



**Swedish Presidency
of the European Union**

**Speech by Prime Minister Fredrik Reinfeldt at Business Summit,
Grand Hotel den 6 oktober 2009**

President Lula,
President Barroso,
Excellencies,
Ladies and gentlemen,

Welcome to Sweden and this Business Summit. As President of the European Council and host of the third EU-Brazil Summit, I am pleased to address you here today. Sweden and the EU attaches high importance to the dialogue at this Business Forum.

Today, together with President Lula and European Commission President Barroso, I have concluded the EU-Brazil Summit.

I can tell you we have had fruitful discussions on the global challenges we – as world leaders – face today: How the EU and Brazil can take the lead and act responsibly. Regarding climate change and regarding the global economy. I know these are the same issues you have discussed here at the Business Summit.

We have also assessed the strategic partnership and the implementation so far of the Joint Action Plan that was adopted in Rio de Janeiro in December. And earlier today we received the recommendations of the first EU-Brazil Civil Society Round Table.

Ladies and gentlemen,

This Business Forum, with its recommendations to the EU-Brazil Summit, makes an important contribution to the strategic partnership between the European Union and Brazil.

We take your recommendations seriously. You – representing and knowing the conditions under which business operate – have an important role to play in shaping the best solutions for the future:

How to boost investments. How to foster trade. How to combat protectionism.

All of this is of particular importance today – when the world is experiencing the worst economic crisis since the 1930s, with severe impact on employment and on world trade.

Today, when we see how world trade is expected to fall by ten percent in 2009: By up to fourteen per cent in developed countries. And when we see how protectionist pressure, as a consequence of the economic downturn, has been rising in the world.

These are worrying signs.

As you might know, Sweden is an open trade-oriented country. And so, during our EU Presidency we will continue taking strong action in favour of trade liberalisation and to combat protectionism.

We believe that open markets and a strong multilateral trading system are important guarantees against protectionism. And that they are important pre-conditions for economic recovery.

At the G20 meeting in Pittsburgh a little less than two weeks ago, we agreed that the Doha Round must be concluded before the end of 2010. This was an important step forward. Now it is time to intensify our efforts.

After our discussions today, I can assure you that the EU and Brazil are determined to enhance our cooperation. Continue to work together to respond to the current global crisis. Continue to ensure the smooth running of the financial sector.

Now, if the world economy is one of the two top priorities for the Swedish EU Presidency, climate change is the other.

Ladies and gentlemen,

The financial and economic crisis is not an excuse for not doing our utmost to reach an agreement in Copenhagen in December.

The Presidency is working hard to reach an agreement. The European Union will continue to demonstrate strong leadership.

Some then ask me: But is it really possible to rise from the economic downturn and tackle climate change at the same time?

I tell them: Yes, it is possible – and necessary. Financial markets and businesses must not only learn to assess the economic impact of climate change; they must also realise that the transition to a low carbon economy is in fact also a business opportunity.

Some businesses do. They take advantage of the possibilities and opportunities that are created. They learn how the low carbon economy can generate new jobs, prospering businesses and economic growth. Those who understand this will be the winners of tomorrow..

Finally, I want to assure you of something. There are those who say that the threat of climate change means that we need to restrict choice and maybe even close our borders. I don't believe this is the way forward.

In fact, the principle of an open market economy with free competition is necessary for an effective climate policy. Only then will we find the most cost effective solutions that are also the best for our climate.

Ladies and gentlemen,

Today's Business Summit, with strong presence of European and Brazilian industry, has allowed us to move forward and strengthen our business relationship. I hope today's important steps will help building an even stronger EU-Brazil relationship for the future.

Thank you.