

**Policy  
Forum on  
Development**

**Asia Regional Meeting**

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## **The new EU Communication Connecting Europe and Asia**

within the EU global external policy framework

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*Views expressed don't necessarily represent those of the European External Action Service*

# What drives EU foreign engagement today

The EEAS continually promoting EU values and shared prosperity

*Different parts of the EU institutions have more interest in pursuing some than others*

## Core foreign policy objectives

- Political and economic stability
- Geostrategic interests
- Raw materials and energy
- Migration

## Trade and commercial interests

- Mixed agreements
- 45% of EU import and 35% of EU exports is with Asia
- Trade deals and markets

## Fundamental values

- EU treaties
- Human Rights, civil society, humanitarian concern
- Democracy
- Poverty alleviation
- Conflict prevention and peacebuilding

## Historical ties

- Former colonies
- Bilateral agreements and partnerships
- Relations with the Neighbourhood
- Relations with likeminded countries

## EU Foreign Policy & International Cooperation

## Living up to Global Commitments

- SDGs
- Paris Agreement
- “Effective Multilateralism”

# The world is changing: a radically different environment since the creation of the EEAS (December 2010)

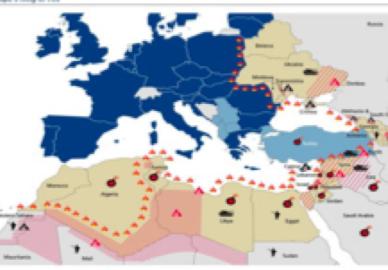
## Globally

- A more contested world and the return of **geopolitics**
- Different governance and socioeconomic **models** by other powers
- **Fake news** ('Alternative facts') and diminishing democratic accountability
- **Multilateralism under strain**: more challenges and more difficult to collectively address them
- International cooperation **beyond poverty** alleviation or the Neighbourhood

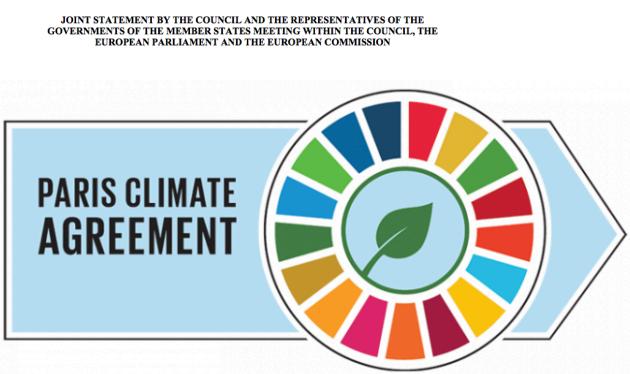
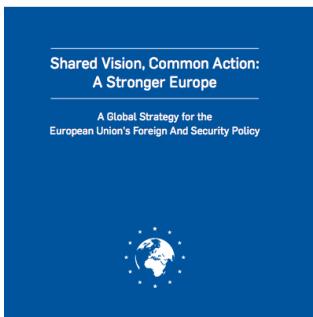


## Europe

- EU bolder about **promoting interests** along with values
- **Domestic drivers** of foreign policy are stronger (nexus)
- Collective action from EU institutions and Member-states would seem more necessary, but **bilateralism** stronger/Brexit



# New or updated EU global & regional policy frameworks: Inspiration, guidance and political/policy direction for European External Relations



*"What happens in Africa matters for Europe, and what happens in Europe matters for Africa. Our partnership is an investment in our shared future. It is a partnership of equals in which we support each other, help each other to prosper and make the world a safer, more stable and more sustainable place to live."*

Jean-Claude Juncker, African Union-European Union Summit, Abidjan, 27 November 2017



Strategic investment and job creation



Investment in education and matching skills and jobs



Business environment and investment climate



Economic integration and trade

## A new Africa-Europe Alliance for Sustainable Investment and Jobs

The aim of the Alliance is to take the EU's partnership with Africa to the next level. To do so, the Commission proposes to boost investment, further attract private investors, support education and skills development for employability, as well as boost trade and improve the business climate.

This plan will be supported by the Commission's current and future budget, for which Africa is highlighted as a priority region.

- Investment through the Alliance will create up to 10 million jobs in Africa in the next 5 years

- 24 million people will benefit from all-season roads and infrastructure investments in transport infrastructure

- 135,000 students will benefit from vocational training and skills development

- 750,000 people will benefit from access to electricity and modern energy services

- 30 million people and households will benefit from investments in renewable energy and a generation capacity boosted by 5 Giga



HIGH REPRESENTATIVE  
OF THE UNION FOR  
FOREIGN AFFAIRS AND  
SECURITY POLICY

Brussels, 18.11.2015  
JOIN(2015) 50 final

JOINT COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE COUNCIL,  
THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE  
COMMITTEE OF THE REGIONS

Review of the European Neighbourhood Policy  
(SWD(2015) 500 final)



*A number of refreshed global and regional policy frameworks since 2016...*



# The Global Goals and Agenda 2030

## Promoting mutual interests with the SDGs

- Universal agenda
- Multilateralism, Partnership
- Applicable to ALL countries



- Well **beyond poverty** to peace/justice but also more about prosperity & environment
- Structured around **5 Ps**: People, Planet, Prosperity, Peace & Partnership
- Need to be treated in an **integrated fashion** – yet at times contradictory
- More ownership in the negotiation – 'last great global multilateral deal' in 2015 – a common point of reference for both EU and partners
- Yet 17 goals, 164 targets, **230 indicators** – complex and HR are only dealt with in the declaration.

