European Union Institute for Security Studies

STRATEGY MATTERS

EU KEY DOCUMENTS

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Strategy matters

EU KEY DOCUMENTS

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Introduction

A couple of years ago the EUISS published a small compendium of key EU 'strategic' documents – entitled 'Strategy Matters 2003-2014'. The compilation started with the famous 2003 European Security Strategy (ESS), encompassed the then most recent regional (Sahel, Gulf of Guinea) and functional (cyber and maritime security) strategic papers, and included also a tentative list of other security-related strategies released by EU institutions over the previous decade. The rationale was to provide a concise repository of relevant documents to which experts and practitioners could refer before the expected launch of the 'strategic reflection' triggered by the mandate given to the HR/VP by the December 2013 European Council, and subsequently carried out by Federica Mogherini after her appointment in late 2014.

Since then an intensive series of discussions and consultations have taken place, leading to the preparation and release of two major documents. The first was published in June 2015 – in accordance with the mandate mentioned above – and titled 'The European Union in a Changing Global Environment: A More Connected, Contested and Complex World'. Currently referred to as the 'strategic assessment', it was drafted and crafted primarily by HR/VP Mogherini's Special Advisor Nathalie Tocci and benefited from a number of internal and external contributions – but it was ultimately presented under the sole responsibility of the HR/VP: it was not, in other words, an official EU document

negotiated and approved at 28. Subsequently, however, the European Council conferred an additional mandate on Federica Mogherini, namely to 'continue the process of strategic reflection with a view to preparing an EU Global Strategy on foreign and security policy, in close cooperation with the Member States, to be submitted to the European Council by June 2016'.

This time round, the HR/VP had more time and scope for a proper consultation process, involving the EU institutions and the member states as well as the broader expert community, inside and outside the Union. As a consequence, a number of activities were set in motion in order to expand and extend the debate, collect analyses and opinions across Europe and the world, and widen the ownership of the eventual 'global strategy' while ensuring that the ultimate responsibility for the final text rested with the HR/VP. While the expert community was consulted first and foremost through the outreach and consultation process launched by the EUISS in close cooperation with the Strategic Planning Division of the EEAS, the HR/VP herself and Special Advisor Tocci undertook a number of parallel initiatives in other directions, including (insofar as possible) civil society organisations, students and the media. The European Parliament and some national parliaments in the EU were also involved, as were in particular the Foreign Ministries of the EU-28 – notably through the informal network of national 'contact points' created in late 2015 to accompany and provide feedback on the drafting of the text.

All this, however, did not occur in a political vacuum. As much as the 'strategic assessment' of June 2015 was prepared when developments in Ukraine were still uncertain and in the wake of the terrorist attack against *Charlie Hebdo* in Paris, the drafting of the future EU Global Strategy (EUGS) was carried out in the midst of the crises sparked first by the wave of refugees reaching Europe from the Middle East and North Africa, and then by the renewed terrorist attacks in Paris and Brussels. What was originally intended as a document capable not only of offering a clearer sense of strategic direction but also of indicating some policy priorities for the Union's external action well into the next decade was suddenly – and inevitably – confronted with the imperative to also formulate responses to clear and present dangers.

In the final stages of preparation of the EUGS an additional challenge came to the fore, namely the unfolding referendum campaign in the UK on EU membership – all the more so as the vote was eventually scheduled for 23 June 2016, the date originally foreseen for the European Council at which the EUGS was to be presented. As a result, not only was the public debate on the strategy somewhat conditioned by the pending vote, but also the eventual delivery of the EUGS seemed to depend on its outcome. The end is known: on 23 June the 'Leave' vote narrowly prevailed in the UK, sending shockwaves through the country, the European continent and the entire world. Nevertheless, the day after the referendum, the HR/VP took the decision to fulfil her mandate and present the EUGS at the European Council meet-

ing scheduled for 28-29 June. Accordingly, she circulated the final text over the preceding weekend and made a presentation at the summit. In its Conclusions, the European Council 'welcomes the presentation of the Global Strategy […] and invites the High Representative, the Commission and the Council to take the work forward'.

It is in this perspective that the two texts resulting from the 'strategic reflection' of 2015-16 are collected and printed in this new compendium. The aim is to complement the information offered two years ago, to help disseminate the analysis underpinning the strategy as well as the recommendations stemming from the EUGS, and to support and facilitate its communication and implementation in the months and years to come.

Antonio Missiroli
Paris, September 2016

The European Union in a changing global environment

A more connected, contested and complex world

Executive Summary

Since the 2003 Security Strategy, the EU's strategic environment has changed radically. While much has been achieved over the last decade, today an arc of instability surrounds the Union. Further afield, we see conflicts in Africa and security tensions in Asia, while climate change and scarce natural resources harbour the risk of more conflict. At the same time, global growth, interdependence and technological progress enable ever more people to escape poverty and live longer, healthier and freer lives. The EU must confront both the challenges and the opportunities that come with its changed environment. We have a responsibility to protect our citizens while promoting our interests and universal values. The very nature of our Union – a construct of intertwined polities – gives us a unique advantage to steer the way in a more complex, more connected, but also more contested world.

1. A Changing Global Environment

A more connected world: Globalisation has been the dominant force shaping our world for the best part of the last century. Today it is giving rise to an unprecedented degree of global connectivity, with a surge in human mobility, compelling us to rethink migration, citizenship, development and health. The exponential spread of webs not only opens opportunities for political participation, it also favours economic and financial crime, terrorism and trafficking. Markets too are increasingly connected, as shown by China's efforts to develop infrastructural ties with Central and Southeast Asia (as well as Europe) or the Trans-Pacific Partnership negotiations. Greater connectivity is a European phenomenon too: the Eurozone crisis has highlighted both the density of interconnections within the Union and the need to tackle the resulting economic problems through deeper integration.

A more contested world: Fragile states and ungoverned spaces are spreading. To the east, the EU's neighbours suffer from economic, political and energy supply fragilities. Across the Mediterranean, the spread of ungoverned spaces has enabled criminals and terrorists to thrive. Further south, instability and violence are the product of poverty, lawlessness, corruption and conflict-ridden electoral politics. More than 50 million people are now displaced. Ideology and identity drive tensions on different

continents. In Europe and beyond, new narratives challenge the open society model. In the Middle East, identity politics fuels old and new cleavages. Demographic trends and growing inequalities also threaten more conflict, despite the emergence of a global middle class. Climate change and resource scarcity drive conflicts across Asia, the Middle East and Africa. Finally, technological progress is changing the nature of conflict, revolutionising the defence industry while generating new threats. The EU too is more contested, as internal forces increasingly challenge the European project. Yet a more contested Union can also spur decision-makers to better connect foreign policy with citizens' expectations and inject fresh momentum in the European debate.

A more complex world: We live in an age of global power shifts and power diffusion. In the years to come, the United States will still enjoy a comprehensive global reach, and the EU is set to retain one of the highest per capita incomes in the world. Still, the age of dominance by any single country is over. Prime amongst the 'new' powers is China. Across all continents, emerging powers are rising in global rankings, but they are unlikely to form a single and cohesive bloc. Moreover, different regions display different configurations of power, while globally power is diffusing beyond the nation state towards a network of state, non-state, inter-state and transnational actors. Traditional multilateralism is losing steam as

emerging countries want to reform the post-World War II architecture – yet opposing existing global governance mechanisms has been easier than creating new ones.

2. Challenges and Opportunities for the EU

In the emerging global environment, the EU faces five broad sets of challenges and opportunities.

European Neighbours: The EU needs to continue to support reform in the Western Balkans, Turkey and the Eastern partners through integration and association policies, respectively. We also need to develop foreign policies that engage Turkey on issues of common interest; that strengthen the statehood of our Eastern partners; that respond firmly to destabilising actions on our borders, while also engaging Russia to restore a sustainable European security architecture and address global challenges.

North Africa and the Middle East: The EU needs to tackle the immediate challenges in its South by sharpening its tools in the internal-external security nexus and addressing immediate humanitarian crises. We also need to respond to old and new conflicts and help address the root causes of resentment through tailor-made responses.

Africa: The EU can help unlock Africa's potential by developing the right mix of migration and mobility policies; by bolstering security cooperation with the United Nations, the African Union and other African partners; and by bridging fair trade and economic integration objectives.

Atlantic Partnerships: The EU needs to continue investing in a strong and sound privileged relationship across the Atlantic through closer cooperation between the EU and NATO and through the Transatlantic Trade and Investment Partnership. At the same time, we need to deepen relations with Latin America and the Caribbean through bilateral partnerships and inter-regional arrangements.

Asia: The EU can offer consistent but also customised support to regional cooperation efforts in Asia. We also need to foster a rules-based approach to conflict management and respond to the opportunity presented by various developments in Asian connectivity.

3. Implications

The EU needs to tackle the challenges and seize the opportunities which the global environment presents. An effective response depends on the Union's ability to make choices and prioritise areas where it is willing and able to make a dif-

ference. It also depends on whether the EU's external action instruments are fit for purpose. Five key issues need to be addressed in this context:

Direction: In recent years the EU has started updating the direction of its external engagement: in several areas, however, adaptations are necessary. In the Common Foreign and Security Policy, the EU has lost salience and momentum in a few areas – for instance, the 'strategic partnerships'. In disarmament and arms control, the EU's approach, conceived in a post-Cold War environment, needs to respond to 21st century realities. Similarly, in the Common Security and Defence Policy, although the December 2013 European Council underlined that 'defence matters', the current level of ambition and capability targets are not tailored to the degraded strategic environment. Humanitarian assistance also needs to adapt to humanitarian crises becoming the 'new normal', with ever growing needs. Enlargement is a policy whose sense of direction is openly contested. At the same time, there is no credible alternative to EU enlargement in the Balkans, and a fair accession process remains the most promising channel to support reforms in all candidate countries. In trade policy, the EU still needs to find effective ways to manage tensions that may arise between trade and non-trade objectives. And cyber and counter-terrorism policies need to find a sustainable balance between freedom and security, while remaining committed to both.

Flexibility: As the largest global combined donor, the EU is a leader in development cooperation and humanitarian assistance. But insufficient flexibility reduces the effectiveness of aid on the ground. Likewise, in counter-terrorism, implementation is hampered by heavy procedural requirements.

Leverage: In trade and development policy, the EU potentially wields significant power. Yet, the EU's declining economic dynamism, the high demands it makes on its trading partners, and what it is willing to offer may be hampering its leverage. Likewise, sanctions hinge on economic strength and the extent to which the EU can embed its efforts within a wider multilateral framework. Leverage is a challenge also within the European Neighbourhood Policy, particularly when it comes to neighbours that have little interest in endorsing EU standards.

Coordination: In diplomacy, a number of initiatives by various groups of Member States have complemented efforts made within CFSP: if well-coordinated, these can make our collective action more effective. In development policy, greater coordination with Member States' own policies will increase impact, but in this as well as other policy areas better implementation requires overcoming the fragmentation of financial instruments both across Commission services and between the EU and the Member States. In the cyber domain, Member State buy-in to a common EU approach is still limited, and coordination both

among EU institutions and across the public-private divide is insufficient. Unlike in climate policy, in external energy policy the EU is too often unable to speak and act with one voice, thus facilitating divide-and- rule efforts by some supplier countries.

Capabilities: In the field of migration, mobility partnerships and visa facilitation remain underexploited. In light of mounting migration challenges, the EU's capabilities need to be strengthened by assigning additional resources to its Agencies and by integrating the external and internal dimensions of migration management, as well as by tackling the root causes of the phenomenon in the long-term. In security and defence, CSDP has developed from scratch since 2000 and its *modus operandi* in partnership with international and regional organisations works well. Yet it still faces difficulties in force generation and access to early and common financing, enablers, intelligence and logistics. The Battle Groups have never been deployed and the Lisbon Treaty's Article 44 has never been implemented. Defence budgets have been slashed in an uncoordinated and uneven manner, with spending on R&T taking the greatest toll. While the EU is not a military alliance, it cannot ignore the 'D' in its CSDP.

The case for joined up EU external action

CSDP pioneered the 'comprehensive approach', more relevant today than a decade ago. A joined-up approach is now needed not only in external conflicts and crises, but in all aspects of the EU's role in the world. This puts a premium on various actors and instruments of EU external action coming together to work in synergy. Vertical and horizontal silos hamper the EU's potential global role. And in a world of mounting challenges and opportunities this is a luxury we cannot afford.

In a more connected, contested and complex world, we need a clear sense of direction. We need to agree on our priorities, our goals and the means required to achieve them.

We need a common, comprehensive and consistent EU global strategy.

The European Union in a changing global environment

A more connected, contested and complex world

We used to think that Europe had 'never been so prosperous, so secure nor so free'. With much of the previous century having been marred by turmoil on the continent and in the wider world, the turn of the millennium was indeed a high-water mark. Much has been achieved since 2003: the EU has integrated 13 new members, fostered stability in the Western Balkans, and contributed to peacebuilding in Africa and elsewhere. Yet the overriding perception now is that Europe's prosperity has been hit by economic crises, and that its security and freedoms are openly under threat.

Today the EU is surrounded by an arc of instability. To the east, basic tenets of international law, such as the inviolability of borders, are no longer respected. In the Middle East, the unravelling of a century-old regional order has unleashed war and human suffering. As states collapse and regional powers collide, terrorists spread fear and destruction throughout the region, connecting to networks in Africa and on European soil. Further afield, we see global and regional players jostling for influence in Asia, while climate change and an increased competition for scarce

natural resources risk generating further conflict in many parts of the world.

At the same time, global growth, interdependence, connectivity and technological progress are enabling ever more people to escape poverty and live longer, healthier and freer lives. Growing numbers of citizens around the world aspire to a way of life based on democratic institutions, human rights and the rule of law. Indeed, while there has been a remarkable diffusion of international human rights norms and mechanisms in recent decades, the protection of human rights has not been implemented across the board. A more connected world brings such paradoxes to the fore.

When faced with this world of disorder and of opportunity, two things are clear. First, global trends are neither linear nor preordained, but often the product of shocks and human choices. This highlights the uncertainty that lies ahead, but also the role of agency – including that of the EU – in moving forward. We may not fully know our future, but we can shape it. Second, the European Union does not have the luxury of turning inwards. We have a responsibility to protect our citizens, while promoting our interests and universal values.

It is a responsibility dictated by history and an interest dictated by geography. The very nature of the EU as a construct of

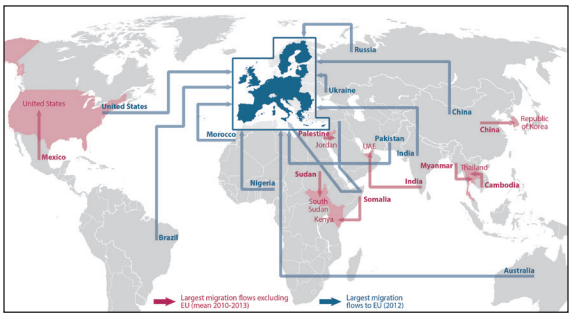
intertwined polities gives us a unique advantage to help steer the way in a more complex, more connected but also more contested world.

1. A changing global environment

1.1. A more connected world

Globalisation has been the dominant force shaping our world for the best part of the last century. Today, it is giving rise to an unprecedented degree of connectivity. Global connectivity is changing the meaning of borders. A surge in human mobility – from tourists to terrorists, from students to refugees – compels us to change how we think about migration, citizenship, health and development. Global tourism is expected to approach 2 billion by 2030. Migration along south-south – and to a lesser extent south-north – routes is accelerating as a result of conflict, repression, economic disparity, demographic imbalances and climate change. Extremists, too, exploit the opportunities arising from porous borders: the numbers of 'foreign terrorist fighters' estimated to have travelled to Syria and Iraq far exceed those that had waged jihad in Afghanistan, Iraq or Somalia in the past. With greater mobility also comes the risk of greater spread of pandemics. The Ebola outbreak is the latest, but surely not the last, manifestation.

