. This shows our commitment to engage with the rest of the world in a unified manner.

We need to build a partnership that addresses global challenges and seeks global solutions

- Asia and Europe are facing common challenges that we have discussed in international fora and will be addressed along this 2 days Summit.
- I will mention only two:

Eradication of poverty: still 1bn of extremely poor people on the planet, two third are living in Asia and Central Asia. The global community agreed to meet the Millennium Development Goals by 2015. 2010 is a crucial year since we will all meet in the UN in September to take stock of progress made so far and propose way forward.

Asia's performance is quite good on some Goals such as Education; but efforts remain to be done, on maternal health or children mortality for instance. We have to join forces to meet our commitments: I will push EU Member States to respect its financial commitment and I will encourage Asian countries to develop their domestic strategies that we can accompany.

The other challenge is Climate Change: Asia already feels the effect of Climate change and some countries are on the forefront of the fight. I hope this Summit will allow developing common vision for the upcoming Summit in Cancun. Europe is ready to do its share, and help Asia to mitigate and adapt to Climate change impact. The EU has committed itself to providing €7.2bn over three years for fast start funding.

Climate change has consequences that are both global and local. Our continents have a shared objective and interest in keeping global warming below 2°C.

We in the EU are committed to a 20% reduction in greenhouse gas emissions, and continue to state our willingness to move ahead to 30% greenhouse gas emission reduction as part of an international agreement.

I remain convinced that green growth holds great potential for Asia and the EU – it is the only way to reduce poverty in a sustainable manner.

But all will need to contribute; this is a global problem and needs a global response.

Allow me to stress it once again: Europe cannot address the climate change alone. We look to Asian partners to follow suit and to put forward proposals in the context of international negotiations that result in fair and effective outcomes.

On these two challenges: we will only be successful if we can agree on common responses.

My approach of development policy – use our cooperation as a catalyst in support of the MDGs and adapt our cooperation to suit the new equal partnership with Asia:

- Reducing poverty in the world is the objective of European development policy. But there is still some way to go to achieve The Millennium Development Goals.
- This is indeed a crucial year for accountability to measure our success and results in fighting poverty at the Millennium Development Goals summit in New York. There is no universal picture when assessing progress on MDGs. However, there are many success stories, especially in Asia.
- In meeting all these objectives there is a two-way street – objectives can only be achieved when the ownership and the implementation rests with developing countries. But we can provide support.
- Europe remains the largest donor in the world providing almost 60% of all aid, although it represents 20% of worlds GNI. The European Union's aid has doubled in the past ten years reaching nearly 50 billion of aid in 2009.
- The European Commission gives within this total 8 billion Euros per year. And we remain serious financial source of grants for Asia.

For example, in Indonesia the EU provides 800 million from 2007-2013 for education, health, governance and trade. This comes in addition to 700 million provided to Indonesia from all Member States and Commission for the tsunami reconstruction. This last point on our comprehensive response to this terrible natural disaster shows the EU's solidarity with Asia- the EU remains a friend in times of need as in better times.

- Even in these turbulent times we have made a difference. Two years ago the EU responded rapidly to the food price crisis by allocating 1 billion Euros for those who were influenced the most.

- We remain fully committed to increase development assistance to 0,7 % of GNI by 2015. It is our obligation; it is also in our interest. We can also have more innovative finance.

- I finally came here to tell our Asian partners that I consider that EU aid should act as a catalyst for additional investment. I am fully aware that sole aid won't eradicate poverty. But I believe it should be used in a way that one Euro generates 2 or more additional euro.

- This is why for instance; I hope to be able to announce soon an Asian Investment Facility.

- Europe's contribution must act where we have an added value:

- to unlock the power of trade and investment;

- to support large scale infrastructure on transport, energy or water for instance;

- to help a country to set up sustainable policy, in health or education for example, through budget support.

- I want our aid and development policy to be both efficient and to make a difference in people's life.

- Aid is not charity, it is an investment in our common future. It must be oriented towards growth, sustainable development and job creation.

- What is true for Europe is also true for Asia: we want more prosperity, better jobs and a safe environment.

- EU aid takes into account the specificities and needs of the country: we can't treat China the same way as Cambodia or Indonesia.

- In some countries: it is about putting in place the basic services; in others, it is about accompanying growth, jobs, and development.

- We will listen to countries' needs and adapt our instruments and cooperation.

- ASEM is a vehicle through which we dialogue to achieve these goals.

- Asia-Europe dialogues have been ongoing in diverse sectors since the first ASEM Summit in Bangkok in 1996. I myself hosted last year in Brussels the First ASEM Ministerial Meeting on Energy Security. Many other meetings over the next few months will prepare the upcoming ASEM 8 Summit to occur in Brussels 4-5th October 2010.

- We encourage the involvement and input of civil society and other stakeholders. For example, the Asia-Europe Foundation (ASEF) is also hosting many people-to-people, civil society and intellectual exchanges over the coming months to prepare the ASEM 8 Summit.

- Practical and policy cooperation between Asia and Europe as regions is also growing. For example, such as the extension of the funding of the Erasmus Mundus student exchange program to Asian students

- Another Asia-wide facility - the Switch programme - funds sustainable consumption and production projects in Asia. Switch also addresses climate change related issues and encourages green investments.
- We have strong scientific collaboration bringing together Asian and European research networks that encourage technology transfer, such as the Trans-Eurasia Information Network.
- All these forms of collaboration promote contacts and partnership, ensure information exchange and technology transfer, and they encourage civil society and the private sector.
- I believe ASEM can be the engine to drive our developing relationship. I have heard some criticise ASEM as a talking shop – but I believe that it is only through dialogue and discussion that we can redefine relations as our current world demands and keep Asia and Europe relevant to each others respective global interests
- Concretely this meeting must prepare short visionary messages from our development cooperation world to present to our Heads of States who will meet at the ASEM summit in October 2010.