

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

March 26, 2014

REMARKS BY PRESIDENT OBAMA,
EUROPEAN COUNCIL PRESIDENT VAN ROMPUY,
AND EUROPEAN COMMISSION PRESIDENT BARROSO
IN PRESS CONFERENCE

Council of the European Union

Brussels, Belgium

2:42 P.M. CET

PRESIDENT VAN ROMPUY: Good afternoon. It has been a great pleasure to welcome President Obama to this EU-U.S. Summit in Brussels.

We meet at a hugely important moment, certainly for peace and security on the European continent. Events in Ukraine and elsewhere go to show that there are many unsettling uncertainties, and that's why the solid certainty of the transatlantic relationship is so crucial. It is the bedrock to face these challenges -- a bond of friendship tested by history, and that bond is shockproof. Cooperation among our countries is unrivaled. So in our meeting today, we focused on the issues where together -- together we can provide the political (inaudible) at the highest level.

We obviously spoke about Ukraine, today's most pressing matter. It was a follow-up to our excellent exchange at the G7 meeting in The Hague two days ago. Europe and the United States have a strong and coordinated position. For the EU side, I refer you to the bold statements of last week's European Council. We support Ukraine and its people in their pursuit for a better life as a nation. Crimea's illegal annexation is a disgrace in the 21st century and we will not recognize it.

The first priority is to deescalate the situation. Russia's support for an OSCE mission in Ukraine is a positive step. The fact that Russia's and Ukraine's foreign ministers finally met in The Hague is another sign of more openness. However, if there is further escalation, we Europeans and Americans are ready to intensify sanctions. With the understanding that sanctions are a means to an end, the goal is a negotiated solution in respect of Ukraine's sovereignty and of international law.

We also stand by Georgia and Moldova, and the European Union has brought forward to June the signing of the Association Agreement with them.

Apart from Ukraine, we talked about negotiations with Iran, about working to end the terrible war in Syria, and to stop violence and anarchy in the Central African Republic. Both are humanitarian tragedies.

The United States and Europe will continue their work to fight terrorism -- and appalled by Egypt's mass death sentence of over 500 Muslim Brothers, we urge Egyptian authorities to restore the rule of law.

Our second major focus was the economy. We spoke about the recovery in Europe, which is taking hold. We should have 2 percent of growth next year. Thanks to much hard work, Europe and the Eurozone have really moved on. The focus now is on reinforcing economic fundamentals and on jobs, and last week saw the finishing touch on the banking union, the centerpiece of a stronger Eurozone.

And we also spent some time discussing energy, especially energy security, and what we can do together to reduce Europe's dependency on Russian gas. Our G7 energy ministers will meet on this soon.

We also spoke on climate change and our ambitions for the upcoming global negotiations. And today, together with President Obama, we reconfirmed our shared commitment to an ambitious transatlantic trade deal. President Barroso will say more about it in a minute.

Let me just say that in days like this, forging even strong economic ties across the Atlantic is also a powerful political sign, a way to show our public opinions and the world who we are at heart, in Europe and in America -- economies based on rules, societies based on values, and proud of being so.

Finally, today we spoke about data flows. And President Barroso and I conveyed to the President European concerns after last year's revelations on surveillance programs. These concerns are shared widely by citizens in EU member states, and we welcome the recent initiatives announced by President Obama. The United States and the European Union are taking further steps to address these worries and restore trust.

On the governmental track, we have an umbrella agreement on data protection by this summer, based on equal treatment of EU and U.S. citizens. On the commercial data track, the U.S. have agreed to a review of the so-called Safe Harbor Framework. Transparency and legal certainty are essential to transatlantic trade, and we all agree on that.

Ladies and gentlemen, so all in all, a focused and productive meeting, and timely, too. Mr. President, we are looking forward for receiving you again in this building in less than three months for the G7 Summit here in Brussels.

Thank you.

PRESIDENT BARROSO: Thank you. First of all, President Obama, it's great to have you here in Brussels, the capital of Europe, in the headquarters of the European institutions. Your visit sends a very strong signal, first of all, to the European citizens. They understand how important it is, this transatlantic relationship, for Europe and for the United States of America.