Figure 1: Global migration flows

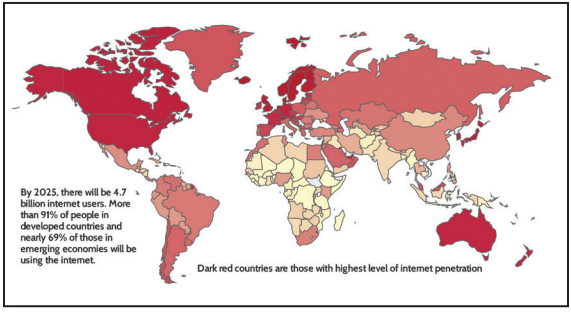


Source: EUISS (from Eurostat data: 10M World Migration Report 2013)

A more connected world also comes as a result of the exponential surge and spread of webs. By 2030, Internet users are expected to near 5 billion. By then, 80% of the world's population will have mobile connectivity and 60% will enjoy broadband access. Big data, data mining, cloud computing and the Internet of Things will shape the pace and contours of how we live, work and consume. The digital age offers tremendous benefits to billions of people in terms of wealth, knowledge and freedom. As such, the security and stability of the net, as well as the integrity of data flows, is of growing importance to our economies and our societies. Communication technologies have already had profound political impact, mobilising millions in Tahrir and Maidan. The

fight to protect the freedom of and on the net is thus becoming increasingly critical for the protection and promotion of human rights throughout the world. However, technology also creates new vulnerabilities, including opportunities for jihadists and traffickers of arms, drugs and human beings, as well as for public and private actors to engage in counterfeiting and financial and economic crime. Globalisation empowers individuals – for good or ill.

Figure 2: Percentage of individuals using the internet



Source: International Telecommunication Union data, 2013

Markets too are increasingly connected. Geo-economics – the global competition for access to markets and resources – has become a key driver of international relations. Examples include China's efforts to develop infrastructural ties with Central

and Southeast Asia as well as Europe, the growth of regional and sub-regional groupings in East Asia and sub-Saharan Africa, or the Trans-Pacific Partnership negotiations. A rising Asia is now the most dynamic element of the global economy. At the same time, we face an 'Asian paradox': while the region's economy is buoyed by integration and sense of optimism, strategic competition among regional powers is feeding concern about a fragmented security environment. Similar paradoxes also exist in other parts of the world.

If the world is more connected than at any point in the past, the same is true for the European Union. The EU has expanded from 15 to 28 Member States, and the Lisbon Treaty has generated opportunities to better integrate EU security and defence policies with external relations policies. The Eurozone crisis has highlighted the interconnections and asymmetries within the Union, and demonstrated that the crisis could only be addressed through greater integration. The last five years have seen steps forward in economic governance which were previously unthinkable. At the same time, the EU is moving towards building an Energy Union to tackle fragmented energy markets through more effective coordination of energy policies and new investments in critical infrastructure. Likewise, the EU is making progress in creating a digital single market, and deepening integration and investment in R&D.

These developments have profound implications for the Union's foreign policy. The Eurozone crisis temporarily tarnished the EU's international reputation, and took a toll on its self-confidence and openness to the outside world. Europeans have since been concerned with jobs and growth, while developing less of an appetite for expensive endeavours abroad. At the same time, steps forward in economic governance are putting the crisis behind us, and the European way of life continues to attract tourists, businesses, students and migrants. Efforts to build an Energy Union will help rebalance relations with Russia, the Caucasus and the Middle East. The political economy of defence, coupled with security crises beyond the EU's borders, could lead to deeper cooperation between Member States, and thereby boost the Common Security and Defence Policy (CSDP). This, in turn, would help bolster partnerships with the UN, NATO and regional organisations.

1.2 A more contested world

We used to think that greater interdependence would automatically bring about peace and prevent war. Now we know that while a more connected world is full of opportunities, it is also putting the nation state under unprecedented strain. By generating vulnerabilities and fragmented identities, this is giving rise to tensions and, at times, leading to more conflict. It is becoming a more dangerous world.

Fragile states and ungoverned spaces are becoming more widespread. Nowhere is this clearer than closest to home. To the east, our neighbours suffer from economic, political and energy-related vulnerabilities. Russia has actively destabilised some of them by undermining their freedom, sovereignty and security. Beyond the imperative of fostering democracy, human rights (including the rights of minorities) and good governance, the conflict over Ukraine underlines the need to bolster the statehood prerogatives of our neighbours. These include recognised and protected borders, a sustainable fiscal capacity, as well as functioning customs services and police and military forces. What is at stake is peace on our continent.

Across the Mediterranean, the spread of ungoverned spaces from Libya to Syria and Iraq has enabled criminals, extremists and terrorists to thrive. Yet a repressive state is no recipe for long-term stability. The value of the few fragile democracies in the region, with Tunisia in the lead, should not be underestimated. It is crucial to recall that political change does not happen overnight, and that progress is often accompanied by setbacks. Further south – from the Sahel to the Horn, from the Great Lakes to the Gulf of Guinea – instability and violence are the products of poverty, corruption, human rights abuses and conflict-ridden electoral politics.

Although casualties on the battlefield have decreased significantly over time, we have seen a dramatic rise in civilian

victims and refugees: more than 50 million people are displaced worldwide. The consequences of this human tragedy will reverberate across regions and generations – including within the EU.

Identity and ideology fuel tensions on different continents. Both in Europe and in the wider world, the model of an open society is being questioned and other concepts put forward. In the Middle East, identity politics makes for an explosive mix – from the deeply entrenched Israeli-Palestinian conflict to the rivalry between Saudi Arabia and Iran, which is aggravating sectarianism across the region. Moreover, a crisis of unprecedented magnitude has broken out inside the Sunni world, revolving around different interpretations of political Islam. And violent extremism – in various incarnations and franchises – feeds on grievances, repression and despair across the Middle East, North Africa, and large swathes of sub-Saharan Africa and Asia. There is also a growing danger of proliferation of Weapons of Mass Destruction (WMD) and advanced conventional weapons across the Middle East and Asia.

Demographic trends threaten to increase the risk of conflict in years to come. The global population, standing at 7.2 billion today, is expected to grow to 9.6 billion by 2050. More than half of the world's demographic growth will come from Africa. At the same time, Africa's GDP is expected to remain five times

lower than China's and half that of India, which will exacerbate poverty and could raise the risk of mass displacement and radicalisation. While Africa's natural resources and growing workforce create ample opportunities, the continent's potential will only be realised if efforts related to job creation, good governance, human rights protection and conflict resolution become more effective.

By 2030, the global middle class is expected to rise to 5 billion. But inequalities are set to rise too, in both the developed and the developing worlds, potentially triggering social discontent. The new global middle class is likely to be less homogenous and more volatile than the Western middle classes of the past. Disparities in wealth, education, digital connectivity and employment opportunities (notably for the young) harbour the potential for greater social mobility, as well as conflict.

Climate change and resource scarcity, coupled with demographic growth, contribute to international conflicts and are expected to do so even more in the future. Climate-induced floods, droughts, desertification and farmland destruction have triggered migration and conflict from Darfur to Mali. Food price hikes in the 2000s triggered riots from Cameroon to Bangladesh and were a factor behind the 2011 Arab uprisings. Meanwhile, water management has become more contentious, with projects such as the Grand Renaissance Dam in

Ethiopia and the Rogun Dam in Tajikistan causing regional tensions. By 2025, climate change is expected to slash harvests and water supplies, affecting some 1.4 billion people. Climate change, coupled with demographic growth, will therefore require innovative agricultural solutions: agricultural output will have to increase by 70% in order to feed the planet in 2050. Rising temperatures are also accelerating the melting of glaciers. This could have devastating consequences for coastal regions which are inhabited by 60% of the global population. At the same time, the thawing of the glaciers will bring access to new energy, mineral and fishing resources, calling for collective responses to manage access to shipping routes and prevent irreversible environmental damage.

New energy discoveries and technologies can both help address scarcities and bolster efforts to mitigate climate change. Today, we live in times of significant oil over-supply. While the current drop in oil prices is a boon for consumers and energy importers, it threatens the sustainability of many energy producing countries. By 2035, however, energy consumption is expected to rise by over 40% compared to 2012, with 95% coming from emerging economies. Energy security and climate change will thus remain a global challenge for years to come.

Technological progress is also changing the nature of conflict. Big data and cloud technology are revolutionising the defence

industry and may open new avenues for crisis management. Dual-use technology has been critical in advancing scientific research and industrial development. But it could also favour the proliferation of WMDs and the development of sophisticated conventional arms such as lethal autonomous weapons systems. The surge in Internet users has made cybercrime and terrorist use of the Internet a new frontier of 21st century warfare. Terrorists use information and communication technologies to recruit, finance, intimidate and disseminate their message. The conflict over Ukraine has exposed the hybrid nature of destabilisation, which combines 20th century conventional warfare with 21st century tactics. These include the jamming of command, control and strategic communications systems, cyber espionage and disinformation campaigns, covert operations, foreign asset acquisitions, the disruption of critical infrastructure, encouraging corruption, and trade and energy-related coercion. We are certainly more connected, but not always and not necessarily more secure.

The European Union, too, is more contested. The financial and economic crisis has posed a serious challenge to European unity. Many Europeans have been hit by the crisis, and have come to view themselves as losers of globalisation. This is feeding certain constituencies within Member States which express criticism of, if not outright opposition to, the European project. This trend, which often blends legitimate grievances with a dangerous mix of nationalism, populism, protectionism and even rac-

ism, is exposing a new rift within the EU and bringing new anti-establishment forces to the fore. It is a divide between elites and citizens manifested in voter disaffection, and a lack of trust in public institutions and policies. It is a divide amongst citizens driven by unemployment, strained welfare systems, unsuccessful migration and integration policies, as well as by terrorism and radicalisation. And it is a generational divide driven by youth unemployment and exclusion. All this is adding to the pressure for greater differentiation within the EU. While differentiation has long been a fact of EU life, it has become a more prominent and possibly more permanent feature of the Union.

A more contested EU is bringing about broader external challenges. The rise of nationalism, protectionism and illiberalism could expose European nations to the lure of anti-democratic models promoted from outside. Populism and racism could feed fortress Europe mentalities, undermining credible enlargement and neighbourhood policies, forthcoming migration and mobility policies, and even trade liberalisation. Radicalisation requires the EU to put a premium not only on enhanced border management, data protection, Internet governance and intelligence cooperation, but also on efforts to improve education and community dialogue.

And yet, a more contested EU also represents an opportunity for change. The Union is committed to regaining lost con-

fidence, supporting those that have suffered most during the crisis, and rekindling trust in disenfranchised Europeans. Plans aimed at promoting investment, economic growth and job creation are part of this determined effort. If well managed, internal differentiation could help accommodate differences within the EU and revamp enlargement and neighbourhood policies. It could help transform the divisive 'all-or-nothing' membership question into a more constructive 'integration' question – based on successive functional building blocks – to the benefit of all. A self-questioning EU can also spur decision-makers to connect foreign policy with citizens' expectations. And it can inject new energy in the European debate through a generational change in politics. We need to forge a new social contract with European citizens also through foreign policy.

1.3 A more complex world

We live in an age of power shifts at a global level and power diffusion at all levels – away from governments and towards markets, media, civil (and less civil) societies and individuals.

A dose of nuanced realism is required. Despite much talk of America's decline, in 2030 the United States will probably still enjoy its global economic, military, technological and financial reach. With a global currency and an unrivalled set of alliances, this places the US in a pivotal position to shape world affairs

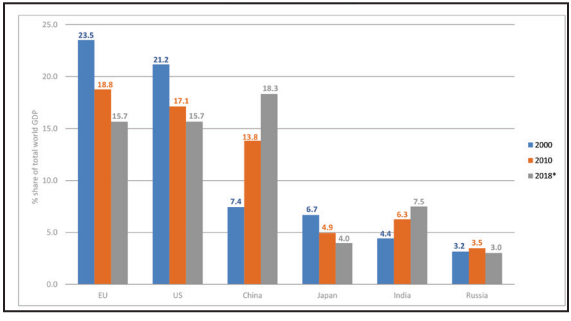
into the 21st century. Likewise, while no single EU country is likely to have an economy justifying G7 membership by 2050, the Union is set to retain one of the highest per capita incomes in the world. The European Union has all the means to be an influential global player in future – if it acts together.

Still, the age of dominance by any single country or group of countries, experienced first by European colonial powers and then the US, is over. The combined effect of rising literacy, jobs and disposable incomes, along with the accelerating rate of technological progress, is expanding the number of stakeholders in world affairs.

Prime amongst the 'new' powers is China, whose rise is reversing a two-century long historical anomaly. With an average growth of 10% over the last two decades (now settling at more moderate levels), China has already lifted 600 million people out of poverty. By 2030, China's GDP is expected to represent 20% of the world's total, overtaking that of both the EU and the US. China's military spending is growing fast and its economic, security and social reach is rising, notably in Asia and Africa. However, even if it continued on current trends and surpassed the US in absolute terms within a couple of decades, China would struggle to reach US-level military capabilities. Next comes India, set to account for 16% of the world's GDP by 2030. By 2045, India will probably spend as much on defence as all EU

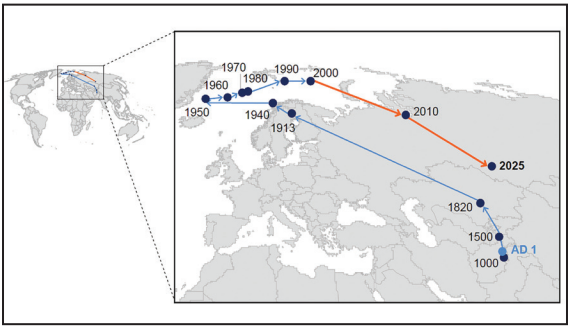
Member States combined, and by 2050, China and India's combined GDP may overtake that of the entire OECD. Among the 'BRICS', Russia belongs in a different category, mostly due to a bleaker economic and demographic future. Nevertheless, its defence spending has increased by 30% since 2008. Other powers like Brazil, Mexico, Indonesia, South Korea, Nigeria, South Africa and Turkey are all likely to rise in global power rankings.

Figure 3: GDP share of world total (%)



Source: IMF, WEO (Oct. 2014)
Note: GDP is adjusted for Purchasing Power Parity (PPP)
*IMF forecast based on current trends

Figure 4: Shifting centre of gravity of the world economy



Source: McKinsey Global Institute

The rise of other powers is undeniable. Less certain is whether they will form a single cohesive alternative bloc. The creation of the BRICS Development Bank and China's Asian Infrastructure and Investment Bank, the current Sino-Russian rapprochement, and the sensitivities of some large democracies at the UN regarding atrocity prevention and the international promotion of human rights seem to corroborate this prospect. But the reality is messier. Rising powers argue that the post-World War II order needs to be reformed, but they are divided or uncertain about the precise changes they would like to see. They share a pragmatic approach to foreign policy, but each rising power is following its own path to modernity. Profound divergences

between their political systems remain, and in many respects they are strategic competitors. In short, emerging powers lack a key ingredient of lasting cooperation: a common system of values or interests to bind them into a cohesive force.

Moreover, different regions display different configurations of powers that do not add up to a single coherent whole. In the Middle East, Russia and China are increasingly active, but the real game changer is the central role played by the Gulf States, Iran and Turkey. The competition between regional actors stretches into the Horn of Africa in what has become an interdependent Red Sea sub-region. In Asia, a China-only focus does not fully capture regional dynamics: the strategic landscape is more complicated. In Africa, growth has reduced the continent's willingness to import rules, norms and practices passively from outside. While global powers – notably the US, the EU and China – play prominent roles, Africans increasingly steer the continent's affairs. In Latin America, Brazil and Mexico are the major economic players, but Argentina, Colombia and others could form a 'middle class' of powers, albeit not united in purpose yet. Across regional theatres, there is no single set of powers with roughly equal influence everywhere – nor are regional hegemons determining dynamics on their own. Power configurations change across time and place, making regions themselves dynamic concepts. The world system is no longer bipolar, unipolar or even multipolar: the very notion of 'polarity' is in question.

