Foreign & Commonwealth Office (UK)

The UK and Romania: Strategic partners in the EU and around the world

2013-03-12

Ministers; Ladies and Gentlemen;

It is a privilege to speak to you today; and an honour to be hosted by Professor Pleşu, one of Romania's most distinguished public intellectuals, at such a prestigious institution. I know that New Europe College is among your most respected research centres on European issues, with a number of renowned fellows who have helped to shape Romania's approach to European affairs.

I am delighted to be back in Romania. It has been over two years since my last visit, during which time our relationship has continued to go from strength-to-strength.

I hear that there's a Romanian proverb: Oonday-z doy poo-te-ray-a cresh-tay; [meaning we're stronger together].

And that is an apt starting point for me today, because I want to speak about Britain's relationship with Romania – how we can further develop our partnership to respond to the challenges we face in our countries, in the European Union and in the wider world.

I'll first set out the context of these challenges, before considering how best we – and the European Union – can respond.

Europe in today's world

Now is a good moment for me to be here in Romania, because there is a lot for us to talk about.

We are presented with difficult, interlinked economic and security challenges, particularly in Europe. Challenges which will take ingenuity, hard work and partnership to face up to. And we do so in an increasingly interconnected world, where the successes – and failures – in one place are felt elsewhere.

The Eurozone crisis has made this point abundantly clear. While not a member of the Euro, we in the United Kingdom continue to feel the impacts, not least because we trade more with the Eurozone than we do with any other partner. Our partners in the Euro must take the

action necessary to achieve stability and restore confidence, and that action must not undermine the Single Market.

However, promoting economic growth is by no means the only challenge Europeans face.

Everyone here is well aware of the growing risk to international security. Rogue states challenge international law and regional stability. Failed states provide a haven for terrorists and organised criminals seek to undermine the rule of law. All of these developments threaten to derail our shared prosperity and security objectives.

The UK and Romania

We will only successfully respond to these developments if we enhance our partnerships. So we in Britain want to work with Romania across the board on the policy and on the detail to tackle these issues.

When your President visited the UK in 2011, we agreed a Strategic Partnership covering co-operation on prosperity, security and bilateral interaction. This has already improved the way we work together. Just look at trade and investment. UK exports to Romania have grown by 36 percent in the past two years; and there is new British investment here. For example, in the energy sector we see Melrose and Petrofac active on oil and gas; and AMEC on nuclear. And in telecommunications, Vodafone is currently the largest British investor on the market with a planned investment over the next 5 years of 500 million Euro.

And since the Strategic Partnership was signed, we have seen an increase in the number of high-level Ministerial contacts, including a visit by our Foreign Secretary last year. One of the highlights for the bilateral relationship last year was a speech that His Royal Highness The Prince of Wales gave about his admiration for Romania, while celebrating Her Majesty The Queen’s Diamond Jubilee here in Bucharest in June.

It is well known that His Royal Highness is patron of a number of Romanian non-Governmental organisations working on sustainable rural development and the restoration of traditional architecture, and that he takes a strong interest in the conservation of Romania’s heritage.

Partners for Security

In Britain, we recognise and applaud the contribution Romania makes to international security.

You are a valued partner in NATO. One need look no further than NATO’s mission in Afghanistan, where you play a key role. Here I would like to pay tribute to the bravery of your troops, who are putting themselves in harm’s way every day to bring stability to Afghanistan. Our thoughts are with the families of the nineteen Romanian soldiers who have lost their

lives. President Basescu's announcement in January that you will continue to provide support after 2014 is testament to your commitment to a stable and prosperous future for the Afghan people.

But Romania's contribution to international security does not begin and end in Afghanistan. Not by any means.

I would also point to your experience and expertise in the Middle East, for instance in Syria. Romania has the largest number of citizens living in Syria of any EU Member State, and there are long-standing links between the Romanian and Syrian people. The desperate situation there highlights the need for us to continue working together; using all our expertise and access, and learning from each other, to support the Syrian National Coalition and seek a resolution to the terrible situation there.

And I would highlight too the contribution you are making in Europe's Southern Neighbourhood, where you are – like us – helping to support the countries of the Arab Spring in their transition to democracy. For example, the skills transfer your Foreign Ministry hosted for Tunisian and Egyptian officials on democratic transition, focusing on the practical challenge of organising the first post-transition elections.

