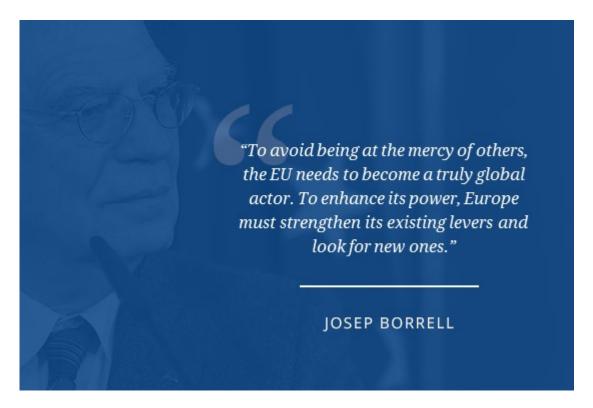
Building Global Europe



We live in a world where interdependence is becoming more and more conflictual, in particular with the growing strategic rivalry between the US and China. We also see a broader trend towards competition between countries and systems, especially with some of our neighbours such as Russia and Turkey who seem to want to return to a logic of empires.

They consider they are entitled to control their surrounding neighbourhood in the name of alleged historical rights. They only recognize the sovereignty of states and not the sovereignty of the people. This is at the heart of our differences with Russia over Belarus or with China over Hong Kong. Democratic norms and our liberal-inspired vision of the world are challenged.

Multilateralism in crisis

The world has become more multipolar but multilateralism has weakened, as evidenced by the growing paralysis of the United Nations Security Council, the deep crisis of the World Trade Organization, or more recently that of the World Health Organization. And this precisely at a time when global problems, especially the climate crisis or health issues, are becoming more and more critical.

Amid this increasing competition, not only do the classic tools of power play a role, but soft power itself is increasingly used as a weapon: think of films and other cultural products, the capacity to build social networks or the ability to attract talent. Trade, technology, data, information are now instruments of political competition.

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Europeans feel they live in an increasingly dangerous and unpredictable world. They need to be reassured that we can provide a meaningful and robust European answer. If the EU does not become also a real world power, in terms of both hard and soft power, it will be at the mercy of other international actors. And this will affect all fields of our lives: communication, economy, environment, security. Even our democracies and individual rights and liberties would be in danger.

Europe needs to act more united.

To avoid this fate, Europe must strengthen its traditional levers, look for new ones and take new and visible initiatives to enhance its global posture. Europe needs at first to act in a more united way. And frankly, the EU is the only platform enabling European democracies to promote and defend their interests effectively. In the past, we have sometimes allowed others to paralyse us by dividing us, for example with regard to our relations with China or Russia. We must stop seeing Europe as a collection of national interests and instead define and defend together the common European interest. This is in particular the aim of the work undertaken with the European defence ministers around the "Strategic Compass" concept, to jointly define the threats and challenges that Europe will have to face.

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We need to strengthen our capacities to act autonomously. The concept of "Strategic autonomy" is not about protectionism but about having the capacity to defend our interests and values by acting multilaterally whenever we can, but being ready to act autonomously whenever we must.

We have more levers that we think

To achieve this, we have more levers of influence than we ourselves often believe. Our internal market is still one of the most important in the world and no external player can afford to neglect it. The European Union has one of the strongest "soft power" toolboxes, with powerful trade and competition policies, significant aid volumes and the new possibilities offered by our investment screening mechanisms. We must use it to its full potential, taking

a holistic approach and overcoming silos.

The COVID-19 pandemic has exposed the fragility of existing global value chains and Europe's vulnerability in that regard. Re-localisation and economic sovereignty have become dominant themes everywhere in Europe As I expressed earlier with Commissioner Thierry Breton, we need to link closely our industrial and research policy with our foreign policy.

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We are the most important norm setter worldwide —as Anu Bradford convincingly sketches in her recent book "The Brussels Effect" — but we cannot maintain this position if we are not also a technological leader: we need to close the gap between our regulatory capacity and our technological ambitions.

We need to protect key technological sectors from falling under excessive control by a third party and to ensure the security of vital sectors such as digital, energy, raw materials and health. We must protect our critical infrastructure (from energy to space), and our digital autonomy and security (international digital rules/standards, cybersecurity). We should also leverage the renewed political priorities of the EU Next generation instrument on digital or environmental issues in the context of the programming of our assistance and other external policies.

The principle of reciprocity is key

Relations with foreign partners must be evaluated according to the principle of reciprocity. This must become the rule, not the exception, while of course bearing in mind the need to take into account different levels of development and overall strategic interests. The rules that we impose on European companies, particularly with regard to subsidies, must also apply to non-European companies that want to enter our market.

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Where necessary, we should be ready to adopt a more robust and strategic approach as we have done for instance with China. We have worked to build our

relationship with China on more reciprocity and a level playing field in trade, investment and beyond. By highlighting our political differences, we have achieved that Beijing has to take Europe more seriously.

In parallel, we need to continue giving full priority to our very troubled neighbourhood both to the East and the South, and to Africa. Our partners' stability and prosperity are crucial for the EU's own security and strategic interests. We have also to strengthen our common action in the field of security and defence and foster the EU's capacity to act as a global security provider.

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The EU has a strong stake in maintaining and developing a rules-based international order within the framework of an effective multilateralism — even if others are clearly trying to weaken it. The joint Communication on Multilateralism that we are planning for next year will set out what the EU can do to counter this trend. Over the years, the EU has been quite successful on the climate issue but we must also contribute more actively to reform what needs to be changed, for example in the WHO and WTO.

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As EU we can and should do more to develop a level playing field when it comes to social and human rights, through enhanced so-called "due diligence" requirements for economic operators in their procurement chain. We must strengthen our trade policy to ensure that the commitments made by our partners with regard to social and environmental standards are fully respected. We must also reflect on the implications of a carbon border tax without which the Green Deal would lead either to carbon leakage or to competitive disadvantage. And of course we must continue to lead the global fight against tax havens.

Our legacy will lie on our ability to ensure the socio-economic recovery of the actual Covid-19 crisis and to project a more effective role for Europe in the world. As HR/VP, I am pursuing this goal by harnessing the power of the instruments of the Commission and EEAS with the actions of the Member States acting together in the Council.

The need to overcome scepticism

I know there is a lot of scepticism in Europe about our ability to achieve this, but I am convinced we can succeed. And outside observers are too:

<u>"Europe's geopolitical awakening"</u> is an article published last month by the renowned American magazine Foreign Affairs. It argued that Europe, for all its faults, would probably come out of the crisis with a stronger global role, due to the extensive response provided so far by the European authorities and the significant progress in terms of internal solidarity demonstrated by the Next Generation Europe initiative.

The crisis triggered by the Covid-19 epidemic is far from over and all its consequences are still unknown. However, it depends obviously above all on us, on our common will and actions, to make Global Europe really happen.