Adding to such complexity is the shift from a world of nation states to a networked globe of state, non-state, inter-state and transnational actors – from civil society, media and business to regional, sub-regional and mini-lateral groupings. While nation states will remain the basic building blocks of the international system, their national sovereignty is increasingly contested and constrained by the connectivity and complexity within and across different world regions. We live in a world of multiple players and layers bound by complex interdependence. We live in a world of overlapping webs, in which power no longer resides within actors but circulates among them.

We know that variable geometries of state and non-state actors will shape the world in new ways. What we do not know are the rules of global interaction and who will set them. The global power shift and power diffusion are challenging traditional multilateralism. While the UN remains the principal guarantor of the sovereign equality among states, the composition of its Security Council and the distribution of voting rights in the International Financial Institutions no longer reflect current realities. The World Trade Organisation has grown in membership (and thus legitimacy) but not in ability to achieve consensus or advance multilateral trade liberalisation.

The G20 has emerged as a major informal forum, reflecting global power realignments. But while it played a key role in

short-term crisis management during the 2008 financial crisis, it has failed so far to tackle structural global challenges in economic growth, financial markets and development. No effective global institutions are in place to confront other pressing challenges such as migration, cyber security, arms control or natural resource management. Opposing existing global governance mechanisms has been easier than creating new ones.

Historically, major power transitions have been accompanied by military conflict. The current challenge is to facilitate a peaceful transition towards a new global order which reflects universal values and in which the interests of all stakeholders are respected within the confines of agreed rules. This new system needs to take into account the global power shift and power diffusion. It will need to tackle a world which is at once more integrated and connected, but also more fragmented and contested. While remaining anchored in the UN, the new system is likely to be more flexible and multifaceted than envisaged by the aspirations which underpinned the post-World War II architecture. In a world of incalculable risk and opportunity, crafting effective responses will hinge on the Union's ability to adjust, react and innovate in partnership with others.

2. Challenges and opportunities for the EU

A more connected, contested and complex global environment has different regional manifestations. In the emerging global environment, the EU is faced with five broad sets of challenges and opportunities.

2.1. Redoubling commitment to our European neighbours

In eastern and south-eastern Europe, the EU retains substantial influence and is able to generate positive change. Enlargement produced remarkable transformations in acceding Member States. The EU has been instrumental in bringing about the stabilisation and demilitarisation of the Western Balkans and the Serbia-Kosovo dialogue. It was also critical in fostering reforms in Turkey. Beyond enlargement, the EU's power of attraction persists in parts of the eastern neighbourhood.

But the EU's 'soft power' is waning as the memory of the 'big bang' enlargement recedes and other actors strive for influence in its neighbourhood. Today's challenge is to revive the reform momentum through credible policies of integration and association. In the Western Balkans, promoting economic integration and development are essential to counter de- industrialisation, unemployment and low investment. In Turkey, the task is to rekindle a positive

political reform dynamic and move forward on structural economic reforms. In those eastern neighbours seeking closer ties with the EU, the Union has a unique role to play to support political, economic, governance and broader societal reform.

At the same time, the conflict over Ukraine, Russia's hybrid destabilisation tactics, Europe's energy security challenges, and Turkey's rise as a regional power all highlight – in different ways and to different degrees – the imperative of forging a genuine common foreign policy that includes but is not limited to an accession or association policy.

The EU must indeed 'develop a special relationship with neighbouring countries'. But this does not necessarily mean that enlargement and the European Neighbourhood Policy are the only ways of doing so. Our approach to Turkey cannot neglect issues of common interest, including trade, migration, energy and security in the region. Our approach towards our eastern partners needs to include robust policies to prevent and resolve conflict, bolster statehood along with economic development, and foster energy and transport connectivity. And our policy towards Russia needs to prevent new dividing lines by combining a firm response to destabilising actions at and within our borders with engagement to rebuild a sustainable European security order with which all are at ease, while seeking common approaches to global issues.

2.2. Rethinking the EU's approach towards North Africa and the Middle East (MENA)

The positive human energy unleashed by the 2011 Arab uprisings has given way to a wave of upheavals in the region, featuring collapsing states, thriving terrorist networks, burgeoning transnational crime, millions of refugees, and intolerable violence. All this, too, is happening at our doorstep, just a few kilometres from our shores.

The most immediate task is that of stemming the tide of terrorists and criminal networks by enhancing the coherence between internal and external security policies. We also have to address the humanitarian crises in war-torn and refugee-hosting countries through humanitarian assistance, asylum policies and development cooperation. In doing so, we must insist on the full application of international humanitarian law, the protection of civilians and the respect of human rights in conflict situations. Our diplomatic, economic, migration, asylum and security policies need to account for the deep connections between Europe's southern neighbours and their neighbours in the Gulf and sub-Saharan Africa in order to help put out the fires ravaging the region, from Libya to Syria, and Iraq to Yemen.

But the biggest challenge is reminding ourselves that stability is no substitute for sustainability and that the root causes of resentment – from repression and deprivation to the 'old'

Israeli-Palestinian conflict – have deepened across the region. We need to devise policies that, without preaching, support human dignity, social inclusiveness, political responsiveness, educational modernisation and the rule of law across the region. In this respect, devising tailor-made policies in the fields of economic development, social protection and youth inclusion, as well as political accountability, justice and security is key. Equally important is to encourage inclusive and rules-bound reconciliation in old and new conflicts embedded within a new regional security architecture in the wider Middle Eastern space.

2.3. Redefining our relationship with Africa

As in large parts of the MENA region, poverty, food insecurity, ill-governance and conflict continue to plague parts of Africa today. But Africa is also a continent of opportunity and growth, rich in natural resources and agricultural potential. Representative and accountable government is becoming more the norm, and the call for strong institutions, not strong men, is reflected in increasingly credible, albeit in some cases contested, elections. In a world in which key universal values are being questioned, Africa's potential is significant. The secret of success in Africa lies in triggering a virtuous circle in the development-security-migration nexus, bearing in mind the tight interconnections between North and sub-Saharan Africa, as well as between the Horn and the Persian Gulf.

For the EU, Africa has a huge potential for trade, energy and investment, which at the same time is what the continent needs. Likewise, while Europe is facing a daunting demographic predicament, Africa is living through a youth bulge which is expected to persist for most of this century. The resulting equilibrium between demand and supply of migratory forces could either benefit both continents or generate economic strain and political unrest. The EU can help unlock Africa's potential by developing the right mix of migration, mobility and integration policies; by bolstering security cooperation with the UN, the African Union and other African partners; by supporting education and sustainable development; by bridging fair trade and economic integration objectives; and by favouring sustainable agriculture and green growth. This can drive Africa's entrepreneurial spirit, and unleash faster, more balanced and sustainable growth while offering more attractive prospects than those provided by other external players. The post-2015 agenda and the 2015 global climate deal could help the EU establish a fairer partnership with Africa, together with a revised post-2020 EU-ACP Partnership.

2.4. Reviving Atlantic partnerships

The global power shift highlights the risk of a structural transatlantic drift. Yet there is an unprecedented presence and demand for more European engagement across world regions, most of all in the Americas. As an overall middle-income region, the successful efforts to overcome entrenched conflicts, the march

to democracy, socio-economic progress, and the fundamental values we share make the countries of the Americas partners of choice for Europe when tackling global challenges. The complexity and connectivity of our times are enhancing interactions in the wider Atlantic space, and the EU has only to tap this potential.

The transatlantic bond with the United States and Canada is unique, and rests on solid political, cultural, economic, and security foundations. The opportunity before us is to develop an even stronger and sounder relationship, in which the assets of all are developed and put at the service of common interests. With regard to the US, security and the economy are two pillars which merit further deepening. In security terms, this means that the EU and its Member States are called to shoulder more responsibility for their neighbourhood, and further develop European defence capabilities. At the same time, as NATO refocuses on territorial defence, CSDP can work with NATO to sharpen its focus on crisis management and hybrid threats. In economic terms, the Transatlantic Trade and Investment Partnership (TTIP) is a potentially win-win project that can create jobs and business opportunities, eliminate red tape, and thus stimulate growth. An ambitious and open TTIP would not just be a free trade and investment agreement. It would be a strategic endeavour that, by establishing the largest free-trade area in the world, may inject momentum into the development of global rules in areas where multilateral negotiations have stalled.

Expanding Atlantic cooperation also means deepening relations with Latin America and the Caribbean through bilateral partnerships, inter-regional relations and in multilateral fora. There is more EU investment in Latin America than in Russia, India and China combined, while cultural ties and migratory flows are strong in both directions. Steps to strengthen ties with individual countries and with organisations such as CELAC, SICA, CARICOM, MERCOSUR and UNASUR reflect these trends.

2.4. A rounded approach to Asia

The EU has a strategic interest in playing a fully-fledged role in and with Asia. The EU has a huge stake in the continued success of Asian economies, including China's reform efforts. But the EU is also vulnerable to the ramifications of underlying political and security tensions. Disputes and conflicts in the region would affect trade routes, financial flows and a regional order in a part of the world which is of paramount importance to the EU.

The challenge ahead is to maximise economic opportunities and access to growth in the region, while positioning the EU as a committed and constructive political and security actor. The EU can tap into the growth of Asia's middle class, while supporting the region in dealing with the environmental and social challenges this brings about. On the back of its own experience, the EU is well placed to offer customised support to regional cooperation

efforts in Asia, without preaching a single model. The relationship with ASEAN, as a fellow partner in integration, holds special promise in a region affected by growing geopolitical tensions. The EU can also step up its engagement with regional security structures, fostering a rules-based approach to conflict management. Lastly, the EU should seize the opportunity presented by Asia's multifaceted connectivity drive – from ASEAN's plans to China's 'Silk Road Economic Belt and New Maritime Silk Road' – through a multipronged approach which brings together various sectoral instruments. It also needs to ensure that these initiatives comply with WTO rules, open public procurement practices, and stringent environmental and social standards.

3. Implications

To be secure, prosperous and free, the EU needs to respond to the challenges and opportunities the global environment presents. An effective response hinges on the European Union's ability to make choices and prioritise areas where it can and wants to make a difference. This also requires that the EU can agree and commit to a set of goals to be pursued through collective action. Lastly, it depends on whether the EU's external action instruments, woven together with the fine thread of diplomacy, are fit for purpose. Taken together, are the EU tools and policies equipped for the task?

An overview of the EU's major external action instruments and policies:

- The Common Foreign and Security Policy (CFSP) is a tested framework for the EU's collective external action, including support for human rights and democracy, arms control and disarmament, mass atrocity and conflict prevention, mediation, regional strategies and strategic partnerships.

- Common Security and Defence Policy (CSDP), with its civilian and military crisis management missions, and its contribution to the development of Member States' capabilities, notably through the European Defence Agency, is a key instrument for external action. It has provided value added to institutional reform and capacity-building initiatives through specialisation in training and mentoring. Several action tracks are programmed to enhance the security-development nexus in capacity building missions, in line with the 'comprehensive approach'.

- In counter-terrorism (CT) and countering violent extremism (CVE), the EU is crystallising a two-pronged approach: countering radicalisation internally and externally through a narrative based on respect for human rights, diversity and respect for religion; and a criminal justice approach embedded in a security and defence policy framework based on

strengthening the judicial, policing and intelligence capacities of partners, in full respect of human rights.

- On cyber issues the EU the aims to address threats to the free and open internet, allow EU citizens and businesses to benefit from the digital economy, and put ICT at the service of development, all in respect of the EU's values. Globally, the EU strives for an open and secure cyber realm, in which cyber issues are firmly anchored within the framework of human rights, rule of law and international law.

- In development cooperation and humanitarian assistance, while traditional goals – the eradication of poverty, the preservation of life and the alleviation of suffering, respectively – remain in place, the approach towards achieving them is evolving. The EU's Agenda for Change emphasised human rights, democracy and good governance along with sustainability and inclusive growth. It also shifted attention from funding inputs to development outputs. Today, attention is focused on adopting a post-2015 agenda and sustainable development goals (SDGs) in order to eradicate extreme poverty and address all dimensions of sustainable development by using realistic and measurable targets.

- Trade, pursued through bilateral and multilateral agreements, has long been recognised as an engine for growth

and jobs, as well as helping to promote other goals including human rights, development, energy security and environmental protection.

- In migration policy, the EU has a border cooperation agency (FRONTEX), an agency supporting Member States in the field of Asylum (EASO), a new Europol-run intelligence centre aimed at countering migrant smuggling, as well as an Asylum, Migration and Integration Fund. The EU can offer market access, assistance and mobility to neighbouring countries, and has been rolling out regional protection programmes to help nearby states absorb refugee flows. The EU is also strengthening cooperation with origin countries through dialogues in the context of the Rabat, Khartoum, Budapest and Prague processes. Collective action is being taken to save lives and cope with mounting pressures through increased solidarity, intelligence sharing and partnerships with transit and origin countries, as well as with the international community.

- In climate policy, the EU emissions trading scheme has become a cornerstone in the effort to combat climate change and reduce industrial greenhouse gasses, and the EU is committed to achieving a binding agreement at COP21 and bilateral cooperation on resource-efficient and green growth. The Energy Security Strategy and the Energy Un-

ion Communication chart the way ahead in energy policy. To enhance energy security, much of the answer lies within the EU. But the internal-external nexus in the energy security puzzle is critical, too. Hence the imperative to diversify energy sources and routes through partnerships with suppliers and transit states.

- A review of the European Neighbourhood Policy (ENP) is underway in light of the developments to the EU's east and south. Two major questions stand out. Geographically, the ENP is confronted with the differences between and within each region, as well as the tight interlinkages – for good or ill – between the EU's neighbours and the neighbours' own neighbouring countries and regions. Conceptually, the ENP was premised on the notion of 'enlargement lite', the relevance and effectiveness of which are now being called into question.

Enlargement has been one of the EU's most successful endeavours. In the early 1990s, the predicament of many eastern neighbours was no different from that of most central and eastern European Member States: within a generation, the gap between them has widened dramatically. Today, enlargement remains central in EU policy towards the Western Balkans and Turkey.

3.1. Challenges in the EU's External Action Instruments

The EU's external action instruments are faced with five major challenges: direction, flexibility, leverage, coordination and capability. Meeting these is essential if the EU is to punch its weight in the wider world.

First is *policy direction*. In recent years the EU has started updating the direction of its external engagement, and efforts are underway to bring its status within international organisations in line with the Lisbon Treaty. But much more remains to be done.

In CSFP, while in some areas the direction of policy is clear, in others the EU has lost salience and momentum. The 'strategic partnerships' require a sharper definition of how to maximise EU influence. In disarmament and arms control, the EU remains anchored to treaty-based commitments and to renewing efforts aimed at revitalising multilateral negotiating bodies. However, the 2005 EU strategy to combat the illicit accumulation and trafficking of small arms and light weapons and their ammunition was conceived in a post-Cold War environment. It is yet to adapt in order to respond to 21st century realities, including the use of conventional weapons by terrorists and criminals, as well as by rebel forces, militias and other non-state actors.

Similarly, in CSDP, although the December 2013 European Council underlined that 'defence matters', the current level of ambition and capability targets are not tailored to the changing strategic environment, featuring hybrid threats, intertwined internal and external security challenges, and the growing need for Europeans to take responsibility for their own security. Greater clarity and conviction among Member States is needed on what a vigorous and responsive CSDP can and should look like in a more connected, contested and complex global environment.

