



25 June 2012

## **EU-BRAZIL- COOPERATION IN INNOVATION ENERGY, AGRI-BUSINESS AND AEROSPACE**

**ORGANISED BY APEX BRAZIL, HOSTED BY MEP GIANLUCA SUSTA AND MEP PABLO ZALBA BIDEGAIN**

**SUPPORTED BY BUSINESSEUROPE, EUROCHAMBRES AND CNI**

Dear Mr Susta, dear Mr Zalba, dear ladies and gentleman,

It is great to see such an interest in closer cooperation between the EU and Brazil. I wish to thank APEX Brazil for organizing this event and am happy that we could support together with EUROCHAMBRES and CNI our Brazilian counterpart. In addition I would like to thank the European Parliament for hosting us and for showing their interest in EU and Brazil relations.

BUSINESSEUROPE has been working closely with our Brazilian counterparts, the National Confederation of Industry – Brazil (CNI) for years. We focus on positive areas for improvement and have jointly called for more efforts to negotiate and conclude the EU-MERCOSUR free trade agreement, which will be crucial to increase the growth in trade between our economies.

However, as these negotiations are facing serious challenges, we have to look for other ways to deepen cooperation and improve the bilateral business climate. That is why events such as this, together with the yearly EU-Brazil Business Summits are useful.

We heard today from a number of experts on three areas in which the EU and Brazil are working together and where we can cooperate more closely.

Innovation in Energy is one way for both countries to ensure they make progress on their commitments to battle climate change, while at the same time developing new, clean and future technologies that will provide high quality jobs in the manufacturing and services industry. The EU and Brazil should therefore deepen cooperation on energy regulation and planning.

Agri-business is a perfect example of high-tech cooperation between European and Brazilian companies as well as supporting the “triple helix” approach of cooperation between universities, private and public actors. Our joint working group on this issue is developing clear recommendations to develop sustainable agriculture in the EU and in Brazil.



On aerospace we see the strength of the Brazilian industry and the benefits that investments from Brazil can have in Europe with the opening of EMBRAER's production facilities in the EU (in Portugal). This shows that industrial cooperation can help lead Europe out of crisis and back to the much needed growth and jobs.

Brazil and the EU share many things and this partly results in the strong economic bonds we see. We must be vigilant however, as the crisis continues to harm growth and opportunities for the unemployed (especially the young), that we don't heed to the siren calls of protectionism. The G20 in Mexico has made a strong call to resist protectionist measures which we fully support.

We are especially concerned about the impact of recent measures adopted by Argentina which could undermine the EU-MERCOSUR trade negotiations. We are concerned that the lack of progress in the negotiations will mean lost opportunities for business and for jobs.

**The benefits of an EU-Mercosur agreement are clear:**

- It will create tens of thousands of jobs in both regions
- It will create billions of EUROS in additional trade and investment
- It will stimulate much needed growth in EU countries, coming out of the recession and faster growth in MERCOSUR countries
- It will create economic synergies
- It will increase the competitiveness of our companies relative to Asian competitors by lowering production costs and stimulating competition.

Together with CNI, BUSINESSEUROPE is doing its part to support the continued improvement of relations between the EU and Brazil. We have given detailed input on the EU-Brazil Strategic Partnership and we co-organise events (such as this one) with relevant actors. In addition, as a concrete output of the Business Summits, we have created two working groups: The Investment and Tax working group and the Crop Protection working group. Experts from both sides meet on a regular basis to work on concrete problems and present solutions to the EU and Brazilian authorities. We hope to develop this process further by creating working groups on other business issues in the future.

In closing, I want to thank APEX Brazil and the European Parliament again and specifically the two hosting MEPs, Mr Susta and Mr Bidegain and I hope this event has proved as valuable to all the participants. I think this event serves as a great preparation also for the next EU Brazil Business Summit in which we will build on the excellent points brought forward today by experts in the many discussions we have had.

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