

**Speech of Ambassador Angelina Eichhorst  
Head of the Delegation of the European Union**

**'Euro Arab Economic Forum'  
Opening Session**

**Adnan Kassar Edifice for Arab Economy  
Wednesday 12 September**

**CHECK AGAINST DELIVERY**

H.E. Mr. Najib Mikati (Patron), President of the Council of Ministers,  
Mr. Riad Salame, Governor of the Central Bank,  
H.E Mr. Adnan Kassar, President of the General Union of Arab Chambers,  
Mr. Philippe de Fontaine Vive, Vice-President of the European Investment Bank,  
Distinguished Guests, Ladies and Gentlemen,

يشرفني أن أكون اليوم مع هذه النخبة من صانعي القرار الاقتصادي وسيدات ورجال الأعمال والخبراء الاقتصاديين والمتخصصين في الإعلام من البلدان العربية وأوروبا.

*[Trans: It is a great privilege and honour to be among such a select number of Arab and European economic decision-makers, businesspeople, economic experts and media specialists today.]*

We meet at a time of great upheaval - upheavals that require action both at home and further afield. We all face political and social challenges, but surely our most common challenge is an economic one.

As Europe continues to confront its sovereign debt crisis and tries to kick-start internal growth, so the Arab World continues to respond to the full implication of regional uprisings fuelled by economic and social exclusion.

Europe and the Arab world have vested interests in the resolution of each other's challenges – as neighbours, as trading partners, as friends. I hope that together we can take steps towards a more open, sustainable, and equitable economy. Here we both have a lot of room for improvement.

European leaders have shown their willingness to take up the challenge; which enables us now to look with confidence at Europe's future. Short-term measures taken have been unprecedented in their scope and have shown to be effective. The medium-term reforms have been put in motion, and while often painful, they are beginning to take hold. The European Central Bank's bond-buying plan announced last week gave confidence to global markets.

This Forum offers an unparalleled opportunity to discuss how we can further assist one another face our shared challenges. Through Association Agreements with most Southern Neighbours in the region, the European Union provides facilitated access to its markets. On the other hand, the Arab region remains an attractive area of potential growth for EU businesses. Quality European goods and services continue to be highly valued by Arab

consumers. I also regularly hear of EU-based companies either looking to expand existing operations in the region or to take their first dip – this must be encouraged.

The European Union also has a wealth of expertise and assistance on offer to improve standards, infrastructure and institutional capacity. Furthermore, European lending facilities have a prominent role to play, the European Investment Bank (especially the Facility for Euro-Med Investment and Partnership) and the European Commission's Neighbourhood Investment Facility should continue to be instrumental in the realisation of infrastructure projects that are the backbone of economic growth.

Ladies and gentlemen,

Beirut is an ideal place for us to have this discussion, sitting at the historical interface between the traders of Europe and the Arab world. Today Lebanon is home to an outstanding array of well-educated, dynamic, and creative people. This is what businesses need to innovate and thrive, and it is the backbone of Lebanon's economic successes. By using this human capital as a springboard Lebanon can attract further investment from the region and beyond. I am convinced that its people will continue to be this country's most enviable resource....yes, even if natural gas starts flowing out of the Lebanese seabed! By investing further time, money and effort in infrastructure, regulation, and institutional capacity, the full potential of this human capital can be realised. It is also my hope that Lebanon can fully integrate into the global economic system, establishing itself as a regional hub for the free trade of goods and services and through access to the World Trade Organisation. This will help pave the way to a more equitable and sustainable economic performance that the Lebanese citizenry regularly demand.

The European Union stands ready to assist Lebanon to achieve this. We are already deeply involved. On average annually the European Union offers 220 million euros to Lebanon, and the scope for further cooperation is substantial. These funds include 50 million euros centrally from the European Union, 50 million euros from EU Member States, and 120 million euros in loans from the European Investment Bank. This covers everything from grassroots businesses to institutional capacity development, to giant infrastructure projects. It is by intervening at all these levels that our positive impact is felt. This is an approach replicated throughout the Neighbourhood and beyond – in an arc that stretches from Morocco to Jordan.

Throughout the region, the European Union has taken concrete steps to ensure that economics meet politics; bringing together in new ways a host of different actors from all quarters. We look to foster the 'other Arab spring', to be brought about by people like you: business-owners, entrepreneurs and innovators. Responding to a call for change which demands economic growth that is sustainable and inclusive, that addresses the needs of women and youth that tackles corruption and promotes transparency. Political stability and the rule of law are crucial to investment and economic growth. If we manage to genuinely forge this link between economic and political dimensions, I believe that we can help bring about the true blossoming of the Arab spring.

(ARABIC)

والآن يعود الأمر لكم أنتم الخبراء لتحويل الأقوال إلى أفعال. أتمنى لكم كل النجاح في هذا المنتدى وأتطلع إلى رؤية النتائج قريباً جداً!

*[Trans: Now it is over to you, the experts, to turn talking into doing. I wish you every success in this Forum and look forward to seeing the results very soon!]*