Humanitarian assistance is also a policy that is yet to adapt to changing global circumstances. While the main objective remains to provide an immediate response in order to save lives and reduce suffering, humanitarian actors are faced with humanitarian crises becoming the 'new normal', with ever-increasing needs. New policy action therefore aims at enhancing resilience, disaster risk reduction, and bridging more effectively the transition towards development cooperation.

Enlargement is a policy whose sense of direction is openly contested. Faith in enlargement policy is declining in the EU and candidate countries alike. At the same time, there is no credible alternative to enlargement policy in the Balkans today, and a fair accession process remains the most promising channel to support reforms in Turkey and the Western Balkans alike. The challenge is to make pre-accession policy more credible, and

restore the belief within the EU and the candidate countries that enlargement can be a win-win for all. Elites and publics in the region risk otherwise turning away from the EU, and looking for inspiration and support elsewhere.

In trade policy, the EU still needs to find effective ways to manage tensions that may arise between trade and non-trade objectives. And within non-trade objectives, a distinction needs to be made between the general pursuit of fundamental freedoms and specific human rights issues which are tied to trade as such, including labour and health standards and property rights. Furthermore, the balance between multilateral, regional and bilateral trade agreements is changing. While in some cases – notably Asia – bilateralism can pave the way to inter-regionalism, in other cases, there may be trade-offs warranting more careful reflection.

The need to manage tensions prevails also in cyber and counter-terrorism policies, which are evolving against the backdrop of the need to balance freedom and security. The EU is committed to achieving both. The discussion on how to go about implementing human rights, international law and the rule of law in the cyber domain warrants increased attention, however, not least through diplomatic action. Likewise, in counter-terrorism, the debate on security versus freedom remains work in progress.

Second comes *flexibility*. As the largest global donor equipped with a wide range of geographically and thematically tailored instruments, the EU and its Member States are collectively a world leader in development cooperation and humanitarian assistance. The EU is also the only actor committed to reaching a 0.7% ODA/GNI target despite difficult budgetary and economic circumstances. But insufficient flexibility hampers effectiveness, notably in light of global shocks. In development cooperation, insufficient versatility, emphasis on results reporting, and a lack of responsiveness to local circumstances all reduce the EU's impact. The effectiveness of EU development cooperation also hinges on greater awareness of, and responsiveness to, new state and non-state donors, whose funds may or may not have strings attached.

Likewise, in counter-terrorism, despite growing attention, implementation is hampered by heavy procedural requirements, insufficient expertise and mainstreaming in programming, and, at times, difficulty in working in concert with Member States and finding suitable implementing partners.

Third, *leverage*. In trade and development policy, the EU potentially wields significant power. In trade policy, the EU represents the largest trading partner for 80 countries and the second largest for a further 40. Yet, the EU's declining economic dynamism, the high demands it makes of its trading partners, and what it is willing to offer may be hampering its leverage. Proof is the diffi-

culty the EU is facing to conclude negotiations on investment or free trade agreements with several major partners. In addition, new challenges are emerging as the EU seeks to move beyond the elimination of tariffs to cover non-tariff barriers as well – as in the case of TTIP. Negotiations over non-tariff barriers often entail regulatory convergence, which require a thorough understanding of the needs, interests and procedures of sectorial regulators and social actors. Likewise, sanctions policy hinges on the EU's economic strength and the extent to which the EU can embed its efforts within a wider multilateral framework, as well as on the ability of target countries to circumvent EU measures.

Leverage is a challenge also within the European Neighbourhood Policy. The ENP helped cultivate a domestic constituency for reform in several neighbours. The Deep and Comprehensive Free Trade Agreement negotiations and the Visa Liberalisation Action Plans with Ukraine, Moldova and Georgia spurred progressive reforms in many areas. The ENP facilitated the emergence of a pro-democratic civil society, even in contexts of great repression. At the same time, particularly when it comes to neighbours that have little interest in moving closer to the EU, the ENP has revealed its limits. More tailor-made and reflexive approaches towards each neighbour are required. The ENP alone is also ill-equipped to deal with the hard state-building challenges across the region.

Fourth is *coordination*, both across institutions and with Member States. In EU diplomacy, a number of initiatives by various groups of Member States have accompanied and complemented CFSP efforts. Rather than focusing only on speaking with one voice, there is a need for a multitude of voices speaking in unison. Variable actions and formats can only strengthen the EU's global role, and reflect the complexity of our times. Provided the EU remains united and well-coordinated, varied diplomatic constellations can also give greater visibility to our common priorities and make our collective efforts more effective.

Ranging from development to defence, effectiveness requires coordination amongst Member States. In defence, Member States' budgets have been cut in an uncoordinated manner. More recent investment plans by some Member States' are equally uncoordinated. In development policy, Joint Programming is a promising step forward in this regard. In development policy – as in the field of non-proliferation, arms control, disarmament and export control – effective implementation requires overcoming the fragmentation of financial instruments both across Commission services and between the EU and its Member States.

In the cyber domain, the EU is ratcheting up its efforts, with several funding instruments focusing in part on building capacity in the areas of cybercrime and cyber security. However, uncertainty

still remains over Member State buy-in for a common EU approach. There is also insufficient coordination among EU institutions and inadequate efforts being made to effectively bridge the public-private divide.

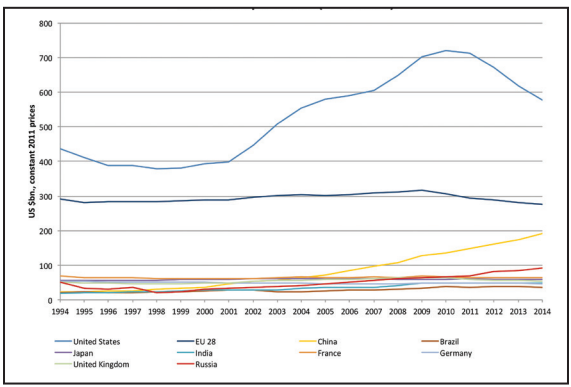
Coordination and cohesion challenges are perhaps most pressing in the energy domain. Unlike in climate policy, where the EU stands united and plays a global role, the EU is too often unable to speak and act with one voice when it comes to its external energy policy. Internal fragmentation makes the Union a target of divide-and-rule efforts by some supplier countries. Insufficient EU representation in international energy bodies, insufficient Member State coordination of their external energy policies, and insufficient Member State buy-in to the EU's external energy partnerships hamper efforts to achieve energy security. The effects can be seen in the difficulties encountered in building an integrated energy market in the neighbourhood and in completing the Southern Gas Corridor.

Finally, come *capability* challenges. In the field of migration, mobility partnerships and visa facilitation with our partners remain underexploited. In light of mounting migration challenges, the Commission's Agenda on Migration aims at strengthening Europe's capabilities by assigning additional resources to its Agencies and by integrating the external and internal dimensions of migration management, as well as by tackling the root causes of the phe-

nomenon in the long-term. Rising to the migration challenge and doing so in full respect of human rights and international law is a vital interest at the very core of our values.

In security and defence, CSDP has been developed from scratch since 2000. The policy is now equipped with planning capabilities, structures, procedures and a wealth of operational experience built up in some thirty missions to date. CSDP's modus operandi of partnering with international and regional organisations – notably the UN, the AU and NATO – is ever more relevant in an age of complexity. However, launching CSDP operations is getting no easier over time. CSDP still faces difficulties in force generation, and access to early and common financing, enablers, intelligence and logistics. This has often limited the scope, size, strategic depth and escalation management ability of missions. The Battle Groups, although on stand- by, have never been deployed. The Lisbon Treaty's permanent structured cooperation and Article 44 TEU (on the implementation of a task by a group of Member States) have never been activated. More broadly in the defence field, budgets have been slashed in an uneven manner, with R&T taking the greatest hit. The EU's capability development process remains mostly bottom-up, relying on voluntary contributions by Member States. The EU is not a military alliance. The Union cannot afford, however, to ignore the 'D' in its CSDP.

Figure 5: Defence expenditure 1994-2014



Source: SIPRI

3.2. A joined-up approach to Europe's external action

The Common Security and Defence Policy pioneered the 'comprehensive approach to external conflicts and crises'. Today the comprehensive approach is even more relevant than a decade ago. With conflicts proliferating and escalating, a proactive rather than reactive EU policy must combine early warning, conflict prevention, crisis management and peacebuilding in a coherent whole. This, in turn, is to be connected to long-term state-building and development efforts. How to transi-

tion from CSDP to other EU instruments or external partners needs to inform long-term planning. Likewise, in counter-terrorism, effectiveness depends on coherence and coordination between internal and external EU security policies, including cyber policies, as well as on the establishment of a more comprehensive information-sharing system between Member States.

A joined-up approach is needed today, not only in external conflicts and crises, but in virtually every aspect of the EU's presence in the world. This puts a premium on the various actors and instruments of EU external action working in synergy. For this to happen, diplomacy is key. Far from being a luxury, diplomacy can be a powerful multiplier of influence, thus realising the full potential of the EU's external action. Today, on top of the diplomatic instruments and regional strategies within the remit of CSFP, specific EU policy areas and departments (environment, trade, development, energy, justice and home affairs, transport, culture, science and research) are all developing their own strands of diplomacy. While welcome, this enhances the need for coordination among Member States, between EU actors, and within the CFSP framework proper.

Closest to home, developing a joined-up external action means establishing closer links between enlargement, neighbourhood, migration, energy, CT and security and defence policies. Concerted external action is necessary to make our immediate neigh-

bours more democratic, prosperous and well-governed, as well as more resilient and secure.

In both the neighbourhood and the wider world, when trade policy is used as a foreign policy means, it requires a coherent pursuit of trade and non-trade objectives, which in turn calls for deeper co-operation between different stakeholders in the negotiation and implementation of trade agreements. When trade agreements are pursued to achieve economic goals, successful negotiations often hinge on trade being part of a wider relationship, which includes access to research funding, visa liberalisation, development cooperation and much more. At the same time, introducing energy and climate components in trade and investment agreements can promote the transfer of low-carbon technologies, and exchange best practices in terms of governance and regulatory regimes. In the same vein, while sanctions are one of the most powerful tools at the EU's disposal, their effectiveness depends on them being integrated into a joined-up foreign policy involving political dialogue and complementary efforts, which is coordinated with other major players.

As development cooperation widens its horizons post-2015 to address global challenges and develop new forms of cooperation with emerging economies, it becomes all the more necessary to devise a joined-up approach. Such an approach needs to build partnerships beyond the EU and across the public-private divide,

and account for the inter-linkages between development, on the one hand, and governance, security, trade, migration, energy, climate and cyber on the other. A step forward in this respect is the Policy Coherence for Development. Further efforts in this direction can help ensure that the Union can bring its full weight to bear on driving an ambitious and deliverable post-2015 agenda.

Synergy between migration, trade and development policies is insufficient, as are the linkages between internal and external policies in this regard. When it comes to transit countries, the EU insufficiently factors in the ties between migration control, labour mobility and trade to enhance incentives for cooperation on border management and readmission. Development cooperation could make an important contribution when addressing migration challenges and countering radicalisation in North and sub-Saharan Africa and in the Middle East. For the migrants' countries of origin, the effective implementation of regional migration strategies hinges on better coordination with development policy and greater insight from diplomatic resources and local partners, including civil society. A joined-up approach to migration prevents the emergence of policy silos. But this also requires the end of geographical silos. Instruments to fight smuggling and trafficking conceived for Syria ought to be relevant for the Horn of Africa, the Balkans and Ukraine, too.

Perhaps clearest of all, a more horizontal, joined-up approach to cyber policies is almost tautological if the EU is to rise to the challenge of a more connected world. Given the use of computer networks and Internet-based applications in all areas of human activity, cyber policies cannot be dealt with in splendid isolation. The effective implementation of external cyber policies depends on cooperation across the public-private divide and on effective coordination between policy areas. While several policy areas deal with the evolution of the cyber domain as such, broader cyber policy needs to be mainstreamed into policies dealing with energy, transport, defence, security, CT, health, the economy and more.

4. Conclusion

At the time of the 2003 European Security Strategy, the EU was still enjoying its best moment in recent history. The Union was completing the 'big bang' enlargement, had just approved an ambitious draft Constitutional Treaty, and was launching a no less ambitious neighbourhood policy, as well as the first CSDP missions. The widespread perception at the time was that the EU was equipping itself to safeguard the interests of its citizens globally and promote its values in the world.

Since then, the world – and our perception of it – has become more dangerous, divided and disorienting. The EU has suffered from a major financial and economic crisis, with profound socio-

political ramifications that still reverberate across the Union. The security environment has deteriorated significantly, with both the eastern and southern neighbourhoods unravelling. The growing number of fragile states, coupled with the spread of new technologies, the pressures of climate change and the scarcity of natural resources could unleash new conflicts in Africa and Asia. Multiple narratives and currencies of power question traditional multilateralism without providing new answers to global governance. At the same time, a more complex and connected world holds the potential of being more prosperous, more equitable and more representative. It can generate forms of growth that are environmentally sustainable and respectful of rights and freedoms.

The world is more connected but also more contested; more integrated but also more fragmented: it is much more complex. Alone, Member States would struggle to meet these challenges. As a microcosm of complexity and connectivity and the most successful experiment of conflict transformation on a continental scale, the EU has experience in dealing with challenges and opportunities that now present themselves on a global scale. How can we rebuild confidence in the EU's ability to keep its citizens safe and to promote their interests globally? How can we revive the values and political foundations of Europe through foreign policy?

The EU can rely on a broad set of instruments to confront the challenges and seize the opportunities ahead. Much has been

achieved, but challenges revolving around policy direction, flexibility, coordination, leverage and capability must be met if the EU is to punch its weight in global affairs. In a degraded security environment, a commitment to strengthening CSDP is crucial, as is the need to develop synergies between internal and external security policies. More broadly, a joined-up approach should guide EU policy not only in conflicts and crises, but across all fields of EU external action. Vertical and horizontal silos hamper the EU's potential global role. And in a world of mounting challenges and opportunities, it is a luxury we cannot afford.

In a more connected, contested and complex world, we need a clear sense of direction. We need to agree on our priorities, our goals and the means required to achieve them. We need to become more realistic and adaptive, more innovative and more proactive. We must refine the art of orchestration of the polyphony of voices around the table and the panoply of instruments at our disposal.

We need a common, comprehensive and consistent EU global strategy.

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

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The purpose, even existence, of our Union is being questioned. Yet, our citizens and the world need a strong European Union like never before. Our wider region has become more unstable and more insecure. The crises within and beyond our borders are affecting directly our citizens' lives. In challenging times, a strong Union is one that thinks strategically, shares a vision and acts together. This is even more true after the British referendum. We will indeed have to rethink the way our Union works, but we perfectly know what to work for. We know what our principles, our interests and our priorities are. This is no time for uncertainty: our Union needs a Strategy. We need a shared vision, and common action.

None of our countries has the strength nor the resources to address these threats and seize the opportunities of our time alone. But as a Union of almost half a billion citizens, our potential is unparalleled. Our diplomatic network runs wide and deep in all corners of the globe. Economically, we are in the world's G3. We are the first trading partner and the first foreign investor for

almost every country in the globe. Together we invest more in development cooperation than the rest of the world combined. It is also clear, though, that we are not making full use of this potential yet. A vast majority of our citizens understands that we need to collectively take responsibility for our role in the world. And wherever I travel, our partners expect the European Union to play a major role, including as a global security provider. We will deliver on our citizens' needs and make our partnerships work only if we act together, united. This is exactly the aim of the Global Strategy for European Foreign and Security Policy.