To the American people, I'd like to say to the American people that you can count on us as your best friends and allies. And also, to the rest of the world, we remain committed and open, and we have decided to engage in all the global issues from free trade to achieve the Millennium Development goals, to climate action. But, at the same time, we will also be firm in defending our common values, those of peace, of freedom, of the rights of individuals, the rule of law, international law.

The European Union and the United States are working together to make sure that actions that are unacceptable will bear serious consequences. And, in fact, we can say that it is in this spirit that we have not only been working on issues like Iran or the Middle East peace process, but, most recently, on the crisis in Ukraine. We have discussed this again today. We are determined not only to safeguard and to support independence and the prosperity of that country, but also showing that some kind of unacceptable behavior cannot continue.

We also discussed -- linked to this aspect, but not only linked to this issue -- the importance of energy, energy security. At the ministerial level, our teams are going to meet early next week to discuss some issues in terms of energy cooperation between Europe and the United States.

A very concrete, probably the most concrete example of the deepening of our relationship is precisely the Transatlantic Trade and Investment Partnership, not only because it is -- the agreement that we are preparing for -- the most important economic relationship in the world -- every day, there is a trade of 2.2 billion euros, around \$2.6 billion, between the two sides of the Atlantic. It's not just because of the huge dimension of this agreement, but because it will be an agreement among equals. Not only are our economies equal in size, but our societies are equal in values.

And I believe that to both our economies a new impulse of this T-TIP, Transatlantic Trade and Investment Partnership, will be very important to give a decisive injection of dynamism and indeed even increase the potential for growth not only for the big business, but also for small and medium-sized businesses. There have great potential in terms of job creation on both sides of the Atlantic if we do it right. And today, we have confirmed that we are beginning at the highest level to make it happen and to be a success not only for us, but also for the global economy.

Thank you.

PRESIDENT OBAMA: To President Van Rompuy and President Barroso, thank you both for welcoming me here today. Over the years, we've met in Prague, we've met in London -- or in Lisbon. We've met at the White House. We've met in Northern Ireland, this week in The Hague. So it's good to finally meet the Presidents of the European Union at the European Union.

As I've said before, Europe is America's closest partner. Europe, including the European Union, is the cornerstone of our engagement around the globe. We are more secure and more prosperous -- the world is safer and more just -- when Europe and America stand as one. And later today, I look forward to speaking to the young people from across Europe about how we can sustain the values and ideals that are at the heart of our partnership.

As Presidents Van Rompuy and Barroso just mentioned, our work today touched on a full range of issues where we work together. We agreed to step up our efforts to boost growth and job creation on both sides of the Atlantic, and that includes working to conclude a Transatlantic Trade and Investment Partnership. And let me add, once we have a trade agreement in place, export licenses for projects for liquefied natural gas destined to Europe would be much easier -- something that's obviously relevant in today's geopolitical climate.

We reviewed our negotiations with Iran, which I believe give us the opportunity to peacefully resolve the world's concerns with the Iranian nuclear program. We pledged to sustain our support for the effort to eliminate Syria's chemical weapons, even as we work to deliver humanitarian relief to the Syrian people. And we discussed a number of global challenges, including the desire to step up our cooperation with the Asia Pacific region and our commitment to a new global agreement to combat climate change.

Obviously, much of our focus today was on the situation in Ukraine. Russia's actions in Ukraine aren't just about one country; they're about the kind of Europe -- and the kind of world -- that we live in. The European project was born from the ashes of two world wars, and the United States has long supported European integration as a force for peace and prosperity. And Europe's progress rests on basic principles, including respect for international law, as well as the sovereignty and territorial integrity of nations. That's what Russia violated with its military action against Ukraine.

The United States and Europe stand united on this issue. We're united in our support for Ukraine and for the need to provide economic assistance to help stabilize its economy. We're united in our commitment to Europe's security. We're united in our determination to isolate Russia and impose costs for Russia's actions. Every step of the way I've coordinated closely with our allies and partners in Europe. And I want to thank Presidents Van Rompuy and Barroso for the leadership they've shown during this difficult time.

