



FUTURE OF EUROPE OBSERVER

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This issue of the Future of Europe Observer takes stock of the EU's Global Strategy (EUGS) introduced in 2016 and comprises of analyses by ZEI Master of European Studies Fellows "Class of 2018".

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Future of Europe Observer

accompanies the debate on governance and regulation in the European Union. Authors are ZEI Scholars, Master of European Studies Fellows and Alumni.

Taking Stock of the EU's Global Strategy

The European Security Strategy of 2003 stated that "Europe has never been so prosperous, so secure nor so free". This sense of security, peace and prosperity has since been shattered as noted in the EU's Global Strategy of 2016: "To the East, the European security order has been violated, while terrorism and violence plague North Africa and the Middle East, as well as Europe itself".

Not only Europe's neighbourhood and the security context have become more volatile, old threats like terrorism are still present while simultaneously Cold War rivalries appear to be returning. In parallel to this, a new reality has emerged embodied by social revolutions taking place virtually, which fosters democracy through empowerment however also has negative side-effects such as election interference. Further challenges include the unreliability of gas supply coming from the east.

A comparison of the strategies leads us to believe that the EU has not paid enough attention and learned from its 2003 strategy. For example terrorism was already a major threat prior to the 2003 strategy with some recommendations reappearing in the new strategy: "encourage greater information sharing and intelligence cooperation". The same can be said for the EU's regional

focus on "cooperation with North Africa, the Middle East, the Western Balkans and Turkey". As usual, the EU reacts once crises escalate while prevention does not seem to have been developed at the level demanded since the threats posed by a post 9/11 global order. The EU's ad hoc reaction to crises is nothing new, such as attempting to resolve complex issues by further integrating its institutions and policies to strengthen its self-legitimacy. Now these issues have often evolved into paradoxical trade-offs: internal security includes its external dimension; trade policies with a link to development; the quest for energy resources combined with tackling climate change; addressing migration without addressing conflicts abroad.

In contrast to the old strategy, the Global Strategy decisively addresses security concerns and military threats by adding PESCO and the European Defence Fund to the European External Action Service. The golden years of economic prosperity, optimism and confidence of the immediate post-Cold War years are over. The question still lingering is whether current crises will make the engine of the EU integration process more resilient or become its breaking point.

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I. Neighbourhood Policies

The EU and the Western Balkans

The first concept that we need to address when talking about the EU's reluctance in the Western Balkans enlargement is the so called "enlargement fatigue". With the EU just having completed the accession of more than a dozen countries in the past decade, there is a need for more time to absorb the consequences of these enlargements before moving onto another enlargement round.

Secondly, a projected asymmetric economic gain is causing reluctance among the EU member states for further enlargement. Although the Western Balkan countries would benefit to a great extent in economic terms in case of accession, this is not the case for the current EU members. Additionally, the strong economies in the EU see member states with relatively weaker economies such as Greece, Spain or Portugal to be weighing down the Union as a whole and they are reluctant to let any more weak economies enter the Union. This causes the support of the EU member states towards further enlargement to vary.

As a result of the 2008 economic crisis and an increasing euro-skepticism within the EU, enlargement became a domestic political debate in many EU member states. This caused a decline in the European Commission's dominance regarding enlargement policies while simultaneously increasing the influence of member states, this resulted in a less consolidated policy by the EU towards further enlargement, consequently causing a decline in the accession talks.

The negative experiences derived from previous Eastern enlargements, mainly of accessions of Bulgaria and Romania, caused the EU to approach possible accession of the Western Balkans more cautiously. Bulgaria and Romania, in order to not prolong accession process, were let in before fully complying with the Copenhagen criteria while they were expected to comply eventually. On the contrary, the level of corruption immediately increased in both countries after the accession, as the incentive to pursue the rule of law due to EU conditionality was no longer there. The EU, not wanting to experience similar results along with the distrust held by the EU towards the national governments in the Western Balkans, wants to ensure that candidates fulfill EU conditionality to

the fullest before acceding to the European Union. In the end, the enlargement towards the Western Balkans keeps getting postponed.

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The EU and the Ukraine

The scale of the EU's ambition and the clarity of its principles are praise-worthy. The EU Global Strategy might not define the specifications and details of how foreign policy within the EU will be implemented. However, it does outline the aims in a clear and concise format.

As a result, member states have been given directions, which after implementation, will ultimately improve security right across the European Union. By improving relationships across the EU neighbourhood; the European block will prosper from increased stability, improved trade links and better international communications.

Therefore, in the eyes of states that aspire to become part of the EU, the EU is perceived as a strong, powerful supranational organisation. One that goes a long way to protect its many member states, to improve their standards of living and to promote a system of European values. These fundamental elements are still implemented, despite the recent difficulties that have stemmed from the outcome of the British referendum and the financial crisis.

Ukraine is a country that has suffered immensely in the last two decades and continues battling to establish its presence in the global arena. It also sets out to provide its own citizens with improved living standards, without the threat of military action from neighbouring countries. Member states of the European Union serve as an aspirational example to the Ukraine, especially in areas where Ukraine's policies currently lack efficiency such as in the judicial system, anti-corruption measures and strong sovereignty.

Therefore, the Ukrainian goal of joining the European block was set when the Association Agreement was drafted in 2012. Unfortunately, it was only signed in 2014 shortly before the territorial conflict with Russia escalated and was transposed into law on 1 September 2017.

I. Neighbourhood Policies

This agreement marks the first step in a long journey that Ukraine has ahead of itself in becoming a fully-fledged member state of the EU. Along with the Association Agreement, Ukraine has also committed to the Strategy 2020 and the EU Global Strategy; both of which should bring the country much closer to the standards upheld by the European Union. The visa-free regime, which became legislation on 11 June 2017, was accompanied with a positive message from Ukrainian President Petro Poroshenko who stated: “YES, we did it!”

