

Dear Ministers, Excellencies, ladies and gentlemen,

It is a great pleasure to Baltic Development Forum to sign the MoU with the Latvian Government – and with you Minister Pavluts – on organizing the BDF Summit in 29-30 May 2013 in Riga.

The BDF Summit will thereby return to Riga 10 years after the first visit to Riga and after having completed the first round trip to all the capitals and major cities in the Baltic Sea Region.

We believe that the timing to come to Riga in May is exactly right because you have exciting and positive stories to tell to an international audience, which is always participating in the BDF Summits.

The main story is that Latvia has come out of the crisis and that the economy is the fastest growing in Europe – once more. This time the high growth rates are, however, healthier than previously. Here I would like to quote you Minister Pavluts from a dialogue that you have had with the well-known economist Poul Krugman in the press on whether Latvia is an international model to follow or not: you say that *“unlike the boom that ended in 2007, Latvia’s current economic growth is based on a healthy diet and exercise, not steroids”*.

We believe in BDF that Latvia – and you Baltic neighbours – is a European model and examples that other economies should follow. You have introduced tough economic austerity measures and at the same time introduced incentives in the economy and got rid of wrong spending. You have shown how smart policies can work.

There is still some way to go before you return to the pre-crisis level but the present 5% growth demonstrate that you are determined to change the situation.

Now is the time to harvest the benefits from the tough policies and invite decision-makers, businessmen and investors to come to the beautiful city to Riga. I am sure that investors will now be coming back to Latvia and understand that you play an important role in the Baltic Sea Region that needs to be exploited. Businesses are seeing Latvia and the Baltic States as interesting places to do business.

The sector itself is the best ones to tell other business and companies about the new realities and opportunities, and therefore BDF will do its best to work together with the **Foreign Investors Council** in Latvia in May next year.

We are pleased to work together with many of our close partners in Latvia besides the **Ministry of Economy** and the **Ministry of Foreign Affairs**. I would like to mention our **Latvenergo** – and Mr. Zigurs – which BDF has closely partner over the years. It includes also the **City of Riga** which is our cooperation partner in an EU-financed project on attracting investments, marketing and branding the Baltic Sea Region. We are also very pleased to work together with the Latvian Investment and Development Agency and Mr. Ozols

It includes also the **Latvia's university** and prof. Zaneta Ozolina, Latvia's **Employers' Confederation** and Ms Mengelsone on this task.

Yesterday, we had consultations with the **European Commission** in Brussels and we received commitment that the Commission will also be taking part of the BDF summit in June. BDF hopes that the two EU Presidencies in Lithuania and Latvia will be occasions to put additional momentum to regional cooperation, integration and the EU strategy for the Baltic Sea Region.

We cannot be successful without a well-functioning European Union. At the same time, it becomes more and more clear that the EU cannot liberate the economic potential in Europe without facilitating regional specificities and opportunities to bloom and prosper. This is the balance that the Baltic Sea Macro-region has to develop as a European model for the inspiration of other regions in Europe.

Nordic-Baltic relations are at the centre of our cooperation but we must not forget to attract the interest of the big countries of our region: Germany, Poland and Russia.

We would like to invite all decision-makers to participate in the Summit.

With these words, Minister, I look forward to cooperating with your Ministry in organising a regional summit for high-level decision-makers and investors.

Thank you.

Hans Brask,

Director