I want to commend the EU for the important steps taken already to make sure Russia feels the costs of its behavior in Ukraine by implementing visa bans and freezing assets and designating individuals for sanctions, as well as canceling a number of engagements with Russia -- and making it clear that if Russia stays on its current course, the consequences for the Russian economy will continue to grow. Of course, all this comes atop the measures and sanctions that the United States and others around the world are imposing on Russia. And taken together, these are the most significant sanctions Russia has faced since the end of the Cold War.

Moreover, Russia stands alone. Russia stood alone when trying to defend its actions at the U.N. Security Council. The 28 members of the European Union are united. The 28 members of NATO are united. Every member of the G7 has imposed sanctions on Russia, as we announced on Monday, and the G7 will meet here in Brussels in June -- without Russia. So if anyone in the Russian leadership thought the world wouldn't care about their actions in Ukraine, or that they could drive a wedge between the European Union and the United States, they clearly miscalculated.

As I've said repeatedly and was mentioned by both Presidents Van Rompuy and Barroso, there is still a way for Russia to work with Ukraine and the international community to deescalate the situation through diplomacy. That's the only way that the issue will be resolved. If Russia continues on its current course, however, the isolation will deepen. Sanctions will increase and there will be growing consequences for the Russian economy. And this reflects the enduring commitment to the goal that has brought Europe and the United States together for decades -- a Europe that is whole and free and at peace.

In closing, I just want to say to Presidents Van Rompuy and Barroso, as you prepare to conclude your tenures later this year -- thank you for all the outstanding work that you've been able to do together. We have gone through some very rocky waters. We've persevered through some very difficult economic times. But throughout this process, we've been able to deepen the ties between the European Union and the United States. We've been able to advance the cause of security and human dignity around the world. I'm personally grateful to both of you for your leadership as well as your friendship, and most importantly, for the purposes of our countries that we represent here today, your dedication to the transatlantic relationship. So thank you very much.

Q Good afternoon. I have one question for Presidents Obama, Barroso and Van Rompuy. The first is on Russia and Ukraine. Given that the U.S. has less to lose from economic sanctions against Russia, would it be appropriate to envisage support for European allies, for example, in the realm of energy?

Second, you mentioned, all three, the Transatlantic Trade and Investment Partnership. A lot of citizens have concerns. They fear that standards for environment protection or consumer protection might be at stake. How do you want to convince these citizens? Thank you very much.

PRESIDENT OBAMA: With respect to sanctions, so far what we've seen is excellent coordination between the United States and Europe. I think on both sides of the Atlantic there was recognition that in the initial incursion into Crimea we had to take some very specific steps, and we did -- identifying individuals that were in part responsible for those actions. When the Russian government made the decision to annex Crimea, after a referenda that nobody outside of Russia I think could take seriously, we then heightened those sanctions, again, in coordination.

What we're now doing is coordinating around the potential for additional, deeper sanctions should Russia move forward and engage in further incursions into Ukraine. And we recognize that in order for Russia to feel the brunt, the impact of these sanctions, that it will have some impact on the global economy as well as on all the countries that are represented here today. And we're mindful that that's going to be different not just between the United States and Europe but also among different countries inside of Europe, some of whom are more dependent, for example, on energy from Russia than others are.

So we're taking all of this into account. I think energy is obviously a central focus of our efforts and we have to consider very strongly. This entire event I think has pointed to the need for Europe to look at how it can further diversify its energy sources. And the United States is blessed with some additional energy sources that have been developed in part because of new technologies, and we've already licensed, authorized the export of as much natural gas each day as Europe uses each day. But it's going into the open market; it's not targeted directly. It's going to private companies who get these licenses and they make decisions on the world market about where that energy is going to be sold.

The question is whether through our energy ministers and at the highest levels we're able to find ways in which we can accelerate this process of diversification, and this is something we're very much committed to. We think it would be good for Europe. We think it would be good for the United States. It's not something that can happen overnight, but what I think this entire crisis has pointed to is the need for us to get moving now with a sense of urgency. And our energy ministers are committed to doing that. That was their assignment coming out of the G7 meeting.

