

Welcoming Remarks
H.E. Dr. Surin Pitsuwan, Secretary-General of ASEAN
At the 2nd ASEAN-EU Business Summit 2012

Sofitel Hotel, Phnom Penh, Cambodia
Sunday, 1 April 2012

H.E. Somdech Akkha Moha Senabodi Decho Hun Sen, Prime Minister of the Kingdom of Cambodia,

H.E. Karel De Gucht, EU Commissioner for Trade,

Members of Cabinet of the Kingdom of Cambodia

Business Leaders from ASEAN and the European Union,

Excellencies, Ladies and Gentlemen,

It is my great pleasure to welcome you again to this very important event – the 2nd ASEAN–EU Business Summit (AEBS) 2012. I would like to express my deepest appreciation to H.E. *Hun Sen, Prime Minister of the Kingdom of Cambodia* for taking time out from H.E.'s busy schedule in gracing this event. As for the Government of Cambodia, the Cambodian Chamber of Commerce, the European Business Chamber of Commerce (EUROCHAM) and the ASEAN Business Advisory Council (ASEAN BAC) who all have been instrumental in putting this event together, please accept my sincere appreciation in making possible the Second AEBS a reality by holding it here in the Kingdom of Cambodia. This represents another testament to our unrelenting interest to further strengthen our committed partnership for continued mutual benefit and sustainability.

On ASEAN-EU economic developments, despite the economic uncertainty experienced globally, the EU has been a very important economic partner and is ASEAN's second largest trading partner after China, accounting for 10.2 per cent of all ASEAN' total trade in 2010. On further examination of the trade data shows that the EU is ASEAN's largest

export market in 2010 and I would expect the same in 2011, accounting for 10.7 per cent of ASEAN's total exports. The EU continued to be ASEAN's largest source of foreign direct investment in 2010, which stood at US\$17 billion - accounting for 23 per cent of the total FDI inflows into ASEAN.

As you can see these figures show that our regions' economic engagement has not diminished even with the dynamic economic uncertainties faced globally and the effect it has on both the advanced and the emerging economies. The emerging economies, especially the East-Asia region, in the interim are showing some strong essentials as an emerging growth pole. However, the vulnerability to downside risks are continually casting a shadow of doubt on the sustainability of a complete global economic recovery, as the global economy is highly networked and interconnected and thus it is difficult to avoid spill-over effects in one region to the rest of the world. The emerging economies therefore need to adjust and to re-calibrate their policy options to take into consideration of these global economic dynamics to cushion their effects.

This is where both the business communities in ASEAN and EU must engage themselves to mitigate the effects of these new dynamics through trade, investment and technology to further elevate our partnership, cooperation and connectivity so that more opportunities can be created and more businesses are able to take advantage of our partnership and alleviate or reduce the uncertainties within the two regions.

I am confident that with the diverse resources, skills, strengths and talents embodied in the two regions, ASEAN and EU can work together and will grow and prosper together.

With this as a backdrop, I see this Forum as a very useful platform for the engagement of the private sector from both of the regions to meet, exchange views, share insights

and raise common issues and in finding ways to resolving them that will further enhance the environment for doing business in ASEAN; which we should welcome as it will not only assist the ASEAN's integration process but also to assist, as ASEAN is located in the middle of economically most vibrant region in the world, in assist in ensuring ASEAN as the centre of attraction of the East Asia entire.

As you may also realize, this Forum follows the ASEAN model of private sector engagement that provides for Business-to-Business (B2B), Government-to-Government (G2G) and Business-to-Government (B2G) engagements – all within the day! I understand this year four core sectoral discussions on agri-business, infrastructure/connectivity, manufacturing and services will be held. All I can say is seize this window of opportunity to further develop, deepen and widen the economic engagement of both the regions. Discuss real issues, be specific; prioritise the high impact issues; and most importantly come up with pragmatic recommendations for the attention of the ASEAN Economic Ministers and the EU Commissioner for Trade at the end of the day when you directly engage with them.

On that note, I wish this 2nd ASEAN-EU Business Summit 2012 every success.

Thank you.