

SPEECH FOR MINISTER GRACE FU FOR THE LAUNCH OF THE BOOK, “CHANGING TIDES AND CHANGING TIES – ANCHORING ASIA-EUROPE IN CHALLENGING TIMES”, EU CENTRE, 4 DECEMBER 2012, 9.30AM

Excellencies,

Distinguished Guests,

Ladies and Gentlemen,

1 It is an honour to be here today for the launch of *Changing Tides and Changing Ties – Anchoring Asia-Europe Relations in Challenging Times* by the EU Centre in Singapore.

2 This book is timely. Asia and Europe are on the cusp of a new era. Asia’s rise is being driven by the rapid growths of China and India, as well as the deepening integration of ASEAN, which is seeking to establish the ASEAN Community by 2015. Many in ASEAN have drawn inspiration from the European Union (EU), which is not only the world’s most advanced regional integration project, but is about to embark on its next phase of integration. Although our journeys have been distinctive, there is much that we can learn from each other. The EU Centre’s book is therefore a valuable contribution to our continuing dialogue.

3 Singapore and Europe enjoy an established relationship, characterised by close cooperation across many sectors. Our economic links, in particular, are dense and robust. The EU was Singapore’s second-largest trading partner in 2011, while Singapore was the EU’s largest trading partner in ASEAN. The EU is also the largest overall investor in Singapore, with close to 9,000 European companies in Singapore, many of which use

Singapore as their regional headquarters in the wider Asia-Pacific region. Our close bonds are underpinned by the good, mutual understanding at the highest political levels. This year alone, there have many significant exchanges of visits by our Leaders. President Tony Tan made two visits to Europe this year. The first was to Germany in June, where he was inducted into the Honorary Senate of the Lindau Foundation. The second was to the United Kingdom to support Singapore's athletes at the London Olympics. Singapore was also honoured to host several visits, not only by the leaders of the EU member states, but representatives from the EU and the European Parliament as well. Having personally met quite a number of European leaders, including at the 9th Asia-Europe Meeting (ASEM) Summit in Laos last month, I am convinced that our regions have much to gain by working much closer together with one another.

4 In today's globalised world, the fates of our region are inextricably linked to one another. Asia and Europe are both affected by a myriad of traditional and non-traditional challenges. The looming "fiscal cliff" in the US, the slower growth of the Chinese economy, and the continued uncertainty in the Eurozone are but a few of the risks we face together. Like Europe today, Asia went through a difficult period during the Asian Financial Crisis from 1997 to 1998. But with the support of the international community, we undertook painful reforms, re-established our fundamentals, and eventually recovered, doing better than before. While the situation in Europe today is more complex and perhaps more difficult, and the challenges will not be resolved overnight, I have no doubt that Europe, too, will recover, and recover well.

5 Let me share a few ideas on where I think our regions can benefit

by working more closely together. The most obvious is the economy, where Asia still has much to learn from Europe. Europe's multinational corporations and small and medium enterprises, perhaps best exemplified by the *Mittelstand* in Germany, are world-class. As the economies and societies of Asia enter new stages of development, we have to learn from Europe's best practices, whether in the areas of business productivity, research and development and social policies. Furthermore, the EU's ongoing efforts to tackle its current problems by deepening its fiscal, financial and economic union will also open new doors for Asia, just as Asia's growth will provide new opportunities for trade and investment. Given the importance of the economic relationship – note, for example, that ASEAN-EU trade grew by over 10 percent between 2007 and 2010 – we have a shared interest in promoting freer trade. In this regard, Singapore looks forward to the successful conclusion of the EU-Singapore Free Trade Agreement, as well as the EU's negotiations with the other ASEAN countries. It is our hope that both sides will eventually be able to conclude a wider ASEAN-EU FTA, which will create new economic opportunities and enhance the well-being of our respective regions.

6 It is important that Europe remains engaged with the Asian region, not only for economic reasons, but also strategic ones. The EU and its member states have expressed interest in deepening their engagement of the region, which Singapore welcomes. Many of the instruments are already available, in the form of existing platforms such as the ASEAN-EU Dialogue Partnership, the ASEAN Regional Forum and ASEM. These forums have promoted dialogue and fostered closer cooperation between countries, but there is no doubt that we can make better use of them. Substantive and broad based exchanges between our two continents will not only help to promote

regional relations, but also sets the stage for closer bilateral cooperation between the individual states.

7 Looking ahead, it is important that we continue to build on the existing strong people-to-people ties. Singapore enjoys extensive educational, academic, and cultural exchanges with Europe. For many Singaporeans, Europe remains a choice destination for undergraduate and post-graduate studies. Singapore also hopes to welcome more European students, who will be able to take advantage of Singapore's status as a regional educational hub to forge important networks in this growing region. Here, I cannot fail to mention the important role played by the EU Centre, the Asia-Europe Foundation, the British Council, the Alliance Française, the Goethe Institut and other organisations in raising awareness of and interest in Europe among Singaporeans. I thus hope that we can build on these strong foundations to further deepen our people-to-people linkages.

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8 Europe and Asia, even as two continents of diverse peoples, economies and cultures, share deep historical and modern links. We should embrace that. Now, more than ever, it is important for Asian and European countries to utilise our respective strengths and work together to meet global challenges, and to steer the global community towards greater stability and prosperity. Europe has a long history of rising to different challenges; it would be a big mistake for anyone to count Europe out. Singapore wishes Europe the very best. I look forward to reading this book, and the ideas that

have been proposed by the scholars from both continents. Singapore, as always, stands ready to foster closer ties between Asia and Europe, and we look forward to deeper and more robust relations amongst our countries.