Just on the issue of T-TIP very briefly, we already do enormous trade and there's enormous direct investment between the United States and Europe. We account for a big chunk of the world economy in our economic relations. That's not going to change. I think that our publics both in Europe and the United States have legitimate

questions when it comes to trade deals as to whether or not it's going to benefit their countries over the long term, and can we make sure that hard-won victories around consumer protection or environmental protection are preserved, as opposed to weakened. That's something that's of concern in the United States as it is here.

Here's what I can tell you as these negotiations proceed. I have fought my entire political career and as President to strengthen consumer protections. I have no intention of signing legislation that would weaken those protections. I fought throughout my political career and am fighting as we speak to strengthen environmental protections in the United States, so I have no interest in signing a trade agreement that weakens environmental standards. And so I think that there's been a lot of publicity and speculation about what might be, or could be, or is this provision potentially used by corporations to, in some fashion, weaken some of these protections or encroach on sovereign decisions that are made, and I would just caution everybody to wait until they actually see what has been negotiated before they engage in all these speculations.

I think there has generally been suspicion in some quarters around trade. Some of those suspicions are unjustified. Some of them reflect old models of trade agreements that had been updated. But what I can say for certain is, is that because of the trading relationship between the United States and Europe, we've created millions of jobs on both sides of the Atlantic, and growth and prosperity has advanced.

There is a way of doing this right that will help us make sure that we remain at the cutting-edge of innovation and growth and development. There are bad ways of doing trade agreements as well, and ultimately, all of these things will have to be subjected to scrutiny in the light of day. But no point in getting excited about potential provisions and trade agreements that haven't been drafted yet. There will be plenty of time to criticize trade agreements when they're actually put before the public. But I guarantee you we're going to be working hard to make sure that environmental protections, consumer protections that are already in place, that those are strengthened.

And I shared with President Van Rompuy and Barroso the fact that part of the suspicion about trade is whether globalization is benefiting everybody as opposed to just those at the top and some small segments of our economies, or large corporations as opposed to small- and medium-sized businesses. I think it is important for us as leaders to ensure that trade is helping folks at the bottom and folks in the middle and broad-based prosperity, not just a few elites. And that's the test that I'm going to apply in whether or not it makes sense for us to move forward in a trade deal. I'm confident we can actually shape a trade deal that accomplishes those things.

PRESIDENT VAN ROMPUY: Just on Ukraine, and I guess that the President of the European Commission will speak on the T-TIP. On Ukraine, we coordinated our first tiers of sanctions, hitting individuals by travel bans and by asset freeze. And also, on the political side, we suspended the preparatory work for the G8 meeting, and we are now organizing a G7 meeting, as mentioned already, that will take place here in Brussels.

And then, from the European side, we said in the statement of the European Council that if further steps were taken by Russia to destabilize the situation in Ukraine, we will take economic sanctions. And we tasked the Commission to prepare a broad range of sanctions in all kinds of areas. Of course, we have to coordinate among our

member states. They are not all in the same position as far as trade, energy, financial services is concerned. So we have to coordinate among us and we have, of course, to coordinate with the United States.

But let me say also that sanctions are not a punishment; sanctions are not a retaliation. Sanctions are a positive incentive to seek a diplomatic, a political solution, while respecting, of course, international law. So sanctions are in itself -- they are not an aim in itself. But we are working also on stabilizing the situation in Ukraine -- stabilizing politically, stabilizing economically, stabilizing financially -- because that is the best answer. It's the best answer to strengthen Ukraine, to make it a strong currency instead of a weak currency.

And that's why we signed the Association Agreement with Ukraine. That's why we will provide macro-financial help to Ukraine if they agree, of course, on reforms with the International Monetary Fund. That's why, also, unilaterally we are removing -- we will remove customs duties. So there's a broad range of initiatives we are taking to stabilize the country of Ukraine besides the actions that we can take as far as sanctions are concerned.

PRESIDENT BARROSO: Still on this issue, I believe that all this talk about who is doing more on sanctions -- the United States or Europe -- is really useless, first of all, because we are united, as we have shown, taking very important decisions like the cancellation of our European Union-Russia summit, are now together; the cancellation of the G8 summit in Sochi; and indeed the organization of the G7 meeting here in Brussels.