Yuliya Mysko is a ZEI Fellow “Class of 2018”.

The EU and Moldova

European integration is a long-term, ongoing and open-ended process. After over a decade of reforms, following the Eastern Enlargement in 2004 and Romania’s and Bulgaria’s accession in 2007, the Republic of Moldova (RM) became one of the EU’s direct neighbours. Due to this, the interest of the European Union in a consolidated cooperation with the RM has increased. Against the background of long term relations of over 15 years between the EU and the RM, on 27 June 2014 the EU-RM Association Agreement was signed and fully came into force on 1 July 2016, following the ratification by all signatories. An EU Association Agreement is a treaty between the EU, its member states and a non-EU country that establishes a legal framework for harmonising different areas, including

a Deep and Comprehensive Free Trade Agreement (DCFTA), which represents the main pillar of economic association. It requires businesses and investors from a non-EU state to meet EU standards and allows them to trade and invest freely within the EU market.

Judging the ongoing reforms that have been carried out as a result of concluding the EU-RM Association Agreement, it seems the EU is suffering from “Moldova fatigue”, according to Andrew Wilson, Senior Policy Fellow with the European Council on Foreign Relations. Indeed, at a national level there is a lot of work left to be done, but the EU should not expect Moldova and other Eastern Partnership (EaP) countries to develop and reform as their western neighbours did. Drawing such an analogy would simply be inappropriate due to the distinct history of the EaP states.

Therefore Moldova’s pace of European integration will be significantly slower than the one observed in Central Europe. Moreover, the EU always liked supporting those who called themselves “pro-European”. However, the ruling of the state by the Moldova’s Alliance for European Integration, leads to the conclusion that the EU should judge the actual reforms being implemented instead of looking for friends or enemies at national level. This way, the EU would enhance its own legitimacy and that of the associated national governments. Eventually this would lead to more resilience in the Eastern Partnership.

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ZEI-MEDAC Roundtable 2018

The migration crisis presents the Euro-Mediterranean region with unprecedented challenges. This year’s ZEI-MEDAC Roundtable—held on 18 April 2018—provided students and junior diplomats from both sides of the Mediterranean with the opportunity to exchange ideas, experiences, and possible solutions on prevailing migration policy issues in the EU’s neighbourhood.

The joint event forms part of the long-standing cooperation between the Mediterranean Academy of Diplomatic Studies (MEDAC) and ZEI.



II. Global Relations: bi-regional and bilateral

The EU and Transatlantic Relations

With a bold Global Strategy, the EU asserts strategic autonomy in pursuit of co-equal leadership in global responsibilities. This commitment to global engagement amidst Brexit and a Trump presidency is both welcome and overdue.

Whereas a rift in transatlantic relations emerged with the Iraq invasion, a re-convergence of interests over issues such as Russian resurgence and security in Europe's neighbourhoods warrants a reframing of cooperation. While details unfold regarding Russian interference in the 2016 US election and possible Trump campaign collusion, the global influence of the US wanes in paralysis. Though Trump flirts with withdrawal from global governance, the EUGS reaffirms the UN, NATO, and the WTO as vital institutions. With US commitment uncertain, Europe becomes the natural heir to stewardship of the post-war global order; only Europe can rekindle the flames of transatlanticism upon which the global order was founded.

To achieve the global goals of the EUGS, the transatlantic partnership must be led by the strategic values-based interests of the EUGS. While history indeed never repeats itself, the observer cannot help but identify a worrying cocktail of isolationism, revanchist geopolitics, and growing authoritarianism. As Europe has learned, the problems of its neighbours can quickly spillover into continental turmoil. In order to safeguard and expand an era of peaceful prosperity, the future of Europe will be one in which an agenda is set for transatlantic global engagement and the EU will be indispensable in reshaping this partnership. Only in so doing can the aspirations of the EUGS be achieved.

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Transatlantic Defence Cooperation in the Trump Era

Defence cooperation lies at the heart of transatlantic relations. However, at the moment relations are bleak. An "America First" agenda touted by

President Donald Trump has led to isolationism and conflicting policy stances with Europe. In the words of Chancellor Angela Merkel, "The times in which we could rely on others—they are somewhat over."

In Europe, the inability of the Trump Administration to be a reliable partner has pushed for deeper EU defence integration in the form of the Permanent Structured Cooperation (PESCO). The pact aims to bolster EU hard power capabilities by connecting the militaries of Europe through greater coordination and a pledge to invest in technologies and operations. Although PESCO should ease US concerns over European defence spending, conflict with "America First" policies in the arms industry is possible.

Russian interference in elections in Europe and the US should ignite greater cooperation between the continents. However, the Trump Administration's inability to craft a clear response to the Russian government, indicates the US President will not take the situation seriously. Despite President Trump's mixed messages, the role of the US should not be misunderstood. The US military is still taking the lead in areas of shared interest with NATO allies. East European readiness, with regards to NATO military exercises on the Eastern borders, is an area where cooperation is maintaining a positive course.

Transatlantic relations will be spotty going forward, but that should not discourage the longtime partners. The US and the EU are bound to one another by institutions and a common interest in security and defence. That link is undeniable.

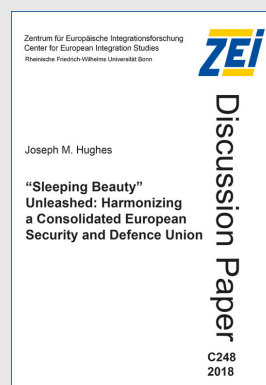
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ZEI Discussion Paper C 248/2018

"Sleeping Beauty" Unleashed: Harmonizing a Consolidated European Security and Defense Union

By Joseph M. Hughes

After the inception of the EU's Permanent Structured Cooperation (PESCO) in December 2017, this Discussion Paper asserts that defence integration within the EU can indeed be achieved without undermining the NATO alliance.



