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A REINVIGORATED EU-CANADA PARTNERSHIP

**ADDRESS BY JAROSLAV MÍL
PRESIDENT, SP CR**

Ladies and gentlemen,

EU-Canada Partnership

From a business perspective, the partnership between Canada and the EU should be focused on:

- 1) Strengthening our trade partnership to create new transatlantic trade and investment opportunities
- 2) Strengthening our global partnership to tackle international challenges such as climate change and free markets for raw materials.

First: our trade partnership

I will not deny that Canada and the EU already have a strong bilateral trade and investment relationship. Canada and the EU rank high on the lists of their respective trade and investment partners and the figures are impressive: EUR 70 billion in total trade in goods and services and even EUR 260 billion in total investment stock.

However, the business community is convinced that there is a significant amount of untapped bilateral trade potential as a result of tariff barriers and regulatory obstacles. We strongly endorse therefore the decision by the EU and Canada to start negotiations on a free trade and economic cooperation agreement.

This important step will boost transatlantic economic growth and send a positive signal to markets at a time of unprecedented economic crisis, in which trade flows are expected to decrease by at least 10% in 2009. It also shows that Canada and the EU remain committed to trade and open markets at a time of rising protectionist sentiments. Let me assure you, Prime Minister (and President of the EU) Topolanek, President Barroso and Prime Minister Harper, that this offers hope for companies in the Czech Republic and in the whole of the EU that governments can and will embrace trade liberalization instead of protectionism.

Let me stress that the business community has high expectations for this EU-Canada FTA. We believe the agreement should set a new benchmark for bilateral economic integration. It should:



- secure real market access for goods, services and investments and include an ambitious regulatory cooperation agenda.
- eliminate tariff and non-tariff barriers and ensure greater reciprocal access to public procurement at all levels of government and public bodies;
- include cooperation on access to raw materials and stronger intellectual property protection;
- facilitate investments in new technologies to foster energy security and address environmental challenges;

Negotiations should be concluded within an ambitious timeframe to provide economic benefits to our respective companies as rapidly as possible.

Second: our global partnership

EU-Canada relations cannot limit themselves to agreements on bilateral trade and investment rules. We must also join forces to strengthen our competitiveness ahead of considerable economic challenges. The European Union and Canada will face similar global challenges in the coming years.

Taking into account our shared values and foreign policy objectives, the EU and Canada are ideally placed to show collective leadership in advancing common transatlantic and multilateral interests.

The business community urges you to focus your attention to two distinct international goals:

1) Keeping trade open for all

Canada and the EU have a shared commitment to an open, rules-based multilateral trading system. They should jointly pursue the fight against protectionism, promote undistorted global trade in raw materials and work closely together for the successful and timely completion of the Doha Round. We will both gain from an ambitious Doha Round – but more importantly, we need to focus on helping the world's poorest countries improve their export opportunities through trade facilitation and duty free access to the world's biggest markets.

2) Reaching a successful International Climate Change Agreement

The EU and Canada must also cooperate closely in international climate change negotiations. We should ensure that all major players, including emerging economies, join the fight against global warming. Canada and the EU can also join forces to develop the new technologies that will be needed to truly address the climate change and energy security challenges of the future.



Conclusion

In conclusion, the European business community has high expectations for EU-Canada cooperation, both at bilateral and global level. Our goals are ambitious, but reaching them is essential for our industries' competitiveness.

As you embark on the negotiations of the EU-Canada free trade and economic agreement, I want to remind you that the EU and Canada have signed historic agreements before.

In 1976 Canada and the EU signed the first ever Framework Agreement for Commercial and Economic Cooperation between the EU and an industrialized country. Perhaps in 2010, the EU and Canada sign another historic agreement. Our business communities are putting our trust in you as leaders to deliver on these promising opportunities.

Thank you for your attention.