It's true what you said that, in fact, the European economy is much more linked to Russia, and Russia to the European Union, than the United States; and that, in fact, Russians are much more looking to Europe also because they are traveling more here, and so on. That's precisely why one measure in Europe that may appear not so ambitious as an American one has at least the same effect, because our trade with Russia is comparable with what the United States has with Japan, for instance.

So we are preparing the necessary measures in a determined way, of course consulting with our American partners and friends. What is important, as I just said, is that we make sure that unacceptable actions will bear very serious consequences. And so far, this has been a message that has been passed clearly to the Russian leadership.

And once again, the problem is not a competition between the United States and Europe about sanctions. The problem is one that exists between Russia and the international community. I think in the 21st century it's just not acceptable that one big power takes part of another sovereign country, recognized as independent by the United Nations. This is the real problem, not how far are going the Americans or the European Union in their respective instruments in terms of measures.

On T-TIP, I think President Obama already said everything. Just one point -- I want to reassure the European Commission are negotiating on behalf of all 28 member states. We have a clear mandate; we are going to respect it fully. And of course, our mandate does not allow for any kind of, let's say, weakening of our standards.

The Americans have some very high standards as well. It's true that sometimes in the regulatory matters we don't have exactly the same position. That's why when it's not possible to have regulatory convergence, I think we should try to accept some mechanisms of mutual recognition. Because it's true that today the trade between Europe and the United States is already very much liberalized. Tariffs are relatively low compared with other parts of the world. We are trying to get that even lower, both Americans and Europeans, and I'm sure we're going to get it.

But it is also important to give us new impulse for growth to eliminate some non-tariff barriers. And some of these non-tariff barriers are in the regulatory field. So I'm sure we can do it right. I have nothing to add to what President Obama said. But in fact, let's work for what can be a very transformative instrument not only for the benefit, of course, of the European citizens and American people, but also hopefully for a more open global trade system.

Q Thank you. Jeff Mason, from Reuters. Mr. President, you're going to NATO later this afternoon. What more does NATO need to do to reassure Russia's worried neighbors? And do you think the crisis right now in that region will make it more or less likely that NATO will expand to include Ukraine and Georgia?

And for President Van Rompuy and President Barroso, on energy, what more do you expect the United States to do to help the European Union reduce its dependence on Russian oil? And are you concerned that obstacles in Congress will prevent you from achieving your goals on trade, as we saw with a vote on the IMF yesterday also on Ukraine? Thank you.

PRESIDENT OBAMA: Well, I'm looking forward to having my meeting with Secretary General Rasmussen, whose term is expiring, and I have to say has provided outstanding leadership to NATO on a whole range of issues. So let me take an opportunity now, without him being here, to compliment him on doing just an outstanding job.

As I said yesterday at a press conference in The Hague, our commitment to NATO is the cornerstone, the most important element of U.S. national security, as well as European security. And so at the core of NATO is our Article 5 commitments to collective defense.

When I first came into office, one of the things that I said to all of the NATO members sitting around the table was that there's no junior NATO members versus senior NATO members. Obviously, there are big countries and there are small countries in NATO, but when it comes to the commitment to collective defense, everybody is in the same footing. It does mean that we have to make sure that we have put together very real contingency plans for every one of these members, including those who came in out of Central and Eastern Europe. And over the last several years, we have worked up a number of these contingency plans.

When we meet, when the ministers meet in April, one of the things that I have suggested to the heads of state and government who are NATO members is that we examine those plans to make sure that they're updated, that we do more to ensure that a regular NATO presence among some of these states that may feel vulnerable is executed. I think there are ways that we can do that that can be accommodated by our existing assets.

But one of the things that I've also said in the past and will repeat again -- and I think Secretary General Rasmussen agrees with me here -- is that if we've got collective defense, it means that everybody has got to chip in. And I have had some concerns about a diminished level of defense spending among some of our partners in NATO -- not all, but many. The trend lines have been going down. That's understandable when you have an economic crisis and financial crisis, and many countries are going through fiscal consolidation. But the situation in Ukraine reminds us that our freedom isn't free, and we've got to be willing to pay for the assets, the personnel, the training that's required to make sure that we have a credible NATO force and an effective deterrent force.