'Global' is not just intended in a geographical sense: it also refers to the wide array of policies and instruments the Strategy promotes. It focuses on military capabilities and anti-terrorism as much as on job opportunities, inclusive societies and human rights. It deals with peace-building and the resilience of States and societies, in and around Europe. The European Union has always prided itself on its soft power – and it will keep doing so, because we are the best in this field. However, the idea that Europe is an exclusively 'civilian power' does not do justice to an evolving reality. For instance, the European Union currently deploys seventeen military and civilian operations, with thousands of men and women serving under the European flag for peace and security – our own security, and our partners'. For Europe, soft and hard power go hand in hand.

The Strategy nurtures the ambition of strategic autonomy for the European Union. This is necessary to promote the common interests of our citizens, as well as our principles and values. Yet we know that such priorities are best served when we are not alone. And they are best served in an international system based on rules and on multilateralism. This is no time for global policemen and lone warriors. Our foreign and security policy has to handle global pressures and local dynamics, it has to cope with super-powers as well as with increasingly fractured identities. Our Union will work to strengthen our partners: We will keep deepening the transatlantic bond and our partnership with NATO, while we will also connect to new players and explore new formats. We will invest in regional orders, and in cooperation among and within regions. And we will promote reformed global governance, one that can meet the challenges of this 21st century. We will engage in a practical and principled way, sharing global responsibilities with our partners and contributing to their strengths. We have learnt the lesson: my neighbour's and my partner's weaknesses are my own weaknesses. So we will invest in win-win solutions, and move beyond the illusion that international politics can be a zero-sum game.

All of this will make each of our Member States – and each citizen of our Union – better off. All these goals can only be achieved by a truly united and committed Europe. Joining all our cultures together to achieve our shared goals and serve our common

interests is a daily challenge, but it is also our greatest strength: diversity is what makes us strong.

Yes, our interests are indeed common European interests: the only way to serve them is by common means. This is why we have a collective responsibility to make our Union a stronger Union. The people of Europe need unity of purpose among our Member States, and unity in action across our policies. A fragile world calls for a more confident and responsible European Union, it calls for an outward- and forward-looking European foreign and security policy. This Global Strategy will guide us in our daily work towards a Union that truly meets its citizens' needs, hopes and aspirations; a Union that builds on the success of 70 years of peace; a Union with the strength to contribute to peace and security in our region and in the whole world.

Executive Summary

We need a stronger Europe. This is what our citizens deserve, this is what the wider world expects.

We live in times of existential crisis, within and beyond the European Union. Our Union is under threat. Our European project which has brought unprecedented peace, prosperity and democracy is being questioned. 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. Economic growth is yet to outpace demography in parts of Africa, security tensions in Asia are mounting, while climate change causes further disruption. Yet these are also times of extraordinary opportunity. Global growth, mobility, and technological progress – alongside our deepening partnerships – enable us to thrive, and allow ever more people to escape poverty and live longer and freer lives. We will navigate this difficult, more connected, contested and complex world guided by our shared interests, principles and priorities. Grounded in the values enshrined in the Treaties and building on our many strengths and historic achievements, we will stand united in building a stronger Union, playing its collective role in the world.

1. Our Shared Interests and Principles

The European Union will promote *peace* and guarantee the *security* of its citizens and territory. Internal and external security are ever more intertwined: our security at home depends on peace beyond our borders.

The EU will advance the *prosperity* of its people. Prosperity must be shared and requires fulfilling the Sustainable Development Goals worldwide, including in Europe. A prosperous Union also hinges on an open and fair international economic system and sustainable access to the global commons.

The EU will foster the resilience of its *democracies*. Consistently living up to our values will determine our external credibility and influence.

The EU will promote a *rules-based global order*. We have an interest in promoting agreed rules to provide global public goods and contribute to a peaceful and sustainable world. The EU will promote a rules-based global order with multilateralism as its key principle and the United Nations at its core.

We will be guided by clear principles. These stem as much from a realistic assessment of the current strategic environment as from an idealistic aspiration to advance a better world. Prin-

cipled pragmatism will guide our external action in the years ahead.

In a more complex world, we must stand *united.* Only the combined weight of a true union has the potential to deliver security, prosperity and democracy to its citizens and make a positive difference in the world.

In a more connected world, the EU will *engage* with others. The Union cannot pull up a drawbridge to ward off external threats. To promote the security and prosperity of our citizens and to safeguard our democracies, we will manage interdependence, with all the opportunities, challenges and fears it brings about, by engaging the wider world.

In a more contested world, the EU will be guided by a strong sense of *responsibility*. We will engage responsibly across Europe and the surrounding regions to the east and south. We will act globally to address the root causes of conflict and poverty, and to promote human rights.

The EU will be a responsible global stakeholder, but responsibility must be shared. Responsibility goes hand in hand with revamping our external *partnerships.* In the pursuit of our goals, we will reach out to states, regional bodies and international organisations. We will work with core partners, like-minded coun-

tries and regional groupings. We will deepen our partnerships with civil society and the private sector as key players in a networked world.

2. The Priorities of our External Action

To promote our shared interests, adhering to clear principles, the EU will pursue five priorities.

The Security of our Union: The EU Global Strategy starts at home. Our Union has enabled citizens to enjoy unprecedented security, democracy and prosperity. Yet today terrorism, hybrid threats, economic volatility, climate change and energy insecurity endanger our people and territory. An appropriate level of ambition and strategic autonomy is important for Europe's ability to promote peace and security within and beyond its borders. We will therefore enhance our efforts on defence, cyber, counterterrorism, energy and strategic communications. Member States must translate their commitments to mutual assistance and solidarity enshrined in the Treaties into action. The EU will step up its contribution to Europe's collective security, working closely with its partners, beginning with NATO.

State and Societal Resilience to our East and South: It is in the interests of our citizens to invest in the resilience of states and societies to the east stretching into Central Asia, and to the south

down to Central Africa. Under the current EU enlargement policy, a credible accession process grounded in strict and fair conditionality is vital to enhance the resilience of countries in the Western Balkans and of Turkey. Under the European Neighbourhood Policy (ENP), many people wish to build closer relations with the Union: our enduring power of attraction can spur transformation in these countries. But resilience is also a priority in other countries within and beyond the ENP. The EU will support different paths to resilience, targeting the most acute cases of governmental, economic, societal and climate/energy fragility, as well as develop more effective migration policies for Europe and its partners.

An Integrated Approach to Conflicts: When violent conflicts erupt, our shared vital interests are threatened. The EU will engage in a practical and principled way in peacebuilding, and foster human security through an integrated approach. Implementing the 'comprehensive approach to conflicts and crises' through a coherent use of all policies at the EU's disposal is essential. But the meaning and scope of the 'comprehensive approach' will be expanded. The EU will act at all stages of the conflict cycle, acting promptly on prevention, responding responsibly and decisively to crises, investing in stabilisation, and avoiding premature disengagement when a new crisis erupts. The EU will act at different levels of governance: conflicts such as those in Syria and Libya have local, national, regional and global dimensions which must be addressed. Finally, none of these conflicts can be solved by us alone. Sustain-

able peace can only be achieved through comprehensive agreements rooted in broad, deep and durable regional and international partnerships, which the EU will foster and support.

Cooperative Regional Orders: In a world caught between global pressures and local pushback, regional dynamics come to the fore. Voluntary forms of regional governance offer states and peoples the opportunity to better manage security concerns, reap the economic gains of globalisation, express more fully cultures and identities, and project influence in world affairs. This is a fundamental rationale for the EU's own peace and development in the 21st century, and this is why we will support cooperative regional orders worldwide. In different regions – in Europe; in the Mediterranean, Middle East and Africa; across the Atlantic, both north and south; in Asia; and in the Arctic – the EU will be driven by specific goals.

Global Governance for the 21st Century: The EU is committed to a global order based on international law, which ensures human rights, sustainable development and lasting access to the global commons. This commitment translates into an aspiration to transform rather than to simply preserve the existing system. The EU will strive for a strong UN as the bedrock of the multilateral rules-based order, and develop globally coordinated responses with international and regional organisations, states and non-state actors.

3. From Vision to Action

We will pursue our priorities by mobilising our unparalleled networks, our economic weight and all the tools at our disposal in a coherent way. To fulfil our goals, we must collectively invest in a credible, responsive and joined-up Union.

A Credible Union: To engage responsibly with the world, credibility is vital. The EU's credibility hinges on our unity, on our many achievements, our enduring power of attraction, the effectiveness and consistency of our policies, and adherence to our values. A stronger Union also requires investing in all dimensions of foreign policy. In particular, investment in security and defence is a matter of urgency. Full spectrum defence capabilities are necessary to respond to external crises, build our partners' capacities, and to guarantee Europe's safety. Member States remain sovereign in their defence decisions: nevertheless, to acquire and maintain many of these capabilities, defence cooperation must become the norm. The EU will systematically encourage defence cooperation and strive to create a solid European defence industry, which is critical for Europe's autonomy of decision and action.

A Responsive Union: Our diplomatic action must be fully grounded in the Lisbon Treaty. The Common Security and Defence Policy must become more responsive. Enhanced cooperation

between Member States should be explored, and might lead to a more structured form of cooperation, making full use of the Lisbon Treaty's potential. Development policy also needs to become more flexible and aligned with our strategic priorities.

A Joined-up Union: We must become more joined up across our external policies, between Member States and EU institutions, and between the internal and external dimensions of our policies. This is particularly relevant to the implementation of the Sustainable Development Goals, migration, and security, notably counter-terrorism. We must also systematically mainstream human rights and gender issues across policy sectors and institutions.

This Strategy is underpinned by the vision of and ambition for a stronger Union, willing and able to make a positive difference in the world. Our citizens deserve a true Union, which promotes our shared interests by engaging responsibly and in partnership with others. It is now up to us to translate this into action.

Shared Vision, Common Action: A Stronger Europe

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

We need a stronger Europe. This is what our citizens deserve, this is what the wider world expects.

We live in times of existential crisis, within and beyond the European Union. Our Union is under threat. Our European project, which has brought unprecedented peace, prosperity and democracy, is being questioned. 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. Economic growth is yet to outpace demography in parts of Africa, security tensions in Asia are mounting, while climate change causes further disruption. Yet these are also times of extraordinary opportunity. Global growth, mobility, and technological progress – alongside our deepening partnerships – enable us to thrive, and allow ever more people to escape poverty and live longer and freer lives. We will navigate this difficult, more connected, contested and complex world guided by our shared interests, principles and priorities. Grounded in the values enshrined in the Treaties and building on our many strengths and historic achievements, we will stand united in building a stronger Union, playing its collective role in the world.

1. A Global Strategy to Promote our Citizens' Interests

Our interests and values go hand in hand. We have an interest in promoting our values in the world. At the same time, our fundamental values are embedded in our interests. Peace and security, prosperity, democracy and a rules-based global order are the vital interests underpinning our external action.

Peace and Security

The European Union will promote peace and guarantee the security of its citizens and territory. This means that Europeans, working with partners, must have the necessary capabilities to defend themselves and live up to their commitments to mutual assistance and solidarity enshrined in the Treaties. Internal and external security are ever more intertwined: our security at home entails a parallel interest in peace in our neighbouring and surrounding regions. It implies a broader interest in preventing conflict, promoting human security, addressing the root causes of instability and working towards a safer world.

Prosperity

The EU will advance the prosperity of its people. This means promoting growth, jobs, equality, and a safe and healthy environment. While a prosperous Union is the basis for a stronger Europe in the world, prosperity must be shared and requires fulfilling the Sustainable Development Goals (SDGs) worldwide,

including in Europe. Furthermore, with most world growth expected to take place outside the EU in near future, trade and investment will increasingly underpin our prosperity: a prosperous Union hinges on a strong internal market and an open international economic system. We have an interest in fair and open markets, in shaping global economic and environmental rules, and in sustainable access to the global commons through open sea, land, air and space routes. In view of the digital revolution, our prosperity also depends on the free flow of information and global value chains facilitated by a free and secure Internet.

Democracy

The EU will foster the resilience of its democracies, and live up to the values that have inspired its creation and development. These include respect for and promotion of human rights, fundamental freedoms and the rule of law. They encompass justice, solidarity, equality, non-discrimination, pluralism, and respect for diversity. Living up consistently to our values internally will determine our external credibility and influence. To safeguard the quality of our democracies, we will respect domestic, European and international law across all spheres, from migration and asylum to energy, counter-terrorism and trade. Remaining true to our values is a matter of law as well as of ethics and identity.

A Rules-Based Global Order

The EU will promote a rules-based global order with multilateralism as its key principle and the United Nations at its core. As a Union of medium-to-small sized countries, we have a shared European interest in facing the world together. Through our combined weight, we can promote agreed rules to contain power politics and contribute to a peaceful, fair and prosperous world. The Iranian nuclear agreement is a clear illustration of this fact. A multilateral order grounded in international law, including the principles of the UN Charter and the Universal Declaration of Human Rights, is the only guarantee for peace and security at home and abroad. A rules-based global order unlocks the full potential of a prosperous Union with open economies and deep global connections, and embeds democratic values within the international system.

2. The Principles Guiding our External Action

We will be guided by clear principles. These stem as much from a realistic assessment of the strategic environment as from an idealistic aspiration to advance a better world. In charting the way between the Scylla of isolationism and the Charybdis of rash interventionism, the EU will engage the world manifesting responsibility towards others and sensitivity to contingency. Principled pragmatism will guide our external action in the years ahead.

Unity

In a more complex world of global power shifts and power diffusion, the EU must stand united. Forging unity as Europeans – across institutions, states and peoples – has never been so vital nor so urgent. Never has our unity been so challenged. Together we will be able to achieve more than Member States acting alone or in an uncoordinated manner. There is no clash between national and European interests. Our shared interests can only be served by standing and acting together. Only the combined weight of a true union has the potential to deliver security, prosperity and democracy to its citizens and make a positive difference in the world. The interests of our citizens are best served through unity of purpose between Member States and across institutions, and unity in action by implementing together coherent policies.

Engagement

In a more connected world, the EU will reach out and engage with others. In light of global value chains, galloping technological advances and growing migration, the EU will participate fully in the global marketplace and co-shape the rules that govern it. The Union cannot pull up a drawbridge to ward off external threats. Retreat from the world only deprives us of the opportunities that a connected world presents. Environmental degradation and resource scarcity know no borders, neither do transnational crime and terrorism. The external cannot be separated from the

internal. In fact, internal policies often deal only with the consequences of external dynamics. We will manage interdependence, with all the opportunities, challenges and fears it brings about, by engaging in and with the wider world.

Responsibility

In a more contested world, the EU will be guided by a strong sense of responsibility. There is no magic wand to solve crises: there are no neat recipes to impose solutions elsewhere. However, responsible engagement can bring about positive change. We will therefore act promptly to prevent violent conflict, be able and ready to respond responsibly yet decisively to crises, facilitate locally owned agreements, and commit long-term. We will take responsibility foremost in Europe and its surrounding regions, while pursuing targeted engagement further afield. We will act globally to address the root causes of conflict and poverty, and to champion the indivisibility and universality of human rights.

Partnership

The EU will be a responsible global stakeholder, but responsibility must be shared and requires investing in our partnerships. Co-responsibility will be our guiding principle in advancing a rules-based global order. In pursuing our goals, we will reach out to states, regional bodies and international organisations. We will work with core partners, like-minded countries and regional groupings. We will partner selectively with players whose coop-

eration is necessary to deliver global public goods and address common challenges. We will deepen our partnerships with civil society and the private sector as key actors in a networked world. We will do so through dialogue and support, but also through more innovative forms of engagement.

3. The Priorities of our External Action

To promote our shared interests, adhering to clear principles, we will pursue five broad priorities.