# 2016 EU Global Strategy (EUGS)

## EUGS is an innovation

- Recognition of 'existential crisis', '**Union under Threat**'
- '**Principled Pragmatism**' – reconciling both values and interests
- Calls for a more **comprehensive approach** to our external action: stronger links between diplomatic, trade, development and security policies
- **Financing instruments are 'an important element of the toolbox the EU has at its disposal for external action'** and they 'should be mobilised in line with agreed political priorities'

Some critiques: it covers too much; strategic direction or compromise? World changed even since 2016 and needs latest political direction...

Shared Vision, Common Action:  
A Stronger Europe

A Global Strategy for the  
European Union's Foreign And Security Policy



## EU Global Strategy as a 'Wordle' (e.g. words appearing most often)



Developed by Simon Duke of EIPA – ©EIPA 2018

red circles added by Peter Frisch: overlapping with SDGs.

# Analysis - European Consensus on Development 2017

## 2005 Consensus



## New Consensus 2017



- Aligns EU development policy with **2030 Agenda**
- Focus on global challenges **beyond poverty eradication** (*5Ps: people, planet, prosperity, peace and partnership*)
- More emphasis on inequality and ‘leave no one behind’
- Role private sector + multi-stakeholder approaches
- More flexible use of financing instruments
- Prioritises new sources of financing

BUT

- Long list of priorities (and not concrete enough?)
- Little on comparative advantage of the EC/MS
- Risk of diluted development focus

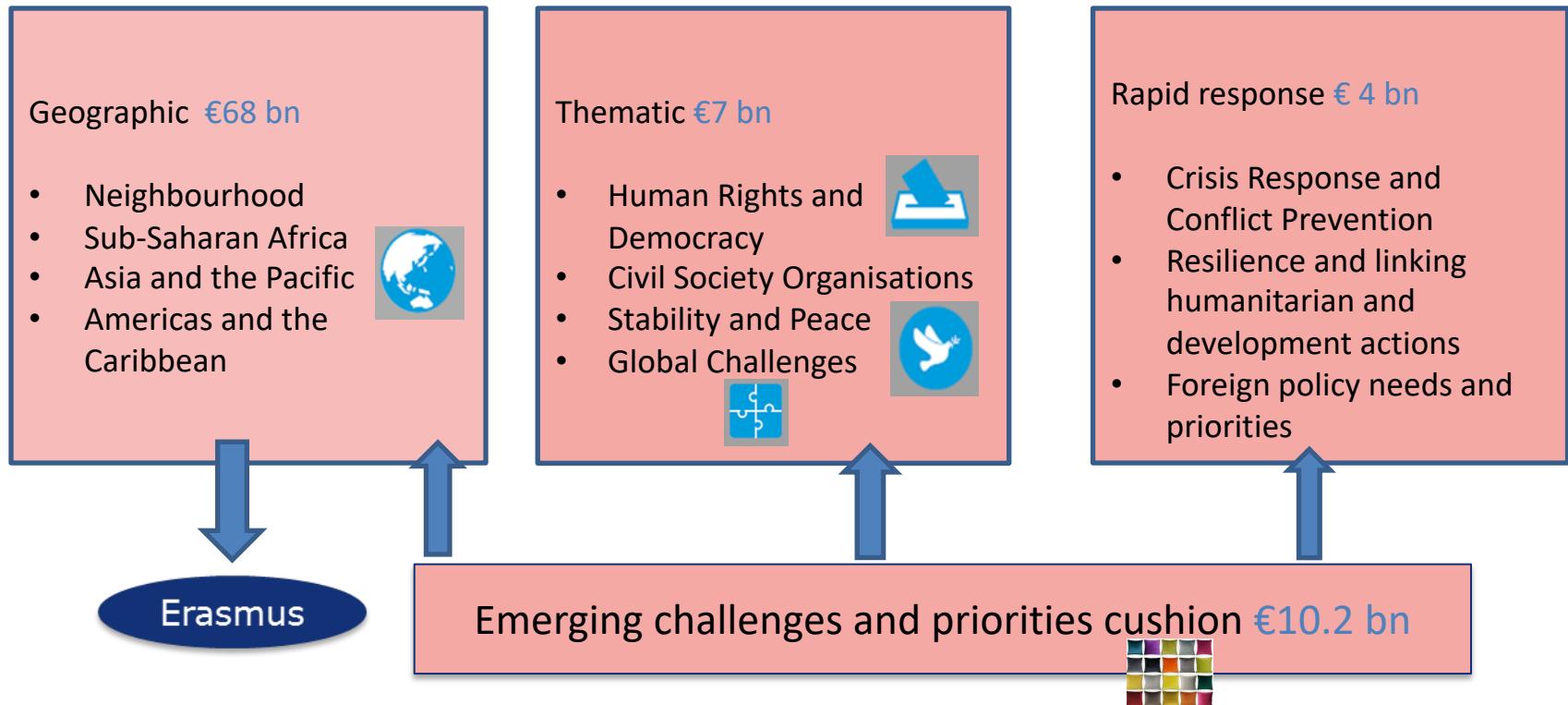
# Multi-Annual Financial Framework (MFF) 2021-2027 – The Neighbourhood and the World (Heading 6)