II. Global Relations: bi-regional and bilateral

Impacts of Trump's Import Tariffs on Global Trade

NAFTA

Impact: ongoing but stagnating renegotiations on the NAFTA Agreement with Canada and Mexico due to import tariffs and Trump's ambition of raising the proportion of American content in imported manufactured cars.

MERCOSUR / ECOWAS / SA

Impact: deeper commercial integration and market opening in Latin America and Westafrica; MERCOSUR members have jump-started negotiations for FTAs with the EU and Canada; ECOWAS signed a trade and investment partnership with Turkey; South Africa's economy was hit hard by tariffs on cars and steel.

TPP

Impact: deeper economic integration between the 11 remaining members of the revised Trans-Pacific Partnership (CPTPP) might prompt Trump to eventually rejoin the agreement after his withdrawal from TPP in January 2017.

EU

Impact No. 1: TTIP frozen; looming "trade war" with the US after Trump imposed tariffs on steel and aluminium.
Impact No. 2: EU has a greater appeal as a trade partner around the globe; FTAs with Japan and Singapore are finalised, plans underway for trade pacts with Mexico, MERCOSUR, Australia and New Zealand.

China

Impact: "trade war" between the US and China possible as Trump plans to impose 25 per cent tariffs on Chinese imports worth 50 billion dollar by mid-June. The US is pushing China to reduce import taxes and stop practices that encourage transfer of intellectual property to Chinese companies.

The EU and Brazil

In 1960 Brazil established diplomatic relations with the European Economic Community (EEC), being one of the first countries to do so. However, only in 1992 the relationship was formalised through the signature of the Cooperation Agreement between the European Economic Community and Brazil. In the same year, the two entities established the Bilateral Joint Commission, responsible for the broad bilateral agenda coordination. The agreement consisted of 32 articles, covering the promotion of tourism, social development, democracy, environmental protection and human rights. In 1995, the EU signed a Framework Agreement with MERCOSUR, the common market of South America, which aimed at the interregional association between the two organisations. Since then, the institutions of the EU support regional integration within MERCOSUR; a process which was the inspiration for the newly created Union of South American Nations—UNASUR.

The relationship between the EU and Brazil became even stronger in 2007, when the first EU-Brazil Summit took place and the EU-Brazil Strategic Partnership was established as a result. The Summit and the Partnership were based on shared values of the rule of law, economic development, democracy and human rights, but moreover are also of strategic interest to the partners.

In 2017, the European Union and Brazil celebrated ten years of the partnership. Both sides reiterated that the Strategic Partnership is the cornerstone of EU-Brazil relations and the appropriate framework for continuing to diversify bilateral cooperation in the future. In this regard, they stressed the importance of joint understandings to improve its implementation.

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II. Global Relations: bi-regional and bilateral

AU-EU Summit in Abidjan

The 5th African Union-European Union (AU-EU) Summit was held on 29 and 30 November 2017 in Abidjan, Côte d'Ivoire. The summit was held to determine the future direction of cooperation between Africa and Europe.

The leaders of 55 AU and 28 EU countries adopted a joint statement setting out common priorities for their partnership in four strategic areas:

- Economic opportunities for youth
- Peace and security
- Mobility and migration
- Cooperation on governance

At the summit, the EU and AU leaders focused on investing in youth as a key priority. Furthermore, the EU's new External Investment Plan (EIP), presented at the summit, was well-received by the African partners. With the aim of mobilising 44 billion euro for investment in Africa by 2020, new employment opportunities are to be created for youth and women as well as investment opportunities in sustainable development.

Regarding mobility, the leaders of the AU and the EU agree to support academic mobility and improve exchange programmes between Africa and Europe such as the ERASMUS+ programme. Besides mobility, migration was also at the top of the agenda at the summit. Here, the leaders adopted a joint statement condemning the inhumane treatment of African migrants and refugees in Libya.

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The EU-AU Relationship

In Addis Ababa, Ethiopia, on 17 November 2017 the 10th Annual Joint Consultative Meeting of the Peace and Security Council of the AU and the Political and Security Committee of the EU was held. This meeting brought Ambassadors and Senior Officials together from the EU and the AU, and focused on conflict and crisis situations in Sub-Saharan Africa.

The meeting reaffirmed the AU-EU's strong cooperation on security and peace. In this regard, both parties embraced the need to strengthen the association

between the AU and the EU and agreed on the principle of developing a framework document, which will put their partnership of peace and security on a more structured and solid basis, taking into account the more complicated as well as the new intimidations. Indeed, establishing an integrated approach to conflicts and crises is one of the priorities in the EU's Global Strategy.

Since 2004, the EU has been involved in strategic partnerships with individual African countries and with the AU as well. Here, the EU is engaged in strengthening the values and goals embedded in the European exemplar of governance to the respective AU parties. Regarding political ties, the EU succors Africa in heightening pluralism and democracy, the rule of law, good governance and human rights. On the issue of security, the EU plays a pivotal role in assisting the people of Africa and their respective governments in reinforcing safety. In particular, the EU aids contravention of violent extremism, tackles terrorist funding through money laundering, and is involved in the augmentation of judicial and investigatory capabilities. Security is one of the EU's primary objectives, as Europeans have experienced terrorist transgressions in various places in Africa.

