

Declaration of the 2nd Eastern Partnership Business Forum

Vilnius, 28 November 2013

The BUSINESS FORUM, organised on the eve of the 3rd Eastern Partnership Summit, brought together business, banking and government leaders to address business environment issues in Eastern Partnership countries under the umbrella theme of “Business. Without borders.” Participants discussed how to enhance investment and revive the SME sector; highlighted the critical need of sound infrastructure for business success; and examined opportunities for closer trade and economic ties between the EU and Eastern Partnership countries.

Acknowledging the important role of the Eastern Partnership and the significance of close cooperation between the EU and the Partner countries in creating mutual trade benefits; enhancing investment; contributing to economic growth; and improving the business environment in the partner countries, the FORUM:

- Welcomed the initialling of Association Agreements including Deep and Comprehensive Free Trade Areas (DCFTAs) between the EU and Georgia, the EU and Moldova, which offer a clear framework for structural reforms and further improvement of the business climate. Expressed readiness to support the implementation of these Agreements.
- Underlined that creation of Deep and Comprehensive Free Trade Areas would increase trade and investments between partners. Business communities expressed their wish that Ukraine remains on the path of reforms and encouraged Ukraine to reengage in the process leading to conclusion of the AA/DCFTA with the EU.
- Welcomed the substantial increase in lending to the region by the EIB and other International Financial Institutions over the past years in support of growth and jobs; the modernisation of economic infrastructures; the improvement of the environment; and deeper economic integration with the EU market to the benefit of business and the citizens of the Eastern Partnership countries.
- Called for strengthening the business dimension of the Eastern Partnership seeking to improve business environment, including in the field of Foreign Direct Investment, in partner countries for the benefit of local, regional and European businesses.
- Stressed the benefits of the East-Invest II project, which will run for the period 2014-2017 to support the development of business organisations and SMEs in Eastern Partnership countries and to promote trade opportunities between the EU and Eastern Partners' companies, through capacity building in areas such as trade, including with regard to DCFTAs, as well as internationalisation and advocacy, with special attention to SME development.
- Agreed on the need to actively promote bilateral and multilateral cooperation by creating business councils, associations or chambers that help to build understanding and business networking, as well as to establish a better business environment across the borders.

Underlining the significance of a strategic vision and greater involvement of the partner countries in capacity building in major sectors of the economy, including energy and transport, the FORUM reiterated the importance for partner countries to continue converging with EU standards and improving their legal and regulatory environment. To this end, the FORUM:

- Encouraged **BUSINESSEUROPE** and **EUROCHAMBRES**, the main European business horizontal associations, to share their expertise with businesses in Eastern Partnership countries in order to improve understanding and enhance approximation between the different regulatory frameworks.
- Underlined the need for further investment in essential economic and social infrastructure in the Eastern Partnership countries, and recognised the key role the EIB and other IFIs have in supporting such investment, including in climate action projects, in line with EU objectives.
- Encouraged the EIB and other IFIs to step up lending to the private sector and foster the development of SMEs, thus contributing to the creation of more and better jobs in the region, recalling that a sufficient lending mandate is needed for the EIB to make the full use of its potential.
- Agreed that EU technical assistance can be essential to help accelerate the preparation and financing of more and better projects.

Reiterated the need to continue and speed up the reforms in the Eastern Partnership countries that are to create the basis for macro-economic stability in order to enhance SME development, broaden the economic base.

- Called on the EU and Partner countries to initiate ICT projects for business, people and Governments in support of, inter alia, key economic sectors.

Recognising the importance of coordinated action to further promote regional business and economic growth, and recognising the need to further strengthen formal dialogue between business and political leadership of the EU and Eastern Partnership countries the FORUM:

- Proposed that the Eastern Partnership Business Forum becomes a regular event organised in parallel with the EU-Eastern Partnership Summit, and that the business community establishes a mechanism for more regular contact and collaboration.
- Endorsed the idea to establish a dedicated advisory committee at the EIB aiming to strengthen the Eastern Partnership countries' involvement in the projects financed.