The Arab Spring is at its core a major opportunity to drive prosperity, security and rule of law in a region right on Europe's doorstep. Of course, the process will not be easy. But your efforts in the region – for example in Libya, where a Romanian NGO is leading an EU project to assist with prison reform – is helping to support lasting change.

Working on these issues outside Europe is important. But we also need to work together inside Europe to protect our security at home.

We are working closely on a range of justice and home affairs areas. The growing threat from cyber-criminals is a good example. Cyber crime does not respect borders, and its threat will only grow further as our economies move increasingly online.

I am pleased that our law enforcement agencies have already developed a close working relationship on cyber, and that we work together in a major EU project tackling cyber crime. We should do more in this area.

We should also co-operate more to counter human trafficking. The UK's Serious Organised Crime Agency has identified Romania as the fourth largest source of victims to the UK. This year will see further exchanges between our law enforcement agencies, and work by the UK Border Agency to raise awareness among airlines in Romania, to defeat the gangs shamelessly exploiting vulnerable people. Last autumn, we organised a conference in Bucharest on the trafficking of people for labour exploitation. The President of Romania's

Chamber of Deputies and the Minister of Labour both took part – a sign of your determination to defeat this despicable trade.

And I believe that there is scope for us to do more on counter-terrorism. As our Foreign Secretary, William Hague, made clear in a speech on this subject last month, international terrorism is evolving. It is becoming more diverse, more fragmented and more exploitative of local and regional issues. So we need to adapt too.

One way of doing this is to work ever more closely with our friends and allies, like Romania. We need to be able to share more intelligence, in a way that will lead to disruption, arrest and prosecution. And we need to use the available EU mechanisms to their best effect.

For example, the Bulgarian authorities' investigations into the attack in Bourgas last year indicate that Hizballah's military wing was responsible. Now the EU must demonstrate that such actions will not be tolerated by designating the military wing of Hizballah.

Partners in the European Union

Security and stability is the crucial platform for long-term prosperity. But a more prosperous society is also more likely to be secure and stable. They are mutually reinforcing.

It is therefore important for us to ensure that the EU retains its competitive edge.

While the crisis in the Eurozone has receded for now, this is no time for complacency. We all need to continue pushing hard to improve competitiveness and drive economic growth. Doing so will encourage innovation, create jobs and, ultimately, help to secure our long-term prosperity. In 2012, it was estimated that the EU spent just 1.9 percent of GDP on research and development; while Japan spent 3.2 percent and the United States 2.6 percent. And in terms of starting a new business, and accessing capital, both touchstones of the entrepreneurial economy, the facts show that the EU still has a lot to learn from the US and some fast-growing Asian economies, which outstrip us in the World Bank index of the ease of starting and doing business.

And it's important that we continue to push for growth and competitiveness, because Europe faces increasingly sophisticated competition. For example, in January Britain welcomed the newest Dacia [Da-tcha] Duster models. Value for money and quality have won them industry awards, not least from the BBC's Top Gear, and growing popularity among drivers in the UK and beyond. But like any other European product, they are competing as never before against rivals from around the world. Emerging economies in Asia and Latin America pose a particular challenge to our competitiveness.

To unlock our potential, we must complete the EU's outstanding bilateral trade deals. Key among these will be the Transatlantic Trade and Investment Partnership with the United

States, which President Obama endorsed in his State of the Union address last month. Upon completion, this will be the biggest bilateral trade deal ever negotiated, and it could add around € 86 billion to EU economies every year. We need to replicate this approach with all our major trading partners.

The risk, if we fail to build a flexible, innovative Europe, is declining influence. A Europe that sits on the sidelines; one that has lots to say, but no-one to listen.

So we must work together to create the environment that will promote prosperity, investment and jobs. Britain's Prime Minister, David Cameron, gave a speech about this in January, setting out his vision for the future.

The EU of the 21st Century must be diverse, competitive, and democratically accountable. It must have the Single Market at its heart and have the flexibility of a network, not the rigidity of a bloc. But as well as this, the Prime Minister spoke of the urgent need to address the widening gap between the EU and its citizens.