The Cotonou Agreement sets out the above principles, which regulate relations between African countries and the EU, including trade. Undoubtedly, the EU is one of Africa's most salient international partners as it proffers the biggest market for African exports. Admittedly, this partnership has opened African countries to a market of 500 million people in Europe. Through the European Investment Bank, Africa receives long-term development loans to aid in the improvement of its infrastructure. It can be noted that the above-outlined references substantiate Africa's correspondence to the EU in the past. Africa and the EU have mutual interest on various issues such as political relations, security cooperation, trade and investment, and development cooperation. Notably, both the AU and the EU have agreed that in the future their relationship should be more at a level of equal footing and not one solely depending on the other for their existence.

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II. Global Relations: bi-regional and bilateral

Dithering over South China Sea

On 28 June 2016, the European Union unveiled its long-awaited Global Strategy, spelling out its defense and foreign policy goals. It stated: “The EU is committed to a global order based on international law, including the principles of the UN Charter”.

The first test of the Global Strategy, however, came sooner than the EU anticipated. In July 2016, the Permanent Court of Arbitration in The Hague issued a ruling against China in the bitter South China Sea dispute. The EU was caught off guard, and after three days of closed-door deliberations, Federica Mogherini, High Representative of the Union for Foreign Affairs and Security Policy, issued a bizarre statement.

According to a press release from 15 July 2016, Mogherini declared: “The European Union and its Member States, as contracting parties to the United Nations Convention on the Law of the Sea, acknowledge the award rendered by the Arbitral Tribunal, being committed to maintaining a legal order of the seas and oceans based upon the principles of international law, UNCLOS, and to the peaceful settlement of disputes.” Furthermore, Mogherini said, “the EU does not take a position on sovereignty aspects relating to claims. It expresses the need for the parties to the dispute to resolve it through peaceful means, to clarify their claims and pursue them in respect and in accordance with international law, including the work in the framework of UNCLOS”.

China was elated, but the rest of the international community was surprised by the EU’s position. Surprised, because of the perception of the EU as a power that supports justice and the rule of law. No wonder the state media in Beijing gloated over the statement, claiming it as the “unified” position of Europe.

So, what happened to the EU’s declaration that the block was committed to a global order based on international law? Reuters journalist Robin Emmott reported that while Germany, France and the United Kingdom were in favour of a strong statement against China; Hungary, Greece and Croatia opposed any criticism of Beijing because they relied heavily on Chinese aid. Theresa Fallon, a Brussels-based geopolitical analyst and director of the Center for Russia Europe Asia Studies, attributed the EU’s apparently weak position to

China’s “cheque-book diplomacy”.

Now the question is whether the EU has damaged its own reputation by kowtowing to China on such a major international issue? Yes, it has!

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The Challenges of Maritime Security in the Indian Ocean

The Indian Ocean is the world’s third largest water mass and is subject to major challenges, including illegal trafficking of drugs, arms, and people; piracy; as well as unregulated and unreported fishing.

Sea trade on the Indian Ocean accounts for around 90 per cent of socio-economic development in the area, and hindrance thereof has particularly affected African countries. Moreover, the detrimental effect of obstructing sea trade has been felt globally as a result of piracy off the coast of Somalia.

The EU Global Strategy has included maritime security as a fundamental element in many of its priorities, among others by enhancing a European security order to forge a closer Atlantic partnership and a more connected Asia. Herewith, the EUGS lays out a vision to deepen its role as a contributor to global maritime security by building on its experience the Indian Ocean to ensure open and protected ocean and sea routes—critical for trade and access to natural resources—and to further universalise and implement the UN Convention on the Law of the Sea.

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II. Global Relations: bi-regional and bilateral

Principled Pragmatism in EU-China Relations

The manner in which the EU will respond to the challenges and opportunities presented by the rise of China as a true global player may serve as a crucial test for the credibility of the EU's resolve, wisdom and capability to balance *realpolitik*, strategic interests, and normative imperatives. The perceived tensions—and even conflicts—between adherence to principles and pragmatic considerations might prove to be essential for the EU's response.

The primary goals the EU has set out for dealing with China include bringing about mutual benefits in trade and investment as well as in social and environmental policy—creating a level playing field for fair competition. For this to happen, sealing a Comprehensive Agreement on Investment is a priority for the EU in order to open up new market opportunities. However, none of these policy goals—when examined closely—will be achieved without the application of EU principles.

China is transforming from a global agenda-follower into a global agenda-setter, by among others steadily increasing its presence in Africa and Southeast Asia as well as in the EU's neighborhood including Central and Eastern Europe. As such, a chasm is opening between EU member states who have diverging views on how to respond to China.

On occasion, the EU may find it to be too costly to put its own principles into practice. Yet, policies that are driven by pure pragmatism can also come at a price. Despite its need for maintaining good relations with China for security and economic reasons, the EU should not forget that its external credibility and influence depends on consistently living up to its own values, as pointed out in the EUGS. This is particularly important at a time when the EU's legitimacy and identity is challenged by fierce ideological opposition. In the pursuit of its pragmatic goals, the EU should be informed and guided by a constitutional patriotism to sustain democratic principles.

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China's Belt and Road Initiative: a SWOT Analysis

The BRI was launched in 2013 as "one belt, one road", spanning the entire continent from China to the EU by land along the old Silk Road as well as encompassing a maritime route linking the African continent to the initiative. China considers regional stability; continuously liberalising its economy towards international trade; considerably upgrading its position in the global manufacturing value chain; and solving its domestic industrial overcapacity, as issues behind the rationale of its Belt and Road Initiative.

Strengths

China has demonstrated its potential to contest the status quo of the current global order with its Belt and Road Initiative. Fundamentally the BRI is a strategic initiative driven by China's domestic desires.

Weaknesses

However it is also an over-generalised proposal which lacks detailed implementation plans at multiple levels.

Opportunities

The BRI would provide more economic linkage throughout Eurasia, which has the potential to address some of the root causes of the crises the EU member states face today. On the one hand, the BRI creates an opportunity for the EU to actively engage with China and convey its normative values.

