

**Speech by Ambassador and Head of the Delegation of the
European Union to Singapore Holger Standertskjöld**

**European Business Forum, Singapore International Water
Week**

Singapore, 01 July 2010

Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort

Innovation in the European Water Sector – Singapore Int'l Water Week 2010

Distinguished guests, ladies and gentlemen, good morning and welcome to the 2010 European Business Forum at Singapore International Water week. Thank you for being here and I hope that this business forum, organised by the European Chamber of Commerce, will further enhance your overall experience at this year's water week.

Before I continue, let me just take this opportunity to congratulate the 2010 winner of Lee Kuan Yew Water Prize, the Yellow River Conservancy Commission. 2010 is also the inaugural year of the Lee Kuan Yew World City Prize and I am especially pleased that this has been awarded to a European City, Bilbao City Hall, for its success in transforming the Spanish city.

The phrase 'Water is life', is often used and indeed, water is a precondition for human, animal and plant life. Water is also an indispensable resource for any economy and the use of water resources has an impact on our climate. Therefore, protection of water resources, of fresh and salt water ecosystems, and of the water we consume is one of the cornerstones of environmental protection in Europe.

For many years many of Europe's rivers were treated unwisely, for example, by using rivers to transport waste to the sea. We realised in Europe that this had to stop, it was unsustainable and was damaging fragile ecosystems and polluting coastal and

marine waters. It is difficult to change the habit of a lifetime, let alone the habit of pollution that spanned generations; therefore it has required innovative robust regulation and sound policies to address the challenges associated with a balanced water approach.

To this end, the basis for current EU water policy is the EU Water Framework Directive which came into force in 2000. This directive set out a structure for long-term sustainable water management through focusing on integrated planning and promoting sustainable water use. This Directive is broad-based, taking into account the needs of industry, agriculture and individuals. Through this Directive, solutions for the management of inland surface waters, groundwater, transitional waters and coastal waters are provided. The overall aim is to prevent and reduce pollution, promote sustainable water use, protect the aquatic environment and improve the status of aquatic ecosystems and mitigate the effects of floods and drought.

All of this, of course, has to be managed in a responsible way and this means that we must inherently develop new technologies to achieve this. We are acutely aware of the need to maintain a sustainable balance between water use and development within the European Union. We see continued investment in R&D as the crucial element of developing these new technologies to manage our waters. While the management of our waters needs to be sustainable so does this investment – projects must be of benefit to business. As with everything there are inevitably trade-offs but

we believe that economic growth and protecting scarce resources are not mutually exclusive, they go hand in hand in fact.

Moving on, allow me for a moment to mention the EU's water policy in the context of our approach to Climate Change. As I am sure many of you are aware, combating Climate Change is of key importance to the European Union and even more so since the Copenhagen conference – we need to continue to try to move forward with this important agenda. The European Commission issued a white paper on climate change and water, coasts and marine issues in April 2009 and this has formed the basis of our approach in this area. Protecting our waterways must, in our opinion, be at the heart of adaptation strategies. Without doubt, climate change will have a significant impact on the quantity and quality of water resources both within Europe and globally. Climate change is projected to lead to major changes in water availability across Europe with increasing water scarcity and an increased risk of flooding. Successful adaptation to the impacts of climate change on weather will therefore depend not just on effective European water regulations but also on the extent to which water management can be integrated into other sectoral policies such as agriculture and energy.

I should stress, this set of circumstances is not confined to Europe, as many of you are aware – South East Asia is particularly vulnerable to the effects of climate change, specifically, changes in sea levels therefore effective adaptation is required not just in Europe but all over the world.

Let me now turn to the EU's new strategy for smart, sustainable and inclusive growth: Europe 2020. Exiting the most urgent phase of the economic crisis, Europe needs to strengthen knowledge and innovation as drivers of our future growth. This requires improving the quality of our education, increase our research performance, as well as promoting innovation and entrepreneurship. To this end, the leaders of Europe have agreed on forceful measures. Let me give you a few examples:

- Europe will re-focus R&D and innovation policy on major challenges, and closing the gap between science and market to turn inventions into products, for example through a single Community Patent (patent for the whole of EU)
- Enhancing the quality and international attractiveness of Europe's higher education system by promoting student and young professional mobility
- The leaders of the EU aim at investing 3% of the EU's GDP in R&D.

Now, where does the EU-Singapore relation fit into addressing the challenges we face? The EU and Singapore have a robust and mutually beneficial relation that goes back a long time, not least in the area of trade and investment. There has been a constant flow of goods, services, capital and people between Europe and Singapore. The European companies present here today is proof of this. Let me give you a few figures to show the significance of our economic ties:

- In 2009, the EU was Singapore's largest trading partner. Almost S\$90 billion worth of goods is being traded between Singapore and the EU annually.
- Singapore is the EU's 12th largest trading partner globally, number five in Asia and a clear number one in the ASEAN region.
- More than 8,000 EU companies are based in Singapore. The EU is by far the largest foreign direct investor in Singapore: in 2008, the FDI stock in Singapore originating from the EU amounted to some S\$142 billion.

These figures, and much more are, by the way, available in our brand new 2010 EU-Singapore Trade and Investment booklet which will be launched in the coming weeks.

To further strengthen the already excellent ties, the EU and Singapore embarked on the negotiation of a Free Trade Agreement (FTA) earlier this year. Once concluded, the agreement will improve further the conditions for businesses in both Europe and Singapore. It will also be advantageous for companies in the water sector.

I am delighted that we have so many experts from Europe here today to talk to you about the important issues I have just highlighted to you. Some of the panellists you will hear from this morning are the people that are dealing with and implementing the policies I have outlined to you. I hope that you will find their presentations interesting and enlightening. I am also pleased that we will witness the signing of an MOU this morning between the

Singapore Delft Water Alliance and the Singapore Science Centre which will result in some exciting developments at Ulu Pandan in the near future – I will let them fill you in on this further later..

Once again, thank you for attending this European Business Forum; I look forward to a morning of fruitful discussion and debate.

Thank you.