Let me emphasise here that the UK remains committed to the European Union. We continue to play a leading role at the heart of the Single Market, and across the EU's policy spectrum – from energy and climate change to development and foreign policy.

But the EU needs to change. So Britain is committed to helping to shape an open, flexible and adaptable EU, and we look forward to working with Romania on this.

And as we look to the future, I offer for consideration three further EU issues on which I see particular scope for the UK and Romania to work together – both to strengthen our prosperity, and to reinforce our security:

Firstly, we need to complete the Digital Single Market.

Getting this right would mean more competition and lower prices. Its completion would increase the EU's GDP by an estimated four percent over a ten year period. Yet in some parts of the Union, including in Romania, doubts linger about online security. This is understandable, but it is also a missed opportunity – because Romania has real potential for online retailing, with the fastest internet speeds in Europe, and world-class computer science graduates. British companies have recognised these advantages, which is why they are investing in the IT sector in places like Iasi and Cluj.

We need your support to push for completion of the Digital Single Market. In the coming months, we aim to start intensive discussions on your concerns, and to bring to Romania British companies whose products and services can help provide reassurance on the security of the online environment here.

Secondly, our countries should work more closely on the EU's Neighbourhood policy.

Romania is a shining example of how EU membership can act as a motor for reform, freedom and prosperity. Enlargement is one of the enduring achievements of the EU, and it has done much to heal the divisions and injustices of the past. The UK is a strong supporter of robust, reform-driven enlargement, and we will work with you to promote its benefits.

Romania's excellent understanding of, and contacts with, the countries of the Eastern Partnership and Western Balkans are a real asset to the EU, and we value working with you to move reform and dialogue forward. As you know, our Foreign Secretary recently visited Moldova. He very much appreciated the discussions he had with Foreign Minister Corlatean before that visit, for the insight he could share.

And thirdly, I want us to work together to address any misunderstandings around the UK's approach to the free movement of workers.

This is an important issue, and one which arouses understandable concerns. But I believe that our relationship is worth too much to allow this one issue to become problematic.

Let me state clearly that the United Kingdom will open its labour market to Romanian and Bulgarian workers from the beginning of 2014. It is our Treaty obligation to do so, and we have no intention of doing otherwise.

We recognise and welcome the positive impact of EU citizens exercising their fundamental freedoms – freedoms which British citizens, not least the 1.5 million living in Europe, enjoy every day. One of the EU's proudest achievements has been the removal of barriers to travel, and the resulting progress in personal contacts and mutual understanding.

We recognise and value the contribution made by the tens of thousands of hard-working Romanians in the UK, whether in professional jobs, construction, healthcare or agriculture.

And in the UK we are building an immigration system which works in the national interest – supporting the UK economy by continuing to attract the best global talent, including from Romania and Bulgaria, while protecting our public services and welfare system.

Last month our Prime Minister chaired a cross-Government meeting of ministers on this issue, and we are collectively looking at current rules on access to benefits, housing, health and other services. This review covers both EU and non-EU migrants and applies equally to nationals of all EU Member States: there will be no discrimination based on state of origin in the EU.

We are also looking closely at the approach taken by other EU members to this issue. And I should add that the review also runs parallel with our own overhaul of welfare which is designed to ensure that people in the UK are always better off taking work than relying on benefits.

And importantly, we also want to ensure that Bulgarian and Romanian nationals are not exploited by criminals and unscrupulous employers – which was, unfortunately, the experience for some EU nationals when earlier transitional controls ended.

Conclusion

It is clear, I think, that we live in a fast-changing world; one which presents significant opportunities, but also real risks.

Europeans need to respond to these changes. We should be flexible and realistic, and back up our efforts with strong partnerships.

Britain’s partnership with Romania will remain crucial. It is a relationship that cuts across the policy spectrum; one which has grown beyond even the ambitions of the Strategic Partnership we agreed in 2011.

However, we can and should continue to raise our ambitions. Doing so is strongly in our national, regional and indeed international interests.

Today I have set out some of the ways I think we can do this. If we work together and tackle the challenges head-on, we can help to build a more secure and prosperous future for our countries.

Source: https://www.gov.uk/government/speeches/the-uk-and-romania-strategic-partners-in-the-eu-and-around-the-world