3.1 The Security of Our Union

The EU Global Strategy starts at home. Over the decades, our Union has enabled citizens to enjoy unprecedented security, democracy and prosperity. We will build on these achievements in the years ahead. Yet today terrorism, hybrid threats, climate change, economic volatility and energy insecurity endanger our people and territory. The politics of fear challenges European values and the European way of life. To preserve and develop what we achieved so far, a step change is essential. To guarantee our security, promote our prosperity and safeguard our democracies, we will strengthen ourselves on security and defence in full compliance with human rights and the rule of law. We must translate our commitments to mutual assistance and solidarity into action, and contribute more to Europe's collective security through five lines of action.

Security and Defence

As Europeans we must take greater responsibility for our security. We must be ready and able to deter, respond to, and protect ourselves against external threats. While NATO exists to defend its members – most of which are European – from external attack, Europeans must be better equipped, trained and organised to contribute decisively to such collective efforts, as well as to act autonomously if and when necessary. An appropriate level of ambition and strategic autonomy is important for Europe's ability to foster peace and safeguard security within and beyond its borders.

Europeans must be able to protect Europe, respond to external crises, and assist in developing our partners' security and defence capacities, carrying out these tasks in cooperation with others. Alongside external crisis management and capacity-building, the EU should also be able to assist in protecting its Members upon their request, and its institutions. This means living up to our commitments to mutual assistance and solidarity and includes addressing challenges with both an internal and external dimension, such as terrorism, hybrid threats, cyber and energy security, organised crime and external border management. For instance, Common Security and Defence Policy (CSDP) missions and operations can work alongside the European Border and Coast Guard and EU specialised agencies to enhance border protection and maritime security in order to save more lives, fight cross-border crime and disrupt smuggling networks.

When it comes to collective defence, NATO remains the primary framework for most Member States. At the same time, EU-NATO relations shall not prejudice the security and defence policy of those Members which are not in NATO. The EU will therefore deepen cooperation with the North Atlantic Alliance in complementarity, synergy, and full respect for the institutional framework, inclusiveness and decision-making autonomy of the two. In this context, the EU needs to be strengthened as a security community: European security and defence efforts should enable the EU to act autonomously while also contributing to and undertaking actions in cooperation with NATO. A more credible European defence is essential also for the sake of a healthy transatlantic partnership with the United States.

Member States need the technological and industrial means to acquire and sustain those capabilities which underpin their ability to act autonomously. While defence policy and spending remain national prerogatives, no Member State can afford to do this individually: this requires a concerted and cooperative effort. Deeper defence cooperation engenders interoperability, effectiveness, efficiency and trust: it increases the output of defence spending. Developing and maintaining defence capabilities requires both investments and optimising the use of national resources through deeper cooperation.

The EU will assist Member States and step up its contribution to Europe's security and defence in line with the Treaties. Gradual synchronisation and mutual adaptation of national defence planning cycles and capability development practices can enhance strategic convergence between Member States. Union funds to support defence research and technologies and multinational cooperation, and full use of the European Defence Agency's potential are essential prerequisites for European security and defence efforts underpinned by a strong European defence industry.

Counter-terrorism

Major terrorist attacks have been carried out on European soil and beyond. Increased investment in and solidarity on counter-terrorism are key. We will therefore encourage greater information sharing and intelligence cooperation between Member States and EU agencies. This entails shared alerts on violent extremism, terrorist networks and foreign terrorist fighters, as well as monitoring and removing unlawful content from the media. Alongside, the EU will support the swift recovery of Members States in the event of attacks through enhanced efforts on security of supply, the protection of critical infrastructure, and strengthening the voluntary framework for cyber crisis management. We will deepen work on education, communication, culture, youth and sport to counter violent extremism. We will work on counter-radicalisation by broadening our partnerships with civil society, social actors, the private sector and the victims

of terrorism, as well as through inter-religious and inter-cultural dialogue. Most crucially of all, the EU will live up to its values internally and externally: this is the strongest antidote we have against violent extremism. We will also further develop human rights-compliant anti-terrorism cooperation with North Africa, the Middle East, the Western Balkans and Turkey, among others, and work with partners around the world to share best practices and develop joint programmes on countering violent extremism and radicalisation.

Cyber Security

The EU will increase its focus on cyber security, equipping the EU and assisting Member States in protecting themselves against cyber threats while maintaining an open, free and safe cyberspace. This entails strengthening the technological capabilities aimed at mitigating threats and the resilience of critical infrastructure, networks and services, and reducing cybercrime. It means fostering innovative information and communication technology (ICT) systems which guarantee the availability and integrity of data, while ensuring security within the European digital space through appropriate policies on the location of data storage and the certification of digital products and services. It requires weaving cyber issues across all policy areas, reinforcing the cyber elements in CSDP missions and operations, and further developing platforms for cooperation. The EU will support political, operational and technical cyber cooperation between

Member States, notably on analysis and consequence management, and foster shared assessments between EU structures and the relevant institutions in Member States. It will enhance its cyber security cooperation with core partners such as the US and NATO. The EU's response will also be embedded in strong public-private partnerships. Cooperation and information-sharing between Member States, institutions, the private sector and civil society can foster a common cyber security culture, and raise preparedness for possible cyber disruptions and attacks.

Energy Security

The Energy Union represents an integrated effort to work on the internal and external dimensions of European energy security. In line with the goals of the Energy Union, the EU will seek to diversify its energy sources, routes and suppliers, particularly in the gas domain, as well as to promote the highest nuclear safety standards in third countries. Through our energy diplomacy, we will strengthen relations worldwide with reliable energy-producing and transit countries, and support the establishment of infrastructure to allow diversified sources to reach European markets. However, binding infrastructure agreements with third countries can have a differentiated impact on the security of supply within the Union or hinder the functioning of the internal energy market. Therefore, such agreements must be transparent and any new infrastructure must be fully compliant with applicable EU law, including the Third Energy Package. Internally, the EU

will work on a fully functioning internal energy market, focus on sustainable energy and energy efficiency, and develop coherently reverse flow, interconnection, and liquefied natural gas (LNG) storage infrastructure.

Strategic Communications

The EU will enhance its strategic communications, investing in and joining-up public diplomacy across different fields, in order to connect EU foreign policy with citizens and better communicate it to our partners. We will improve the consistency and speed of messaging on our principles and actions. We will also offer rapid, factual rebuttals of disinformation. We will continue fostering an open and inquiring media environment within and beyond the EU, also working with local players and through social media.

3.2 State and Societal Resilience to our East and South

It is in the interests of our citizens to invest in the resilience of states and societies to the east stretching into Central Asia, and south down to Central Africa. Fragility beyond our borders threatens all our vital interests. By contrast, resilience – the ability of states and societies to reform, thus withstanding and recovering from internal and external crises – benefits us and countries in our surrounding regions, sowing the seeds for sustainable growth and vibrant societies. Together with its partners, the EU will therefore promote resilience in its surrounding regions. A re-

silient state is a secure state, and security is key for prosperity and democracy. But the reverse holds true as well. To ensure sustainable security, it is not only state institutions that we will support. Echoing the Sustainable Development Goals, resilience is a broader concept, encompassing all individuals and the whole of society. A resilient society featuring democracy, trust in institutions, and sustainable development lies at the heart of a resilient state.

Enlargement Policy

Any European state which respects and promotes the values enshrined in our Treaties may apply to become a Member of the Union. A credible enlargement policy grounded on strict and fair conditionality is an irreplaceable tool to enhance resilience within the countries concerned, ensuring that modernisation and democratisation proceed in line with the accession criteria. A credible enlargement policy represents a strategic investment in Europe's security and prosperity, and has already contributed greatly to peace in formerly war-torn areas.

Within the scope of the current enlargement policy, the challenges of migration, energy security, terrorism and organised crime are shared between the EU, the Western Balkans and Turkey. They can only be addressed together. Yet the resilience of these countries cannot be taken for granted. The EU enjoys a unique influence in all these countries. The strategic challenge for the

EU is therefore that of promoting political reform, rule of law, economic convergence and good neighbourly relations in the Western Balkans and Turkey, while coherently pursuing cooperation across different sectors.

EU policy towards the candidate countries will continue to be based on a clear, strict and fair accession process. It will focus on fundamental requirements for membership first and feature greater scrutiny of reforms, clearer reform requirements, and feedback from the European Commission and Member States, as well as local civil societies. At the same time, EU support for and cooperation with these countries must deliver concrete benefits today, and must be communicated well. This means cooperating on counter-terrorism, security sector reform, migration, infrastructure, energy and climate, deepening people-to-people contacts, and retailoring some of the EU's assistance with the aim of visibly improving citizens' wellbeing.

Our Neighbours

State and societal resilience is our strategic priority in the neighbourhood. Many people within the scope of the European Neighbourhood Policy (ENP) both to the east and to the south wish to build closer relations with the Union. Our enduring power of attraction can spur transformation and is not aimed against any country. Within this group are currently countries such as Tunisia or Georgia, whose success as prosperous, peaceful and stable

democracies would reverberate across their respective regions. The ENP has recommitted to Eastern Partnership and southern Mediterranean countries wishing to develop stronger relations with us. We will support these countries in implementing association agreements, including Deep and Comprehensive Free Trade Areas (DCFTAs). We will also think creatively about deepening tailor-made partnerships further. Possibilities include the creation of an economic area with countries implementing DCFTAs, the extension of Trans-European Networks and the Energy Community, as well as building physical and digital connections. Societal links will also be strengthened through enhanced mobility, cultural and educational exchanges, research cooperation and civil society platforms. Full participation in EU programmes and agencies will be pursued alongside strategic dialogue with a view to paving the way for these countries' further involvement in CSDP.

Resilience is a strategic priority across the EU's east and south both in countries that want stronger ties with the EU and in those – within and beyond the ENP – that have no wish to do so. The EU will support different paths to resilience to its east and south, focusing on the most acute dimensions of fragility and targeting those where we can make a meaningful difference.

Resilience in our Surrounding Regions

The EU will pursue a multifaceted approach to resilience in its surrounding regions. While repressive states are inherently

fragile in the long term, there are many ways to build inclusive, prosperous and secure societies. We will therefore pursue tailor-made policies to support inclusive and accountable governance, critical for the fight against terrorism, corruption and organised crime, and for the protection of human rights. Repression suffocates outlets for discontent and marginalises communities. The EU will therefore promote human rights through dialogue and support, including in the most difficult cases. Through long-term engagement, we will persistently seek to advance human rights protection. We will pursue locally owned rights-based approaches to the reform of the justice, security and defence sectors, and support fragile states in building capacities, including cyber. We will work through development, diplomacy, and CSDP, ensuring that our security sector reform efforts enable and enhance our partners' capacities to deliver security within the rule of law. We will cooperate with other international players, coordinating our work on capacity-building with the UN and NATO in particular.

States are resilient when societies feel they are becoming better off and have hope in the future. Echoing the Sustainable Development Goals, the EU will adopt a joined-up approach to its humanitarian, development, migration, trade, investment, infrastructure, education, health and research policies, as well as improve horizontal coherence between the EU and its Member States. We will fight poverty and inequality, widen access to

public services and social security, and champion decent work opportunities, notably for women and youth. We will foster an enabling environment for new economic endeavours, employment and the inclusion of marginalised groups. Development funds should catalyse strategic investments through public-private partnerships, driving sustainable growth, job creation, and skills and technological transfers. We will use our trade agreements to underpin sustainable development, human rights protection and rules-based governance.

Societal resilience will be strengthened by deepening relations with civil society, notably in its efforts to hold governments accountable. We will reach out more to cultural organisations, religious communities, social partners and human rights defenders, and speak out against the shrinking space for civil society including through violations of the freedoms of speech and association. Positive change can only be home-grown, and may take years to materialise. Our commitment to civil society will therefore be long-term. We will nurture societal resilience also by deepening work on education, culture and youth to foster pluralism, coexistence and respect.

Finally, the EU will seek to enhance energy and environmental resilience. Energy transition is one of the major challenges in our surrounding regions, but must be properly managed to avoid fuelling social tensions. Climate change and environmental degra-

dation exacerbate potential conflict, in light of their impact on desertification, land degradation, and water and food scarcity. Mirroring security sector reform efforts, energy and environmental sector reform policies can assist partner countries along a path of energy transition and climate action. Through such efforts, we will encourage energy liberalisation, the development of renewables, better regulation and technological transfers, alongside climate change mitigation and adaptation. We will also support governments to devise sustainable responses to food production and the use of water and energy through development, diplomacy and scientific cooperation.

A More Effective Migration Policy

A special focus in our work on resilience will be on origin and transit countries of migrants and refugees. We will significantly step up our humanitarian efforts in these countries, focusing on education, women and children. Together with countries of origin and transit, we will develop common and tailor-made approaches to migration featuring development, diplomacy, mobility, legal migration, border management, readmission and return. Through development, trust funds, preventive diplomacy and mediation we will work with countries of origin to address and prevent the root causes of displacement, manage migration, and fight trans-border crime. We will support transit countries by improving reception and asylum capacities, and by working on migrants' education, vocational training and livelihood oppor-

tunities. We must stem irregular flows by making returns more effective as well as by ensuring regular channels for human mobility. This means enhancing and implementing existing legal and circular channels for migration. It also means working on a more effective common European asylum system which upholds the right to seek asylum by ensuring the safe, regulated and legal arrival of refugees seeking international protection in the EU. At the same time, we will work with our international partners to ensure shared global responsibilities and solidarity. We will establish more effective partnerships on migration management with UN agencies, emerging players, regional organisations, civil society and local communities.

3.3 An Integrated Approach to Conflicts and Crises

We increasingly observe fragile states breaking down in violent conflict. These crises, and the unspeakable violence and human suffering to which they give rise, threaten our shared vital interests. The EU will engage in a practical and principled way in peacebuilding, concentrating our efforts in surrounding regions to the east and south, while considering engagement further afield on a case by case basis. The EU will foster human security through an integrated approach.

All of these conflicts feature multiple dimensions – from security to gender, from governance to the economy. Implementing a

multi-dimensional approach through the use of all available policies and instruments aimed at conflict prevention, management and resolution is essential. But the scope of the 'comprehensive approach' will be expanded further. There are no quick fixes to any of these conflicts. Experience in Somalia, Mali, Afghanistan and elsewhere highlights their protracted nature. The EU will therefore pursue a *multi-phased* approach, acting at all stages of the conflict cycle. We will invest in prevention, resolution and stabilisation, and avoid premature disengagement when a new crisis erupts elsewhere. The EU will therefore engage further in the resolution of protracted conflicts in the Eastern Partnership countries. None of these conflicts plays out at a single level of governance. Conflicts such as those in Syria and Libya often erupt locally, but the national, regional and global overlay they acquire is what makes them so complex. The EU will therefore pursue a *multi-level* approach to conflicts acting at the local, national, regional and global levels. Finally, none of these conflicts can be solved by the EU alone. We will pursue a *multi-lateral* approach engaging all those players present in a conflict and necessary for its resolution. We will partner more systematically on the ground with regional and international organisations, bilateral donors and civil society. Greater cooperation will also be sought at the regional and international levels. Sustainable peace can only be achieved through comprehensive agreements rooted in broad, deep and durable regional and international partnerships.

Pre-emptive Peace

It has long been known that preventing conflicts is more efficient and effective than engaging with crises after they break out. Once a conflict does erupt, it typically becomes ever more intractable over time. The EU enjoys a good record on pre-emptive peacebuilding and diplomacy. We will therefore redouble our efforts on prevention, monitoring root causes such as human rights violations, inequality resource stress, and climate change – which is a threat multiplier that catalyses water and food scarcity, pandemics and displacement.

Early warning is of little use unless it is followed by early action. This implies regular reporting and proposals to the Council, engaging in preventive diplomacy and mediation by mobilising EU Delegations and Special Representatives, and deepening partnerships with civil society. We must develop a political culture of acting sooner in response to the risk of violent conflict.