Threats

However, on the other hand, China's preference of using bilateral negotiation is certainly a threat for the EU's internal cohesion and even has the potential to jeopardise the EU's integration plan.

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II. Global Relations: bi-regional and bilateral

EU-India Defence Cooperation

EU-India relations have been growing for the past 20 years, especially in economic dimensions. Additionally, in recent years, security and political dimensions have emerged in the relationship, which can be very rewarding for both parties. Nevertheless, with regard to prospective and existing problems in the EU-India Defence Cooperation, more sophisticated measures need to be developed in order to realise its full potential. Above all, the EU defends a trade regime that demands the utmost consumer protection, market competitiveness, economic growth, inclusivity, and transparency for all its market participants and individual consumers.

Considering the fact that India has started a massive modernisation of its armed forces, which is still ongoing with regard to its persistent border disputes with Pakistan and China, the European defence sector can provide a vital boost through the EU-India Defence Cooperation. In the absence of a common framework for defence cooperation among EU member states, the EU has failed to realise its full potential in prospective defence markets, such as India. The main reason is that the EU member states are competing against each other, which can sometimes go to the extent of a turf war between the competitors. Consequently leading to intense commercial rivalries among various European defence companies.

Competition is healthy in order to attain a certain level of efficiency but commercial rivalries go far beyond the purview of healthy competition, precipitating into unethical practices including illegal kickbacks, sabotage by leaking, and propagation of corruption. These practices might prove advantageous for a single company or member state, but the EU as a whole loses in terms of credibility as it undermines political coordination. Although the EU adopted a European Defence and Technological Industrial Base Strategy (EDTIB) in 2007, there is a growing concern in the European defence industry regarding the need for better coordination and consolidation of EDTIB in order to maintain greater competitiveness in the global market.

The EU Global Strategy is all the more relevant considering the fact that the defence sector is closely interlinked with political dimensions. Especially, considering that there is now an increasing preference within the Indian government to establish government to government negotiations, rather than commercial deals

due to concerns over cost and corruption. Since no European member state can any longer afford new defence programmes alone—or even meet all of its security requirements from purely domestic resources—there is a clear need for greater consolidation among member states to develop more sophisticated measures, which the EU-India Defence Cooperation requires in order to reach its full potential.

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EU-India Migration and Mobility Policies

Migration and mobility are very dynamic, complex, and evolving issues. This implies that there is a need for a process that can accommodate necessary changes in a suitable policy framework. The establishment of the Common Agenda on Migration and Mobility (CAMM) has become the platform for such a continuous dialogue. It outlines joint objectives, recommendations, and actions to be undertaken to improve legal migration, to prevent and to combat irregular migration, as well as to address human trafficking.

However, a challenge in facilitating such a dialogue remains the availability of evidence-based research and data. Europe’s declining population, the ageing of its workforce, and its lack of qualified personnel have severely limited the innovation capacity of high-tech companies in the EU which are supposed to be at the forefront of boosting economic dynamism. This has become one of the largest constraints to the continent’s competitiveness. India by contrast has an increasingly educated and skilled population that is looking for opportunities. Hence it has the resources to potentially meet the EU’s demand for labour. The implementation of a posted workers scheme would however prove to be very complex and thus only represent a seeming complementarity.

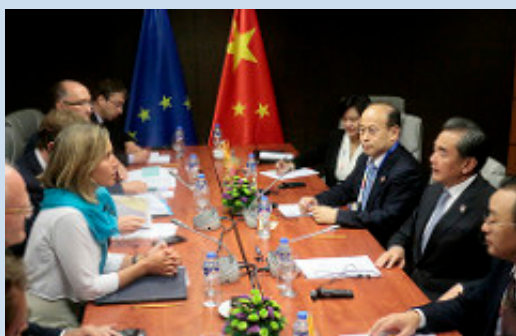
According to the European Commission, the EU is currently unable to attract suitable immigrants from India who could fill existing skill gaps in the labour market. Developing an immigrant selection mechanism that selects the immigrants most desired is a key challenge. But for these mobility schemes to provide added value, their target group needs to be more narrowly defined. Another challenge pertains to aligning the qualification standards between the EU and India.

II. Global Relations: bi-regional and bilateral

To convert the demographic dividend of India into Europe's economic opportunity, a deeper understanding of the functional principles behind effective international labour mobility needs to be developed. The European Commission has therefore commissioned a project in partnership with International Labour Organisation and the International Centre for Migration Policy Development to strengthen the CAMM and to learn more about the practical difficulties of labour mobility between the EU and India by directly targeting about 5,000 stakeholders from workers' and employers' organisations as well as the Indian diaspora with tailor-made initiatives. With the results of the project being taken into account, the governance of migration and mobility between the EU and India stands a fair chance of making a substantial step forward.

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Strategic EU-ASEAN Relations



Source: EEAS 2017

- A strategic EU-ASEAN relationship must be based on a framework that appreciates the conceptual differences between the ASEAN and China, examined in the light of the South China Sea dispute.
- Committing to the promotion of a rules-based global order and recognising the connection between European prosperity and Asian security, the EU must invest in the development of a regional security architecture in Southeast Asia.
- In a postcolonial world, the EU and the ASEAN, acting as partners in a region-to-region cooperation formed by time-tested reconciliation and ability to work through a marked degree of disparity in political and economic development, can shape international affairs and lead to a more globally involved Europe.

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The ASEAN: A Filipino Perspective

The long-standing relations of the ASEAN with the EU had its beginning when informal ties were established with the then European Economic Community in 1972. This was also the foundation of the EU's relations with the Philippines, which is one of the founding members of the ASEAN. Since then, the relations between the EU and the ASEAN have continued to be improved and have developed progressively. Most notable is the fact that the EU became ASEAN's second largest trade partner, while it is the Philippine's fourth largest trade partner.

