

PRESS RELEASE

EU – Latin America Caribbean Summit: EUROCHAMBRES calls for reduction of economic hurdles

On the occasion of the EU-Latin America Caribbean (EU-LAC) Summit in Vienna tomorrow, EUROCHAMBRES, the Association of European Chambers of Commerce and Industry, encourages political leaders to face the obstacles affecting common trade and investment relations.

A survey among EU and LA companies, released by EUROCHAMBRES today, identifies corruption as the main obstacle to enhance economic cooperation. Other relevant issues are high tariffs, transport and logistic costs, uncertain legal environment for foreign investors, and cumbersome non-tariff procedures.*

Pierre Simon, President of EUROCHAMBRES, remarked: *“Real progress on barriers affecting everyday life of companies should be among the priorities at the Summit. The most effective way to reduce poverty and social inequalities is to foster trade and investment, creating long-term prosperity for our societies.”*

EUROCHAMBRES calls upon the authorities in Europe, Latin America and the Caribbean to focus also on the following issues:

- The constitution of a common EU-LAC front to achieve a balanced and ambitious agreement at the **WTO Doha round**;
- A successful conclusion of the **EU-Mercosur FTA negotiations** to foster business and investments. On the other hand, Mercosur leaders should have a long term vision and not consider it as the sum of four national agendas;
- The opening of FTA negotiations with other Latin American regions, especially **Andean Community** and **Central American** countries, provided they are WTO compatible. FTAs should be designed to strengthen regional integration, as a source for long term prosperity in Latin America;
- **Trade facilitation** and the protection of **foreign direct investment**. Political leaders should work together with the business communities to develop a favourable business environment;

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EUROCHAMBRES has member organisations in 44 countries representing a network of 2,000 regional and local Chambers with over 18 million member companies.

- For the Caribbean, EUROCHAMBRES welcomes the new EU strategy that seeks to promote a strong partnership for growth, stability and development. The EU-Caribbean **Economic Partnership Agreement** (EPA) will facilitate faster integration of the Caribbean into the EU and the world economy;
- Finally, EU and LAC political decision makers should guarantee the continuation of **economic co-operation programmes** for the years 2007-2013.

Over the last 5 years, EUROCHAMBRES has developed considerable efforts to contribute to a stronger EU-LAC partnership. As the Executive Office of AL Invest III**, it supports over 500 projects of EU-LA economic co-operation. In the Caribbean region, EUROCHAMBRES contributes to the development of business organisations through capacity building activities.

EUROCHAMBRES has developed links with leading business representative organisations in Latin America and the Caribbean. AILA (Latin American Association of Industry Associations), AICO (Ibero-American Chambers of Commerce) and CAIC (Association Caribbean of Industry and Commerce) are all EUROCHAMBRES' interlocutors within the Global Chamber Platform, which links Chambers of Commerce and Industry around the world.

* Preliminary figures of a survey carried out among 500 companies in all EU-25 Member States and all 18 Latin American countries. The full report investigating 1000 EU and LA companies will be presented in October 2006.

** With an EU grant of € 42 million, AL-Invest III is the largest European cooperation programme to support SMEs and business organisations in the EU and Latin America. The programme offers financial support joint initiatives in the area of economic co-operation, including matchmaking events, trade fair visits, training for SMEs and institution building for business organisations. EUROCHAMBRES is responsible for the management and implementation of AL-Invest III in cooperation with BANCOMEXT (Banco de Comercio Exterior de Mexico) and other EU-LA business organisations.

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