So one of the things that I think, medium and long term, we'll have to examine is whether everybody is chipping in. And this can't just be a U.S. exercise or a British exercise or one country's efforts. Everybody is going to have to make sure that they are engaged and involved. And I think that will help build more confidence among some of those border states.

One last thing I just want to say about energy -- I also mentioned this to President Van Rompuy and President Barroso. I think it is useful for Europe to look at its own energy assets, as well as how the United States can supply additional energy assets. Because the truth of the matter is, is that just as there's no easy, free, simple way to defend ourselves, there's no perfect, free, ideal, cheap energy sources. Every possible energy source has some inconveniences or downsides.

And I think that Europe collectively is going to need to examine, in light of what's happened, their energy policies to find are there additional ways that they can diversify and accelerate energy independence. The United States as a source of energy is one possibility, and we've been blessed by some incredible resources. But we're also making choices and taking on some of the difficulties and challenges of energy development, and Europe is going to have to go through some of those same conversations as well.

Q And expansion to include Ukraine and Georgia?

PRESIDENT OBAMA: Well, I think that neither Ukraine or Georgia are currently on a path to NATO membership and there has not been any immediate plans for expansion of NATO's membership. I know that Russia, at least on background, has suggested that one of the reasons they've been concerned about Ukraine was potential NATO membership. On the other hand, part of the reason that the Ukraine has not formally applied for NATO membership is because of its complex relationship with Russia. I don't think that's going to change anytime soon, obviously.

So as I said yesterday, we have a commitment that includes a military commitment to our NATO members. For non-members, we want to support those countries based on our belief in principles and ideals that are important not just in Europe but around the world, including territorial integrity and sovereignty. And so we're going to do everything we can to support Ukraine in its elections, its economy, and to continue to try to isolate Russia in response to the actions that it's taken. But I think it would be unrealistic to think that the Ukrainian people themselves have made a decision about that, much less the complex process that's required in order to actually become a NATO member.

PRESIDENT BARROSO: About energy, of course, as President Obama just said, we in Europe have to solve some of our problems. We have been working on that. For instance, we have opened now a new gas route, the first time ever that we'll have gas from the Eastern part of Europe not coming from Russia. It will be from Azerbaijan, the southern corridor. We have made progress in many carriers of the internal market, interconnections, reverse flows and so on and so forth. We are working on that.

But it's certainly good news that the United States have this policy of putting gas from shale gas in the international market because it's a blessing for the United States, as President Obama just said, but I would say it's also a blessing for the world, because countries like European countries and others would be less dependent on energy coming from, let's say, difficult spots. And we know about these licenses. We have, of course, welcomed the remarks that President Obama just confirmed now that with the FTA this is going to be much easier than with the licenses that are already being given to companies around the world to trade.

And most importantly, also we have decided to increase our cooperation in the field of energy. Already next week, under the chairmanship of John Kerry and Cathy Ashton, there will be the ministers responsible for energy meeting to see what also can be done innovative in this field.

But Europe is working very decisively to reduce its energy dependency. And that's one of the reasons why the European Commission have been pushing for so many years, as you know, to achieve the internal market, to develop the interconnections and to have a true European energy policy. And I believe now among leaders -- we have discussed this and the chairmanship of Herman Van Rompuy in the last European Council -- there is a great awareness and commitment of this. This was a wakeup call -- very, very strong -- for Europe to go forward in terms of the energy integration and also policy for energy security.

Q Would you like the U.S. to export more oil and gas?

PRESIDENT BARROSO: The U.S., they are already exporting more. But for that point of view, it's better for President Obama to give you the elements. He already informed us in the G7 meeting and just today that there are licenses already given that, in fact, are equivalent to the supply of gas to Europe but they are traded in the global market. We certainly don't expect that gas to be in the market for any kind of specific market. We are believers in free trade. We don't want that to be the case. It's good news and it's up to the American President to confirm it, but I think I can say it here that there is potential still -- that's what the President just told us -- even to increase more of

these licenses. So this is certainly good news. But we are not relying just on that. We have to do also our own work here in the European Union.

PRESIDENT OBAMA: Thank you.

END 3:24 P.M. CET