*“simpler, more flexible and more focused budget”*

- MFF aims 'to uphold and promote the **Union's values and interests** worldwide'
- External action gaining traction: **more resources** (+13% increase in real terms): €123 billion plus off-budget European Peace Facility and Emergency Aid Reserve
- **more flexibility** through reserves and rapid response. Rapidly respond to situations of crisis, instability and conflict, resilience challenges
- Stronger emphasis on **security, migration, stability, climate change**
- References to UN's **Agenda 2030** and poverty eradication – yet weaker than purely 'development instrument would have' however there are key reference points and **92% of NDICI has to be Official Development Assistance (ODA)**.
- Seeking consistency and coherence between EU domestic and international policies and between different realms of external action (**nexus**)



# Structure of the proposed Neighbourhood, Development and International Cooperation Instrument (NDICI)- €89.2 bn



# NDICI - proposed principles

- Focus on interlinkages of SDGs 
- Strengthen resilience (move away from crisis response) and link humanitarian aid and development action
- Apply development effectiveness principles -**Geographic pillar is the largest** 
- Focus on fragile contexts and least developed countries (priority in resource allocation)
- **92% of funding should contribute to actions that fulfil the criteria for ODA** 

Official Development Assistance (ODA ...  
ed.ac.uk
- Incorporate a rights based approach
- Contribute to a coordinated, holistic and structured approach to migration
- 'Ring-fencing': **10%** of financial envelope to address root causes of irregular migration and forced displacement and to supporting **migration** management
- Contribute **25%** of its overall financial envelope to **climate objectives** 
- Contribute **20%** of ODA to **social inclusion and human development**, including gender equality and women's empowerment
- **Mainstream climate change, environmental protection, and gender equality**



## Asia:

60% of world population

35 percent of the world GDP

35% of EU exports

45% of EU imports

1.3 trillion EUR of investment needed per year

Diversity of countries: LLDC, emerging, highly developed...



## Europe and Asia:

70 % of world population

60% of world GDP



## Key Parameters:

Concrete policy proposals for improving connectivity

Contribution for ASEM summit 18-19 October 2018

Close link to MFF proposal for external investment

Mitigation climate change



### ASEM: Connecting Europe and Asia

- The Asia-Europe Meeting, i.e. ASEM, was established in 1996.
- ASEM is an informal intergovernmental forum for dialogue and cooperation between Europe and Asia.
- ASEM promotes partnership and collaboration with the objective of strengthening relations between the two regions in all areas.

## Model 1-2-3-4

### **1 overarching philosophy**

Contribute to further development of low- & mid-income countries for them to develop their markets and choices & increase resilience.

Reciprocity of agreements is a key parameter



### **2 underlying principles**

Sustainability (fiscal, economic, environmental & Social) and a level playing field (equal chances to all business incl. procurement agreements, export credits, economic diplomacy...)



### **3 work strands**

Physical networks, partnerships, utilising (innovative) financial capacities



### **4 pillars**

Transport, Energy, Digital, **People**

### Transport:

Air, sea and land

Interoperability, multimodality, decarbonisation



### Energy:

Energy connectivity platforms

Renewable, clean, decentralised, efficient



### Digital:

Digital infrastructure

Digital rights, policies, cybersecurity



### People:

*I believe it is clearly the most important pillar*

Education, research, innovation, culture, tourism  
(new level of investment)



I believe the most important potential of global connectivity, global economic growth and global wellbeing lies with the **people**:

- Asia and Europe account for 70 % of world population, that is 5.3 billion people
- Last year had 400,000 students in mobility and around 200,000 research collaborations
- To me this looks very little, disproportionately little for countries that account for 60% of the world GDP
- Of all potentials, investing in human resources will be the greatest: the investment will always be less costly than the benefit it brings





Thank you for your kind attention !