At the same time, the close link established by the EU with the ASEAN region has been an opportunity for them to increase political dialogue and has served as an avenue for sharing and promoting the EU's fundamental values and best practices, as well as for closer coordination on regional and international issues.

Likewise, the EU inspired and became the reference point for ASEAN integration and community building, which are strongly supported by the EU. However, a stronger interregional integration of the ASEAN could also bring a possible challenge to the EU as the ASEAN member states' (and most especially, the Philippines') desire for a stronger focus on "ASEAN centrality", with reaffirmation of the principles of "state sovereignty" and "non-interference". This could result in the EU being sidelined and to have a weaker influence in the ASEAN region as it previously had.

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II. Global Relations: bi-regional and bilateral

EU-Nepal Cooperation: five priority areas **The EU and SAARC**

Economy: Nepal is one of the poorest countries in the region and is heavily dependent on imports, especially for oil products. The tourist industry represents Nepal's main source for foreign currency. Furthermore, remittances represent another significant share of GDP, with an estimated 4 million people of Nepalese origin working abroad.

Energy shortages: even though Nepal has several mountain rivers that can be used to produce electricity via hydropower plants, it continues to face huge power shortages due to a lack of infrastructure. As a result, power outages of up to 12 hours a day occur frequently.

Natural disasters: the earthquake on 25 April 2015, and its aftershocks, resulted in close to 9,000 lives being lost and tremendous damages to the country's already fragile infrastructure. The EU released 14 million euro in emergency funds and a further 2.4 million euro in humanitarian assistance to address the direst needs.

Ethnic trouble: the Madhesi ethnic group, located mainly on Nepal's south-eastern border to India, demand greater representation in government and a redrawing of provincial boundaries. In 2015 tensions escalated when the Madhesi clashed with the police and imposed a general strike in the region.

Refugees: at the beginning of the 1990s, Nepal had a problematic relationship with Bhutan as a result of ethnic cleansing in Bhutan which led to an unmanageable flow of refugees towards Nepal. Even with major resettlement projects, including EU initiatives such as a trilateral dialogue (UN/EU/US) at the end of 2004, a comprehensive solution has not yet been reached.

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The European Union has evolved into a functioning regional body based on principles of democratic process, collective economic prosperity, transparency, pragmatism and accountability. The EU today, despite various challenges and crises, continues to focus on establishing a closer unity and developing as a regional power. In contrast, the countries of the South Asian Association for Regional Cooperation (SAARC) face problems in terms of a shared vision and a common ground for cooperation.

The SAARC member states differ significantly in cultural, political, demographic, ethnic, historic, and economic factors. These differences do not allow them to develop a common SAARC perspective on relations regarding the EU. Conversely, the EU perceives SAARC as a risky avenue for launching cooperation programmes as the association cannot be taken as a unified body. Moreover, the level of mistrust among SAARC member states is very high. Small SAARC countries do not trust big SAARC countries, especially India due to its authoritative claims in the regions as well its dominant size. Also, India does not trust small countries in its neighbourhood due to doubts that they could somehow conspire against India. The political instability in SAARC (or, continuity of different types of conflict—armed and unarmed) is another obstacle that does not allow for smooth international relations.

Although the prospects for promoting EU-led cooperation within the SAARC countries are high, especially concerning development focused programmes in infrastructure, human resource training, manufacturing as well as natural resource management; the inherent weakness in SAARC as a body stands in the way of mutual cooperation. The combined population of the SAARC member states would be a promising market for the EU. The EU could be a source of investment for economically developing SAARC member states, however unpredictable economic policies of the region may obstruct the process. Hope remains in the meanwhile that the EU's best practices in regional cooperation could be instrumental in inspiring SAARC member states to adopt methods for minimising differences, promoting programmes of mutual benefit, and ultimately enhancing mutual trust through collective gains.

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II. Global Relations: bi-regional and bilateral

The EU and Afghanistan

The European Union has always been in search for strengthening European integration inside and outside its borders. According to the Global Strategy, EU member states share the goal of lending long-term support to the Afghan government by avoiding a “premature disengagement when a new crisis erupts elsewhere”. This declaration evokes the need for joint and coordinated EU external action, which might eventually bring the EU closer together.

The EU has been strategically involved in Afghanistan since the 1980s after the invasion of the Soviet Union, in order to provide Afghan migrants with humanitarian aid and medical assistance. After 9/11 and the collapse of the Taliban rule in Afghanistan, the EU’s engagement in Afghanistan has been increased by intensifying the cooperation with the Afghan government as well as civil society in policy fields such as health, education, and human rights.

Meanwhile the EU is the fourth largest trading partner of Afghanistan, and the country’s exports enjoy duty- and quota-free exemptions providing access to the EU’s single market under the “Everything but Arms” preferential trade arrangement. The EU also contributes to Afghanistan’s economic development by promoting regional trade through its trade related assistance projects, which supports the National Export Strategy to strengthen Afghanistan’s trade capacities and introduces trade reforms as a high priority.

Furthermore, the EU and the Asian Development Bank together sponsor the Central Asia Regional Economic Cooperation to support the Afghan railway authority. On 16 November 2005, the EU and Afgha-

nistan signed a Joint Political Declaration. Both parties agreed on forming a new partnership covering the following areas in which the EU would help Afghanistan to: a) establish accountable government institutions; b) reform the justice and security sectors; c) implement a counter-narcotics programme and; d) develop its infrastructure. Based on this new partnership, the first formal EU-Afghan ministerial meeting was held on 31 January 2006.