Security and Stabilisation

The EU will engage more systematically on the security dimension of these conflicts. In full compliance with international law, European security and defence must become better equipped to build peace, guarantee security and protect human lives, notably civilians. The EU must be able to respond rapidly, responsibly and decisively to crises, especially to help fight terrorism. It must be able to provide security when peace agreements are reached

and transition governments established or in the making. When they are not, the EU should be ready to support and help consolidating local ceasefires, paving the way for capacity building. At the same time, through a coherent use of internal and external policies, the EU must counter the spill-over of insecurity that may stem from such conflicts, ranging from trafficking and smuggling to terrorism.

When the prospect of stabilisation arises, the EU must enable legitimate institutions to rapidly deliver basic services and security to local populations, reducing the risk of relapse into violence and allowing displaced persons to return. We will therefore seek to bridge gaps in our response between an end of violence and long-term recovery, and develop the dual – security and development – nature of our engagement.

Conflict Settlement

Each conflict country will need to rebuild its own social contract between the state and its citizens. The Union will support such efforts, fostering inclusive governance at all levels. When the 'centre' is broken, acting only top-down has limited impact. An inclusive political settlement requires action at all levels. Through CSDP, development, and dedicated financial instruments, we will blend top-down and bottom-up efforts fostering the building blocks of sustainable statehood rooted in local agency. Working at the local level – for instance with local authorities and munic-

ipalities – can help basic services be delivered to citizens, and allows for deeper engagement with rooted civil society. Working in this direction will also improve our local knowledge, helping us distinguish between those groups we will talk to without supporting, and those we will actively support as champions of human security and reconciliation.

The EU will also foster inclusive governance at all levels through mediation and facilitation. At the same time, we will develop more creative approaches to diplomacy. This also means promoting the role of women in peace efforts – from implementing the UNSC Resolution on Women, Peace and Security to improving the EU's internal gender balance. It entails having more systematic recourse to cultural, inter-faith, scientific and economic diplomacy in conflict settings.

Political Economy of Peace

The EU will foster the space in which the legitimate economy can take root and consolidate. In the midst of violent conflict, this means ensuring humanitarian aid access to allow basic goods and services to be provided. It also means working to break the political economy of war and to create possibilities for legitimate sustenance to exist. This calls for greater synergies between humanitarian and development assistance, channelling our support to provide health, education, protection, basic goods and legitimate employment. When the prospects for stabilisation

arise, trade and development – working in synergy – can underpin long-term peacebuilding.

Restrictive measures, coupled with diplomacy, are key tools to bring about peaceful change. They can play a pivotal role in deterrence, conflict prevention and resolution. Smart sanctions, in compliance with international and EU law, will be carefully calibrated and monitored to support the legitimate economy and avoid harming local societies. To fight the criminal war economy, the EU must also modernise its policy on export control for dual-use goods, and fight the illegal trafficking of cultural goods and natural resources.

3.4 Cooperative Regional Orders

In a world caught between global pressures and local pushback, regional dynamics come to the fore. As complex webs of power, interaction and identity, regions represent critical spaces of governance in a de-centred world. Voluntary forms of regional governance offer states and peoples the opportunity to better manage security concerns, reap the economic gains of globalisation, express more fully cultures and identities, and project influence in world affairs. This is a fundamental rationale for the EU's own peace and development in the 21st century. This is why we will promote and support cooperative regional orders worldwide, including in the most divided areas. Regional orders do

not take a single form. Where possible and when in line with our interests, the EU will support regional organisations. We will not strive to export our model, but rather seek reciprocal inspiration from different regional experiences. Cooperative regional orders, however, are not created only by organisations. They comprise a mix of bilateral, sub-regional, regional and inter-regional relations. They also feature the role of global players interlinked with regionally-owned cooperative efforts. Taken together these can address transnational conflicts, challenges and opportunities. In different world regions, the EU will be driven by specific goals. Across all regions, we will invest in cooperative relationships to spur shared global responsibilities.

The European Security Order

The sovereignty, independence and territorial integrity of states, the inviolability of borders and the peaceful settlement of disputes are key elements of the European security order. These principles apply to all states, both within and beyond the EU's borders.

However, peace and stability in Europe are no longer a given. Russia's violation of international law and the destabilisation of Ukraine, on top of protracted conflicts in the wider Black Sea region, have challenged the European security order at its core. The EU will stand united in upholding international law, democracy, human rights, cooperation and each country's right to choose its future freely.

Managing the relationship with Russia represents a key strategic challenge. A consistent and united approach must remain the cornerstone of EU policy towards Russia. Substantial changes in relations between the EU and Russia are premised upon full respect for international law and the principles underpinning the European security order, including the Helsinki Final Act and the Paris Charter. We will not recognise Russia's illegal annexation of Crimea nor accept the destabilisation of eastern Ukraine. We will strengthen the EU, enhance the resilience of our eastern neighbours, and uphold their right to determine freely their approach towards the EU. At the same time, the EU and Russia are interdependent. We will therefore engage Russia to discuss disagreements and cooperate if and when our interests overlap. In addition to those foreign policy issues on which we currently cooperate, selective engagement could take place over matters of European interest too, including climate, the Arctic, maritime security, education, research and cross-border cooperation. Engagement should also include deeper societal ties through facilitated travel for students, civil society and business.

Spanning the region, the EU will foster cooperation with the Council of Europe and the Organisation for Security and Cooperation in Europe. The OSCE, as a Europe-wide organisation stretching into Central Asia with a transatlantic link, lies at the heart of the European security order. The EU will strengthen its contribution within and its cooperation with the OSCE as a pillar of European security.

A Peaceful and Prosperous Mediterranean, Middle East and Africa

The Mediterranean, Middle East and parts of sub-Saharan Africa are in turmoil, the outcome of which will likely only become clear decades from now. Solving conflicts and promoting development and human rights in the south is essential to addressing the threat of terrorism, the challenges of demography, migration and climate change, and to seizing the opportunity of shared prosperity. The EU will intensify its support for and cooperation with regional and sub-regional organisations in Africa and the Middle East, as well as functional cooperative formats in the region. However, regional organisations do not address all relevant dynamics, and some reflect existing cleavages. We will therefore also act flexibly to help bridge divides and support regional players in delivering concrete results. This will be achieved by mobilising our bilateral and multilateral policies and frameworks as well as by partnering with civil societies in the region.

The EU will follow five lines of action. First, in the Maghreb and the Middle East, the EU will support functional multilateral cooperation. We will back practical cooperation, including through the Union for the Mediterranean, on issues such as border security, trafficking, counter-terrorism, non-proliferation, water and food security, energy and climate, infrastructure and disaster management. We will foster dialogue and negotiation over regional conflicts such as those in Syria and Libya. On the Palestinian-Is-

raeli conflict, the EU will work closely with the Quartet, the Arab League and all key stakeholders to preserve the prospect of a viable two-state solution based on 1967 lines with equivalent land swaps, and to recreate the conditions for meaningful negotiations. The EU will also promote full compliance with European and international law in deepening cooperation with Israel and the Palestinian Authority.

Second, the EU will deepen sectoral cooperation with Turkey, while striving to anchor Turkish democracy in line with its accession criteria, including the normalisation of relations with Cyprus. The EU will therefore pursue the accession process – sticking to strict and fair accession conditionality – while coherently engaging in dialogue on counter-terrorism, regional security and refugees. We will also work on a modernised customs union and visa liberalisation, and cooperate further with Turkey in the fields of education, energy and transport.

Third, the EU will pursue balanced engagement in the Gulf. It will continue to cooperate with the Gulf Cooperation Council (GCC) and individual Gulf countries. Building on the Iran nuclear deal and its implementation, it will also gradually engage Iran on areas such as trade, research, environment, energy, anti-trafficking, migration and societal exchanges. It will deepen dialogue with Iran and GCC countries on regional conflicts, human rights and counter-terrorism, seeking to prevent contagion of exist-

ing crises and foster the space for cooperation and diplomacy. Fourth, in light of the growing interconnections between North and sub-Saharan Africa, as well as between the Horn of Africa and the Middle East, the EU will support cooperation across these sub-regions. This includes fostering triangular relationships across the Red Sea between Europe, the Horn and the Gulf to face shared security challenges and economic opportunities. It means systematically addressing cross-border dynamics in North and West Africa, the Sahel and Lake Chad regions through closer links with the African Union, the Economic Community of Western African States (ECOWAS) and the G5 Sahel.

Finally, we will invest in African peace and development as an investment in our own security and prosperity. We will intensify cooperation with and support for the African Union, as well as ECOWAS, the Inter-Governmental Authority on Development in eastern Africa, and the East African Community, among others. We must enhance our efforts to stimulate growth and jobs in Africa. The Economic Partnership Agreements can spur African integration and mobility, and encourage Africa's full and equitable participation in global value chains. A quantum leap in European investment in Africa is also needed to support sustainable development. We will build stronger links between our trade, development and security policies in Africa, and blend development efforts with work on migration, health, education, energy and climate, science and technology, notably to improve food security.

We will continue to support peace and security efforts in Africa, and assist African organisations' work on conflict prevention, counter-terrorism and organised crime, migration and border management. We will do so through diplomacy, CSDP and development, as well as trust funds to back up regional strategies.

A Closer Atlantic

The EU will invest further in strong bonds across the Atlantic, both north and south. A solid transatlantic partnership through NATO and with the United States and Canada helps us strengthen resilience, address conflicts, and contribute to effective global governance. NATO, for its members, has been the bedrock of Euro-Atlantic security for almost 70 years. It remains the strongest and most effective military alliance in the world. The EU will deepen its partnership with NATO through coordinated defence capability development, parallel and synchronised exercises, and mutually reinforcing actions to build the capacities of our partners, counter hybrid and cyber threats, and promote maritime security.

With the US, the EU will strive for a Transatlantic Trade and Investment Partnership (TTIP). Like the Comprehensive Economic and Trade Agreement (CETA) with Canada, TTIP demonstrates the transatlantic commitment to shared values and signals our willingness to pursue an ambitious rules-based trade agenda. On the broader security agenda, the US will continue to be our core partner. The EU will deepen cooperation with the

US and Canada on crisis management, counter-terrorism, cyber, migration, energy and climate action.

In the wider Atlantic space, the Union will expand cooperation and build stronger partnerships with Latin America and the Caribbean, grounded on shared values and interests. It will develop multilateral ties with the Community of Latin American and Caribbean States (CELAC) and with different regional groupings according to their competitive advantage. We will step up political dialogue and cooperation on migration, maritime security and ocean life protection, climate change and energy, disarmament, non-proliferation and arms control, and countering organised crime and terrorism. We will pursue a free trade agreement with Mercosur, build on the Political Dialogue and Cooperation Agreement with Cuba, and invest in deeper socio-economic connections with Latin American and Caribbean countries through visa facilitation, student exchanges, twinning, research cooperation and technical projects. We will also actively support the negotiation and implementation of peace agreements in the region, as we are doing in Colombia.

A Connected Asia

There is a direct connection between European prosperity and Asian security. In light of the economic weight that Asia represents for the EU – and vice versa – peace and stability in Asia are a prerequisite for our prosperity. We will deepen economic diplomacy and scale up our security role in Asia.

The EU will engage China based on respect for rule of law, both domestically and internationally. We will pursue a coherent approach to China's connectivity drives westwards by maximising the potential of the EU-China Connectivity Platform, and the ASEM and EU-ASEAN frameworks. The EU will also deepen trade and investment with China, seeking a level playing field, appropriate intellectual property rights protection, greater cooperation on high-end technology, and dialogue on economic reform, human rights and climate action. In parallel, the EU will deepen its economic diplomacy in the region, working towards ambitious free trade agreements with strategic partners such as Japan and India, as well as ASEAN member states, with the goal of an eventual EU-ASEAN agreement.

We will also develop a more politically rounded approach to Asia, seeking to make greater practical contributions to Asian security. We will expand our partnerships, including on security, with Japan, the Republic of Korea, Indonesia and others. We will continue to support state-building and reconciliation processes in Afghanistan together with our regional and international partners. We will promote non-proliferation in the Korean peninsula. In East and Southeast Asia, we will uphold freedom of navigation, stand firm on the respect for international law, including the Law of the Sea and its arbitration procedures, and encourage the peaceful settlement of maritime disputes. We will help build maritime capacities and support an ASEAN-led regional security

architecture. In Central and South Asia, we will deepen cooperation on counter-terrorism, anti-trafficking and migration, as well as enhance transport, trade and energy connectivity. Across the Indo Pacific and East Asian regions, the EU will promote human rights and support democratic transitions such as in Myanmar/Burma.

A Cooperative Arctic

With three Member States and two European Economic Area members being Arctic states, the EU has a strategic interest in the Arctic remaining a low-tension area, with ongoing cooperation ensured by the Arctic Council, a well-functioning legal framework, and solid political and security cooperation. The EU will contribute to this through enhanced work on climate action and environmental research, sustainable development, telecommunications, and search & rescue, as well as concrete cooperation with Arctic states, institutions, indigenous peoples and local communities.

3.5 Global Governance for the 21st Century

Without global norms and the means to enforce them, peace and security, prosperity and democracy – our vital interests – are at risk. Guided by the values on which it is founded, the EU is committed to a global order based on international law, including the principles of the UN Charter, which ensure peace, human

rights, sustainable development and lasting access to the global commons. This commitment translates into an aspiration to transform rather than simply preserve the existing system. The EU will strive for a strong UN as the bedrock of the multilateral rules-based order, and develop globally coordinated responses with international and regional organisations, states and non-state actors.

Reforming: A commitment to global governance must translate in the determination to reform the UN, including the Security Council, and the International Financial Institutions (IFIs). Resisting change risks triggering the erosion of such institutions and the emergence of alternative groupings to the detriment of all EU Member States. The EU will stand up for the principles of accountability, representativeness, responsibility, effectiveness and transparency. The practical meaning of such principles will be fleshed out case-by-case. We will continue to call upon members of the UN Security Council not to vote against credible draft resolutions on timely and decisive action to prevent or end mass atrocities. Across multilateral fora – and in particular the UN, the IFIs and the international justice organisations – the EU will strengthen its voice and acquire greater visibility and cohesion. We will work towards an increasingly unified representation of the euro area in the International Monetary Fund.

Investing: Believing in the UN means investing in it, notably in its peacekeeping, mediation, peacebuilding and humanitarian functions. The EU and its Member States, as already the first contributor to UN humanitarian agencies, will invest even further in their work. CSDP could assist further and complement UN peacekeeping through bridging, stabilisation or other operations. The EU will also enhance synergy with UN peacebuilding efforts, through greater coordination in the planning, evolution and withdrawal of CSDP capacity-building missions in fragile settings.

Implementing: The EU will lead by example by implementing its commitments on sustainable development and climate change. It will increase climate financing, drive climate mainstreaming in multilateral fora, raise the ambition for review foreseen in the Paris agreement, and work for clean energy cost reductions. The SDGs will inform the post-Cotonou partnership and drive reform in development policy, including the EU Consensus on Development. Moreover, implementing the SDGs will require change across all internal and external policies, galvanising public-private partnerships, and leveraging the experience of the European Investment Bank (EIB) in providing technical assistance and building capacities in developing and middle income countries.

Deepening: As the world's largest economy, the EU is a prime mover in global trade and investment, areas in which rules can be deepened further. Our prosperity hinges on an open and

rules-based economic system with a true level playing field, which our economic diplomacy will further promote. We will pursue comprehensive free trade agreements with the US, Japan, Mercosur, India, ASEAN and others as building blocks of global free trade. Ambitious agreements built on mutual benefits such as TTIP and CETA can promote international regulatory standards, consumer protection, as well as labour, environmental, health and safety norms. New generation trade agreements which include services, the digital economy, energy and raw materials can reduce legal fragmentation and barriers, and regulate access to natural resources. The EU will ensure that all its trade agreements are pursued in a manner that supports returning the World Trade Organisation (WTO) to the centre of global negotiations. Connected to the EU's interest in an open and fair economic system is the need for global maritime growth and security, ensuring open and protected ocean and sea routes critical for trade and access to natural resources. The EU will contribute to global maritime security, building on its experience in the Indian Ocean and the Mediterranean, and exploring possibilities in the Gulf of Guinea, the South China Sea and the Straits of Malacca. As a global maritime security provider, the EU will seek to further universalise and implement the UN Convention on the Law of the Sea, including its dispute settlement mechanisms. We will also promote the conservation and sustainable use of marine resources and biological diversity and the growth of the blue economy by working to fill legal gaps and enhancing ocean knowledge and awareness.

