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THE PRESIDENT

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Remarks by
President of the European Council Herman Van Rompuy
ahead the G8 summit in Camp David

I am delighted to be here in Camp David, with President Barroso, to represent the EU, a full member of the G8. President Obama put a lot of energy into the intense preparatory process. I would like to commend him for the outstanding work, and his pragmatic approach.

Here we will also have the occasion to interact collectively in a G8 setting with the new French President. I am quite confident President Hollande - whom I have already met as a candidate and immediately after his election - will make a substantial contribution to the Summit, which we intensively prepared yesterday between all European G8 leaders.

In the run up to this Summit, President Obama insisted on 2 aspects: a candid discussion on what matters and a series of concrete actions.

I imagine that you expect this G8 would be about the economy, particularly in the euro zone and in Greece. The economy is of course a crucial part of our agenda, but you won't be surprised that Camp David will be much more. And the world economy is not limited to the Euro zone.

Let me briefly go through the agenda of this two-day Summit: Later today President Obama will host a working dinner on foreign policy. How to advance peace and stability around the world will be our "menu". We have decided to focus on specific areas where a more decisive action by the international community is needed, and where the G8 could help steer the process. Let me mention three areas for action:

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How to build upon the Annan plan to lift Syria and its people out from its terrible crisis which is worsening by the day. The EU adopted robust sanctions against the regime, and is supporting actively the Security Council Resolution establishing an UN observer mission in Syria. We should actively build on this work. We need to work towards a political solution, based on dialogue. We know that within the G8 there are different approaches, but I am convinced that the role of Russia is key to set the right direction and to move forward.

How to progress in the negotiations with Tehran on its nuclear programme: we have to maintain the pressure on the regime - the EU's oil embargo starts on July 1st - but we are determined to pursue a peaceful and negotiated solution. It is our "dual-track" approach. Next week in Baghdad the EU High Representative, Cathy Ashton, will lead the negotiations of six countries with Iran. The G8 should "call on Iran to address without delay all outstanding issues related to its nuclear programme, including questions concerning possible military dimensions".

There are also "good cases": how to drive forward the promising process in Myanmar. What is happening there is remarkable! The EU has just suspended its sanctions, and opened an Office. The G8 can collectively help to reconnect Myanmar with the world family, coordinating donors and promoting economic recovery, and political reforms.

On all these issues of foreign policy the EU has a huge contribution to offer: the good work done every day in Brussels allows the 27 Member States to have common policies in the most dangerous spots in the world. We are happy to work with our G8 partners to advance our agenda.

Tomorrow morning we will approach the economy. This G8 summit comes at a time of significant challenges to the world economy, and for Europe in particular. As far as Europe is concerned, my message is straightforward: we are determined to stay the course. We will pursue our comprehensive strategy to decrease deficit and debts, and to return to growth and job creation, based on structural reforms, investments and trade. The European Council will discuss a pro-active growth agenda on the dinner on May 23 and we will finalize it on the European Council on 28-29 of June. In that respect it should not be forgotten that in aggregate terms growth in the Euro area is positive and picking up, while our external balances with the rest of the global economy are in equilibrium.

Recently, we have raised our firewalls and increased our contribution to the International Monetary Fund; we have also strengthened economic governance, recapitalised banks and provided ample bank liquidity through the European Central Bank. This week, finance ministers of the EU also made further significant progress in putting into European law the international Basel 3 agreements. We will do whatever is needed to guarantee the financial stability of the euro zone.

In parallel, most EU countries are engaged in very ambitious reforms to ensure debt sustainability, raise productivity and improve competitiveness. This is particularly the case in Spain - where the Government has embarked on a set of comprehensive reforms - and in Italy, as also positively recognized by the IMF after its consultation with Rome this week. I am confident they will succeed.

As regards Greece, I do not hide my concern about the current political uncertainty. Greece is a member of the EU and the Euro zone and this membership implies solidarity and responsibility. The Euro zone has shown considerable solidarity, supplying nearly € 150bn in loans to Greece so far. Alongside this support the EU is developing a huge effort to help reviving the Greek economic potential.

We do not question Greece's sense of responsibility and are hopeful that the next Greek government will act in accordance with the country's engagement and its European future. Continued reform is the best guarantee for the Greek economy and for a future of the Greek people in the euro area.

We will also discuss the state of play of the world economy, its lasting unbalances and the way to correct them. Oil prices, global trade, and protection of Intellectual Property, will also be part of our debate.

Later in the morning we will adopt some concrete actions on two other pressing global issues: energy and climate, and food security. President Barroso will give you more details, but let me stress that:

Energy and Climate: the EU is a global leader in reducing greenhouse gas emissions and, despite budgetary constraints, it is fully on track - together with its Member States - to fulfil commitment of 7.2 billion € to fast start finance in the years 2010 – 2012, with 4.6 billion euro already mobilized. Therefore we fully welcomes the focus of this G8 Summit on global climate action,

Food security: the EU is by far the world's biggest donor of aid, and it has always been at the forefront in food security. We are happy to contribute to the launch tomorrow of a new project called the 'New Alliance for Food and Nutrition Security".

Let me come to the two final items on our agenda, Afghanistan and the Arab countries in transition. Here I very much share the pragmatic angle suggested by President Obama to approach our discussions, and take our decisions.

Afghanistan is still a donor-led economy, and the G-8 members account for around 80% of assistance to the Country. The EU and its MS are one of the largest donors in the world with around 1.2 bn € per year, with 200 million € coming directly from the EU budget..

Lastly on the Arab Countries in Transition. The Arab world is facing remarkable challenges. The "Arab Spring" set in motion structural changes in those countries. It is clear that transition will take time. We need to support the transition, to engage with the new leadership, to influence them to choose the modernity, and to help them to re-connect their people and their economies with the rest of the world.

The EU has developed a strong and comprehensive policy - based on the "more for more" principle - towards this part of the world, with which we have a strong historical and geographical connection. Last year the G8 launched the Deauville Partnership with an important EU contribution. Since then the EU has re-oriented assistance programmes and made € 1 bn more available in 2011-2013 to be channelled through new innovative programmes.

I am glad that President Obama has decided to follow up this Partnership and to focus on specific actions to be launched here at Camp David in each of the pillars of the Partnership, stabilization, job creation, governance, and integration. Let me highlight one of them in the area of integration: the launch of bilateral and regional trade initiatives to expand market access, and lower barriers to trade, and promote increased trade between Transition countries and the G8. Here the EU is at the forefront with the launch of the Deep and Comprehensive Free and Trade Agreements, possibly by the end of the year, with the Countries of the Deauville Partnership.

Let me conclude that we expect from this G 8 Summit a positive message on growth, job creation and stability for the world economy; a strong will in foreign policy domains to promote peace and democracy, and a social agenda for food security, especially in Africa.