EU aid to Afghanistan (million euro)

Year	Commitments	Disbursements
2002	247.59	151.04
2003	285.55	213.90
2004	247.55	171.19
2005	224.48	206.11
2006	200.53	175.98
2007	195.90	224.59
2008	214.49	213.27
2009	269.83	285.65
2010	254.61	215.20
2011	347.00	261.41
2012	283.61	199.63
2013	316.86	188.41
2014	297.90	270.50
2015	275	173
2016	362	268
Total	4.022.90	3.217.88

Source: EEAS 2017

At the October 2016 Brussels Conference on Afghanistan, co-hosted by the EU and the Afghan government, the international community confirmed their political and financial commitment to peace, state building, and development in Afghanistan for the period of 2016-2020. On 18 February 2017, the EU and Afghanistan signed the Cooperation Agreement on Partnership and Development. This agreement encompasses the promotion of human rights—especially those of women and children. It also addresses global questions of common concern, such as nuclear security and climate change.

The protracted conflict in Afghanistan is a key target of the EU’s stabilisation efforts via the Global Strategy. If the measures enacted by the EU take effect, Afghanistan could be the EU’s best regional ally for pursuing its goals in South and Central Asia in the long-term. Despite its internal political struggles, Afghanistan—through its membership in regional organisations—might help to pave the way to peace and trade agreements between members of the South Asian Association for Regional Cooperation, the Shanghai Cooperation Organisation, or the Heart of Asia - Istanbul Process.

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III. Global Europe: its domestic impact

Poland and the EU Global Strategy

One year after the adoption of the EU Global Strategy, the Polish Council of Ministers presented the Polish Foreign Policy Strategy for the period 2017-2021. This strategy, serving as the basic document defining the foreign policy objectives of the Republic of Poland, has a significant meaning for the Polish role and position within the EU structures.

Comparing the Polish strategy and the EU Global Strategy, a broad overlap of principles and priorities can be confirmed. Both Poland and the EU believe in a Union based on engagement, responsibility, and partnership. Five priorities from the EU's strategy can be found in the Polish strategy, with security being a focal point in both documents. Standing resilient and integrated, cooperating more externally, and being ready to govern globally in the 21st century are all of high importance to Poland, as they are to the EU. By establishing those common goals, both Poland and the EU seek to strengthen the EU's role worldwide and to prepare for external challenges.

Yet, distinctions are also to be highlighted within the Polish strategy. Most of all, Poland has a different understanding of unity than the meaning intended by the EU. Poland believes in a union of states, however not in a union governed by a supranational organisation. Referring to the principle of state sovereignty, the Polish strategy claims more should be left to national governments. Poland's vision of the EU is thus based on the understanding of trans- or intergovernmentalism rather than that of a political union. Furthermore, Poland rejects the concept of an "ever closer Union" by opposing to resolve the EU's troubles through strengthening its institutions. Along these lines, the Polish understanding to further political integration is that it will lead to polarisation within the EU "oscillating between the federalist vision of a European super state and a protectionist Euroscepticism that questions the EU as such". Therefore, from the Polish perspective, strengthening the EU internally and speaking with one voice means to cooperate more within the existing structures and to work more together between the governments of the member states.

Consequently, Poland is not entirely in line with the EU understanding of its global ambition. Both actors share the concept of a "Stronger Union" externally but not internally. They have similar external goals but different internal approaches.

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Germany and the EU Global Strategy

One of the key priorities stated in the EU Global Strategy is to ensure a secure Union, which intrinsically links energy security and neighbourhood stability. Thus it can be said that a comprehensive energy policy is an extension of a comprehensive foreign and security policy.

The Energy Union implies to make the supply of energy more secure, sustainable and affordable; the EU has formulated targets for reducing emissions and increasing the share of renewables to be met until 2020. The challenge of having a secure energy supply does not only require effective action against climate change but also needs to translate into a coherent EU foreign and neighbourhood policy (ENP).

Germany's ambitious goals regarding safe energy as well as its foreign strategy are exemplary. The German Federal Government aids the development of renewable energies through its approach to the ENP and Germany is a pioneer in its investment in ENP countries, which not only supports national economies but is also directly beneficial to the EU as a whole. Business opportunities are established, energy markets are integrated, and more importantly, escalation of potential conflicts are impeded.

Achieving the Paris Climate Change Agreement was a crucial stepping stone for the EU and its member states for advancing the transformation to a secure, sustainable and renewable supply of energy. This is all the more important as climate change might undermine the foundations of Europe's security and prosperity.

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III. Global Europe: its domestic impact

The EU's Most Important Asylum Policies

According to The Guardian journalists Patrick Wintour and Sarah Marsh the “welcome culture” that marked Germany’s, Austria’s and Sweden’s asylum policy in 2015 has given way to a “farewell culture”. Since 2016 asylum claims have increasingly been refused. Despite the declining refugee acceptance rates in the main countries of destination, 32,080 persons have so far arrived in 2018 on Mediterranean shores in the EU, according to the “Missing Migrants Project” by the International Organisation for Migration (IOM), furthermore 782 deaths have so far been recorded in 2018.

The EU Refugee Quota System: over one million refugees arrived to the EU in 2015, with Germany, Sweden, Austria, Italy and Greece receiving the largest numbers. After weeks of disputes, on 22 September 2015 the EU Interior Ministers—by a qualified majority vote in the Council—approved a plan for relocating 120,000 refugees across the continent over two years. This decision was vetoed by Slovakia, Hungary, Romania and the Czech Republic. To this day, the implementation of the plan has proved extremely slow.