Widening: We will seek to widen the reach of international norms, regimes and institutions. The proliferation of weapons of mass destruction and their delivery systems remains a growing threat to Europe and the wider world. The EU will strongly support the expanding membership, universalisation, full implementation and enforcement of multilateral disarmament, non-proliferation and arms control treaties and regimes. We will use every means at our disposal to assist in resolving proliferation crises, as we successfully did on the Iranian nuclear programme. The EU will actively participate in export control regimes, strengthen common rules governing Member States' export policies of military – including dual-use – equipment and technologies, and support export control authorities in third countries and technical bodies that sustain arms control regimes. The EU will also promote the responsibility to protect, international humanitarian law, international human rights law and international criminal law. We will support the UN Human Rights Council and encourage the widest acceptance of the jurisdiction of the International Criminal Court and the International Court of Justice.

Developing: At the frontiers of global affairs, rules must be further developed to ensure security and sustainable access to the global commons. The EU will be a forward-looking cyber player, protecting our critical assets and values in the digital world, notably by promoting a free and secure global Internet. We will engage in cyber diplomacy and capacity building with our part-

ners, and seek agreements on responsible state behaviour in cyberspace based on existing international law. We will support multilateral digital governance and a global cooperation framework on cybersecurity, respecting the free flow of information. In space, we will promote the autonomy and security of our space-based services and work on principles for responsible space behaviour, which could lead to the adoption of an international voluntary code of conduct. On energy, we will encourage multilateral mechanisms aimed at ensuring sustainable energy patterns both by developing our own sustainable policies and by deepening dialogue with major energy consumers and producers. On health, we will work for more effective prevention, detection and responses to global pandemics. Global rules are also necessary in fields such as biotechnology, artificial intelligence, robotics and remotely piloted systems, to avoid the related security risks and reap their economic benefits. On all such issues, the EU will promote exchanges with relevant multilateral fora to help spearhead the development of rules and build partnerships at the frontiers of global affairs.

Partnering: The EU will lead by example on global governance. But it cannot deliver alone. It will act as an agenda-shaper, a connector, coordinator and facilitator within a networked web of players. It will partner with states and organisations, but also with the private sector and civil society. On the vast majority of global governance issues, we will work with the UN as the framework

of the multilateral system and a core partner for the Union, with other core partners such as the US, with regional organisations, and with like-minded and strategic partners in Asia, Africa and the Americas. The EU will also invest in pivotal non-state actors, particularly within civil society. In spite of increasing repression, global civil society is growing and fostering new types of activism. The EU will sharpen the means to protect and empower civic actors, notably human rights defenders, sustaining a vibrant civil society worldwide.

The format to deliver effective global governance may vary from case to case. On cyber, global governance hinges on a progressive alliance between states, international organisations, industry, civil society and technical experts. On maritime multilateralism, the EU will work with the UN and its specialised agencies, NATO, our strategic partners, and ASEAN. On humanitarian action, sustainable development and climate change, the EU will partner with the UN and the G20, as well as new donors, civil society and the private sector. On counterterrorism, we will deepen dialogue with the UN, while building broad partnerships with states, regional organisations, civil society and the private sector on issues such as countering violent extremism and terrorist financing.

4. From Vision to Action

We will pursue our priorities by mobilising our unparalleled networks, our economic weight and all the tools at our disposal in a coherent and coordinated way. To fulfil our goals, however, we must collectively invest in a credible, responsive and joined-up Union.

A Credible Union

To engage responsibly with the world, credibility is essential. The EU's credibility hinges on our unity, on our many achievements, our enduring power of attraction, the effectiveness and consistency of our policies, and adherence to our values. A stronger Union requires investing in all dimensions of foreign policy, from research and climate to infrastructure and mobility, from trade and sanctions to diplomacy and development.

In this fragile world, soft power is not enough: we must enhance our credibility in security and defence. To respond to external crises, build our partners' capacities and protect Europe, Member States must channel a sufficient level of expenditure to defence, make the most efficient use of resources, and meet the collective commitment of 20% of defence budget spending devoted to the procurement of equipment and Research & Technology. Capabilities should be developed with maximum interoperability and commonality, and be made available where possible in support of EU, NATO, UN and other multinational efforts. While

a sectoral strategy, to be agreed by the Council, should further specify the civil-military level of ambition, tasks, requirements and capability priorities stemming from this Strategy, some such areas can already be highlighted in line with commitments made by the European Council.

First, European security hinges on better and shared assessments of internal and external threats and challenges. Europeans must improve the monitoring and control of flows which have security implications. This requires investing in Intelligence, Surveillance and Reconnaissance, including Remotely Piloted Aircraft Systems, satellite communications, and autonomous access to space and permanent earth observation. As regards counter-terrorism, Member States must implement legislation concerning explosives, firearms and Passenger Name Records (PNRs), as well as invest in detection capabilities and the cross-border tracing of weapons. Second, Europeans must invest in digital capabilities to secure data, networks and critical infrastructure within the European digital space. We must develop capabilities in trusted digital services and products and in cyber technologies to enhance our resilience. We will encourage greater investments and skills across Member States through cooperative research and development, training, exercises and procurement programmes. Third, regarding high-end military capabilities, Member States need all major equipment to respond to external crises and keep Europe safe. This means having

full-spectrum land, air, space and maritime capabilities, including strategic enablers.

To acquire and maintain many of these capabilities, Member States will need to move towards defence cooperation as the norm. Member States remain sovereign in their defence decisions: nevertheless, nationally-oriented defence programmes are insufficient to address capability shortfalls. We remain far from achieving our collective benchmarks, including 35% of total equipment spending in collaborative procurement. The voluntary approach to defence cooperation must translate into real commitment. An annual coordinated review process at EU level to discuss Member States' military spending plans could instil greater coherence in defence planning and capability development. This should take place in full coherence with NATO's defence planning process. The European Defence Agency (EDA) has a key role to play by strengthening the Capability Development Plan, acting as an interface between Member States and the Commission, and assisting Member States to develop the capabilities stemming from the political goals set out in this Strategy.

Defence cooperation between Member States will be systematically encouraged. Regular assessments of EDA benchmarks can create positive peer pressure among Member States. Crucially, EU funding for defence research and technology, reflected first in the mid-term review of the Multiannual Financial Frame-

work, and then in a fully-fledged programme in the next budget cycle, will prove instrumental in developing the defence capabilities Europe needs.

A sustainable, innovative and competitive European defence industry is essential for Europe's strategic autonomy and for a credible CSDP. It can also stimulate growth and jobs. A solid European defence, technological and industrial base needs a fair, functioning and transparent internal market, security of supply, and a structured dialogue with defence relevant industries. Furthermore, ensuring participation of small and medium sized enterprises (SMEs) in the defence sector can improve innovation and investment in the military technologies of tomorrow.

A Responsive Union

We live in a world of predictable unpredictability. We will therefore equip ourselves to respond more rapidly and flexibly to the unknown lying ahead. A more responsive Union requires change. We need it in diplomacy, CSDP and development, as well as investment in the knowledge base underpinning our external action.

First, our diplomatic action must be fully grounded in the Lisbon Treaty. EU foreign policy is not a solo performance: it is an orchestra which plays from the same score. Our diversity is a tremendous asset provided we stand united and work in a coor-

dinated way. Cooperation between Member States can strengthen our engagement in the world. A Member State or a group of Member States who are willing and able to contribute may be invited by the High Representative (HR), under the responsibility of the Council, to implement agreed positions of the Council. The HR shall keep the Council fully informed and shall ensure consistency with agreed EU policies.

Second, CSDP must become more rapid and effective. Europeans must be ready to rapidly respond to crises in full compliance with the UN Charter. This requires Member States to enhance the deployability and interoperability of their forces through training and exercises. We must develop the capacity for rapid response also by tackling the procedural, financial and political obstacles which prevent the deployment of the Battlegroups, hamper force generation and reduce the effectiveness of CSDP military operations. At the same time, we must further develop our civilian missions – a trademark of CSDP – by encouraging force generation, speeding up deployment, and providing adequate training based on EU-wide curricula. A responsive CSDP also requires streamlining our institutional structure. We must strengthen operational planning and conduct structures, and build closer connections between civilian and military structures and missions, bearing in mind that these may be deployed in the same theatre. Enhanced cooperation between Member States should be explored in this domain. If successful and repeated

over time, this might lead to a more structured form of cooperation, making full use of the Lisbon Treaty's potential.

Third, development policy will become more flexible and aligned with our strategic priorities. We reaffirm our collective commitment to achieve the 0.7% ODA/GNI target in line with DAC principles. Development funds must be stable, but lengthy programming cycles limit the timely use of EU support, and can reduce our visibility and impact. The availability of limited sums for activities on the ground, notably for conflict prevention and civil society support, should be made more flexible. Across the Commission, flexibility will be built into our financial instruments, allowing for the use of uncommitted funds in any given year to be carried on to subsequent years to respond to crises. This will also help fill the gaps between financial instruments and budgetary headings. In parallel, the time has come to consider reducing the number of instruments to enhance our coherence and flexibility, while raising the overall amount dedicated to development. Responsive external action must be underpinned by a strong knowledge base. Targeted approaches to resilience, conflict prevention and resolution require deeper situational awareness. The EU will invest in the EEAS and coordinate better across institutions and Member States. Putting our diverse national cultures at the service of our shared interests is a challenge, but the pool of talent available to us is unrivalled. To make the most of this, we will invest in people, particularly those on the ground.

This means equipping our delegations with the necessary expertise, including on sectoral issues and in local languages, valuing experience in and of a region, beefing up the political sections of delegations, and encouraging operational staff to use their expertise more politically. It means strengthening the participation of women in foreign policy-making. It means investing in the EU Conflict Early Warning System, and making all our external engagement conflict- and rights-sensitive. We will also pursue greater information sharing and joint reporting, analysis and response planning between Member State embassies, EU Delegations, Commission services, EU Special Representatives and CSDP missions. We will encourage cross-fertilisation between us and regional and international organisations, civil society, academia, think tanks and the private sector. We will do so both in traditional ways – through dialogue, cooperation and support –, and through innovative formats such as exchanges, embedded personnel and joint facilities, harnessing knowledge and creativity in our system.

A Joined-up Union

Finally, our external action will become more joined-up. Over the years, important steps have been taken to this effect: these include institutional innovations, such as the Lisbon Treaty's creation of the double-hatted High Representative and Vice President of the European Commission (HRVP) and the European External Action Service (EEAS). A strong EEAS working togeth-

er with other EU institutions lies at the heart of a coherent EU role in the world. Efforts at coherence also include policy innovations such as the 'comprehensive approach to conflicts and crises' and joint programming in development, which must be further enhanced. New fields of our joined-up external action include energy diplomacy, cultural diplomacy and economic diplomacy.

A more prosperous Union requires economic priorities to be set in relations with all countries and regions, and integrated into the external dimensions of all internal policies. A more prosperous Union calls for greater coordination between the EU and Member States, the EIB and the private sector. The Sustainable Development Goals also represent an opportunity to catalyse such coherence. Implementing them will generate coherence between the internal and external dimensions of our policies and across financial instruments. It allows us to develop new ways to blend grants, loans and private-public partnerships. The SDGs also encourage us to expand and apply the principle of policy coherence for development to other policy areas, and encourage joint analysis and engagement across Commission services, institutions and Member States.

We must become more joined-up across internal and external policies. The migration phenomenon, for example, requires a balanced and human rights-compliant policy mix addressing the management of the flows and the structural causes. This means

overcoming the fragmentation of external policies relevant to migration. In particular, we will develop stronger links between humanitarian and development efforts through joint risk analysis, and multiannual programming and financing. We will also make different external policies and instruments migration-sensitive – from diplomacy and CSDP to development and climate – and ensure their coherence with internal ones regarding border management, homeland security, asylum, employment, culture and education.

In security terms, terrorism, hybrid threats and organised crime know no borders. This calls for tighter institutional links between our external action and the internal area of freedom, security and justice. Closer ties will be fostered through joint Council meetings and joint task forces between the EEAS and the Commission. Defence policy also needs to be better linked to policies covering the internal market, industry and space. Member State efforts should also be more joined-up: cooperation between our law enforcement, judicial and intelligence services must be strengthened. We must use the full potential of Europol and Eurojust, and provide greater support for the EU Intelligence Centre. We must feed and coordinate intelligence extracted from European databases, and put ICT – including big data analysis – at the service of deeper situational awareness. Our citizens need better protection also in third countries through joint contingency plans and crisis response exercises between Member States.

We must become more joined-up in our security and development policies. CSDP capacity building missions must be coordinated with security sector and rule of law work by the Commission. Capacity Building for Security and Development can play a key role in empowering and enabling our partners to prevent and respond to crises, and will need to be supported financially by the EU. Our peace policy must also ensure a smoother transition from short-term crisis management to long-term peacebuilding to avoid gaps along the conflict cycle. Long-term work on pre-emptive peace, resilience and human rights must be tied to crisis response through humanitarian aid, CSDP, sanctions and diplomacy.

Finally, we will systematically mainstream human rights and gender issues across policy sectors and institutions, as well as foster closer coordination regarding digital matters. Greater awareness and expertise on such issues is needed within the EEAS and the Commission. Better coordination between institutions would also add consistency and spread best practices, helping us build a stronger Union and a more resilient, peaceful and sustainable world.

The Way Ahead

This Strategy is underpinned by the vision of, and ambition for, a stronger Union, willing and able to make a positive difference to its citizens and in the world. We must now swiftly translate

this into action. First, we will revise existing sectoral strategies, as well as devise and implement new thematic or geographic strategies in line with the political priorities of this Strategy. Such work must begin with clear procedures and timeframes agreed promptly by all relevant players. Second, the EU Global Strategy itself will require periodic reviewing in consultation with the Council, the Commission and the European Parliament. On a yearly basis we will reflect on the state of play of the Strategy, pointing out where further implementation must be sought. Finally, a new process of strategic reflection will be launched whenever the EU and its Member States deem it necessary to enable the Union to navigate effectively our times. Our citizens deserve a true Union, which promotes our shared interests by engaging responsibly and in partnership with others.

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The strategic reflection process launched in early 2015 led to the publication of the EU Global Strategy, whose presentation was welcomed by the European Council in June 2016. The process engaged a very wide variety of actors, from official institutions and member states to the broader foreign policy community, including think tanks and universities, civil society organisations and professional associations.

The EUISS played a critical role in this respect as a hub of the broader outreach and consultation process, which saw events organised in every single EU capital and well beyond the EU as well. From the outset I believed and publicly stated – repeatedly – that this process was as important as the product itself. In fact the actual content of the EUGS reflects the broad consensus which emerged as a result of this wide and deep process of strategic reflection.

But the publication of the EUGS is in many ways just the beginning of a new journey. Now that the Strategy is out, our collective effort has to concentrate on implementing the Strategy as well as on communicating both the EUGS and EU foreign policy more broadly to the public. European citizens demand 'more EU' in the field of foreign and security policy. It is our responsibility both to listen carefully to what our citizens expect and to communicate to them what we attempt to do. This pocket book is an important contribution to this effort, representing a precious tool in our collective efforts at public diplomacy on EU foreign policy.

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