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“Developing the right partnerships for the 21st century”

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

**Telefónica Europe Day
Brussels, 3 December 2008**

Dear President of Telefónica,

Dear Joaquín,

Ministers,

Excellencies,

Ladies and Gentlemen,

John F Kennedy once noted that the word “crisis”, when written in Chinese, is composed of two characters – one represents danger, and the other opportunity.

This is also true of the financial crisis. Joaquín, you stressed the importance of regulation, coordination and the inclusion of the rising powers in any effective response. The opportunity I think we both see is for this crisis to act as a catalyst for building both the partnerships and institutions we need to meet the challenges of the multipolar world of the 21st century.

This is a world where by 2050, Brazil, Russia, India and China will produce 40% of global output and China’s GDP is expected to be almost twice that of the US. And this is a world where we know that security threats – from climate change, nuclear proliferation, terrorism and conflict to poverty, disease and economic instability – are unconstrained by borders and simply cannot be addressed without the active buy-in of these powers, or that of business and civil society. Yet this is also a world where only two of the four rising powers are permanent members of the UN Security Council, only Russia a participant in the G8, and

where business and civil society could be engaged more systematically in finding solutions to key challenges.

Ladies and Gentlemen, there's little time to go further into the question of global governance – it will surely be picked up in your debates. But I'd like to touch briefly on the first strand of opportunity I mentioned – building the right partnerships for the 21st century – and what the Commission can and is doing in external relations terms to do so.

If I can give just one example. The Commission has today approved an ambitious new package for our Eastern Partners: Armenia, Azerbaijan, Georgia, Moldova and the Ukraine – and depending on its own choices Belarus – to be put to the December European Council. It will foster:

- a strong political bond with the European Union in the form of Association Agreements.
- better market access and free trade
- higher mobility of people between us and our partners
- stronger common energy security
- last but not least regional development.

And is part of a wider strategy with our partners to the East which has seen the EU in the last few months: broker a diplomatic solution to the conflict in Georgia; provide humanitarian assistance, post-conflict reconstruction and recovery; conduct a review of policy with Russia, and decide to pursue firm but constructive engagement with a view to securing long-term interests.

Why this example? Because I think it encapsulates, in a nutshell, how through the targeted use of the vast array of tools and levers at its disposal, the European Union can exert its influence to generate long-term stability and prosperity dividends. It is these dividends which create the environment for business to flourish.

From the development of strategic partnerships with each of the rising powers, to regional trade and cooperation agreements with regions such as Latin America, to seeking a swift deal on global trade, to product standard setting – the European Union is working across the world to create the right opportunities for business.

And conversely, business is also helping government deliver on some of the toughest global challenges. As we meet, the United Nations Climate Change Conference is underway in Poznan. Roughly a third of participants are from the private sector, testimony to its fundamental role in both mitigation (reducing green house gas emissions) and adaptation (dealing with the effects of what's already happening)

The Commission welcomes this public/private-sector cooperation. We want to encourage more and I look forward to working with you on this in the future.

Thank you for your attention.