The Dublin System: consists of the Dublin III Regulation and the EURODAC Regulation, which establishes an EU-wide database for collecting and comparing fingerprints of asylum seekers and irregular border-crossers. The Dublin III Regulation obligates the EU member state where an asylum seeker first enters the Union to process an asylum application. Based on this regulation, an applicant for refugee status can be sent back to the EU member state where he or she first arrived. Germany has repeatedly halted rejections of asylum seekers to a number of countries of first entry: in August 2015 for Syrian refugees to provide relief to the Western Balkans, since 11 April 2017 to Hungary for not meeting the minimum standards of EU asylum procedures, and between January 2011 and March 2017 to Greece due to the dire conditions. A proposal for reforming the EU’s asylum practices (“Dublin IV Regulation”) is currently under discussion.

The EU Naval Force (EU NAVFOR) Operation Sophia: was launched on 22 June 2015, as part of the EU’s approach to combat the smuggling of irregular migrants in the Mediterranean. Since its inception, the EU has added new tasks to Operation Sophia, such as training the Libyan Coast Guard and the Libyan Navy.

The Council extended the operation until 31 December 2018.

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The EU-Turkey Migration Mechanism

As one of the main players on the world stage, the European Union has become a charming centre for citizens of third countries. The EU has reached a level where it is seen as a role model—not only in economic, social, and political terms but also from a democratic perspective in the wake of recent challenges. Due to the level of development in the EU, it is continuously exposed to immigration from other countries. As a result of ongoing migration, especially some movements that have gained acceleration with the Arab Spring, the EU member states have been confronted by new challenges.

Based on the idea of “building a stronger Union and playing a collective role in the world”, the EU has decided to focus on origin and transit countries of migrants and refugees. After long-term practice and inadequate programmes, the EU has understood that the issue of migration cannot simply be solved via internal policies alone. Consequently, the EU-Turkey Migration Mechanism, established under a framework of human rights compliant to norms of the EU Global Strategy, has been an important step towards a solution.

Under the vision of “hand in hand solution with neighbours” of the EU through migration, the EU Facility for Refugees in Turkey has been designed to ensure that the needs of refugees and host communities are addressed in an extensive and regulated way. In Turkey this is done through humanitarian support, education, migration management, medical aid, infrastructure, and a strong focus on socio-economic problems.

Progress is marked in EU-Turkey bilateral relations and the cooperated action on migration has continued to deliver concrete results over the past two years in reducing irregular crossings, decreasing lives lost in the Aegean Sea and, equally important, delivering practical support to Syrian refugees and host communities in Turkey, as well as by resettling Syrians from Turkey safely to the EU.

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III. Global Europe: its domestic impact

The European Union Global Strategy: Can the EU count on its citizens' support?

The European Union Global Strategy presented by the High Representative of Foreign Affairs, Federica Mogherini in June 2016 is an ambitious and laudable project. It shows that the EU aims to play a major role in tackling the many challenges the world is confronted by today, while simultaneously outlining the EU's core interests.

The EUGS covers topics from state and societal resilience to an integrated approach to conflicts and crises. However, it does not pay enough attention to the fact that only a Union that is valued and supported by its citizens is in a strong position to realise its goals.

In the current climate of Euro-skepticism and the increasing popularity of anti-EU as well as right-wing parties, how can the High Representative be sure that she will get the support she needs?

The absolute reference point with which to gage a healthy and functioning European Union that is both prepared and capable to take centre stage, is based on an agreement from within the Union derived from an EU citizenship that grants EU leadership authority to govern.

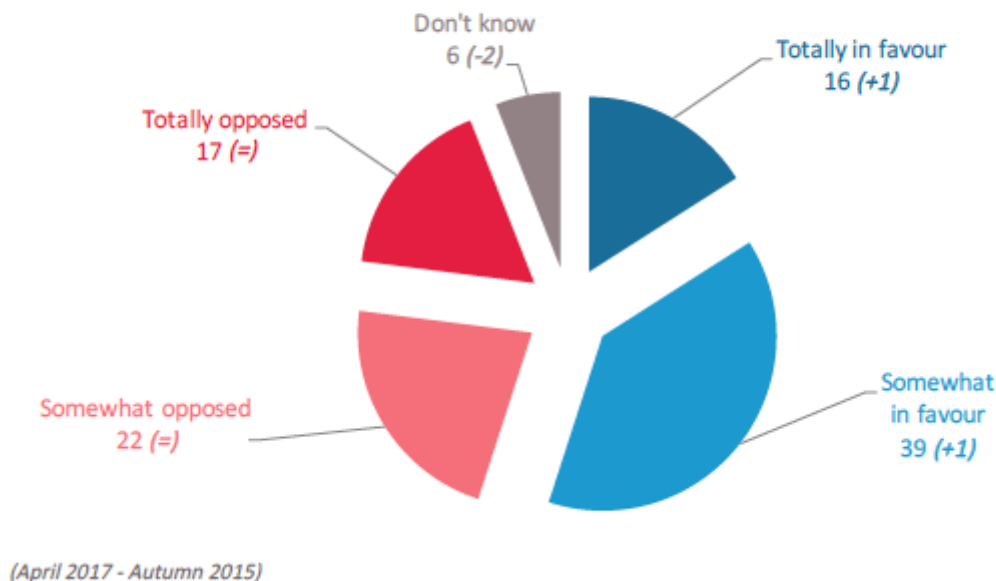
Findings of a Special Eurobarometer Report conducted in April 2017 show that indeed, by accident or design, the European people support common action on the world stage, with two thirds (65%) being in favour of a common foreign policy, while three quarters (75%) favour a common defence and security policy and more than half of all respondents (55%) even favour the creation of a EU army.

It is these firm convictions by the Union's peoples that could give the EUGS enough support—and therefore legitimacy—to make it a success.

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Special Eurobarometer Report 461 - April 2017

Q48 Thinking about the future of the EU, please tell me whether you are in favour or opposed to the following statement: the creation of an EU army.
(% - EU)



Source: European Commission 2017

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