

“The EU’s New Economic Foreign Policy”

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- Brief introduction/disclaimer*
- Short history and global context
- EU's Open Strategic Autonomy (OSA)
- EU's economic security
- EU's new economic foreign policy
- SDGs and international trade/economic foreign policy
- What's next?

Content of today's presentation

*Disclaimer: the information and views set out in the context of this seminar are those of the speaker and do not necessarily reflect the official opinion of the European Commission.

Open Strategic Autonomy

2021 (post-pandemic): Trade Policy Review

An open, sustainable and assertive trade policy



Economic Security

June 2023: Joint Communication

Promoting, Protecting, Partnering (3P)



Economic Foreign Policy

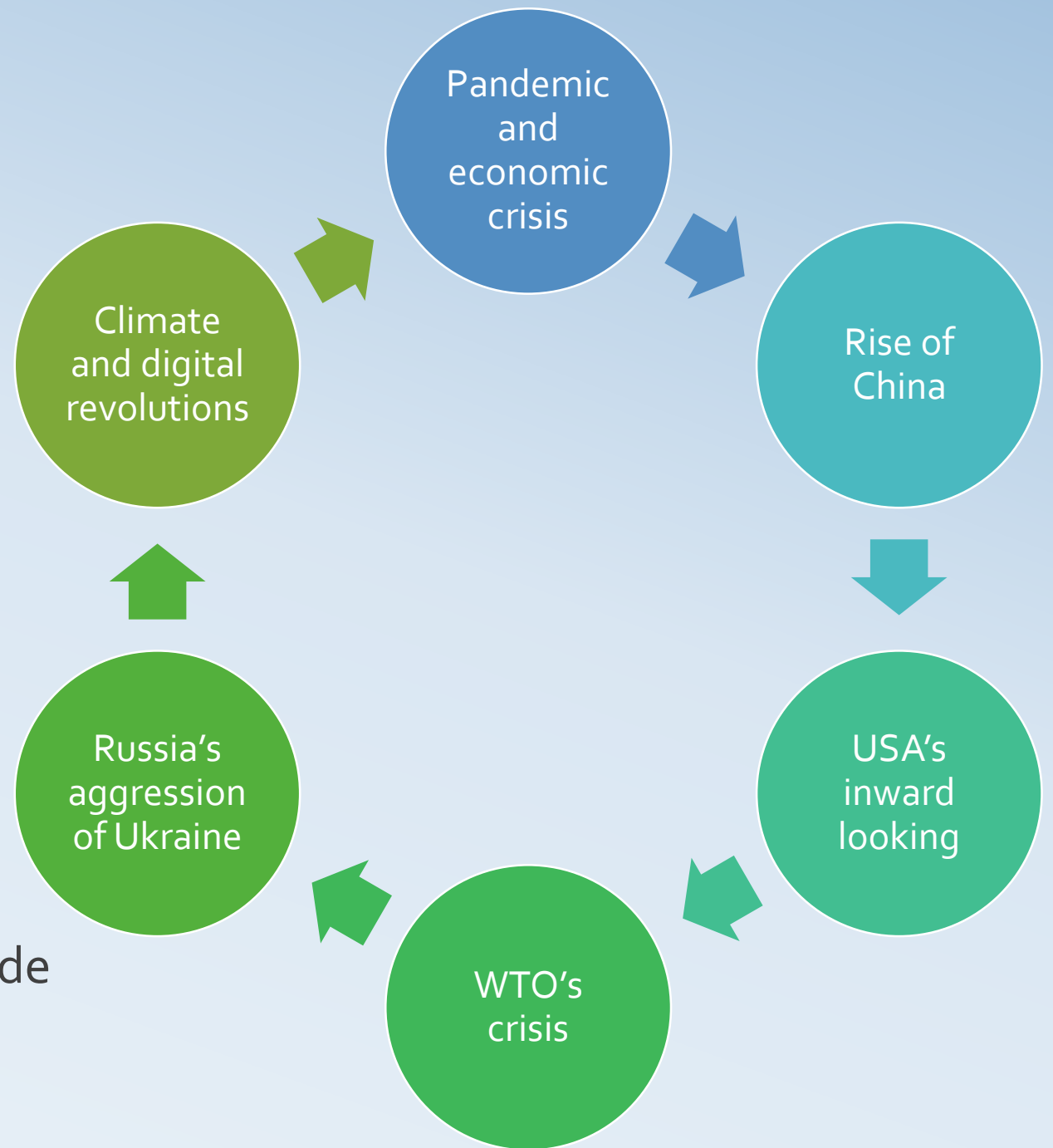
July 2024: [Political guidelines for the next European Commission 2024-2029](#)

Economic security, Trade, Investments

Short history of EU's economic foreign policy

Global context

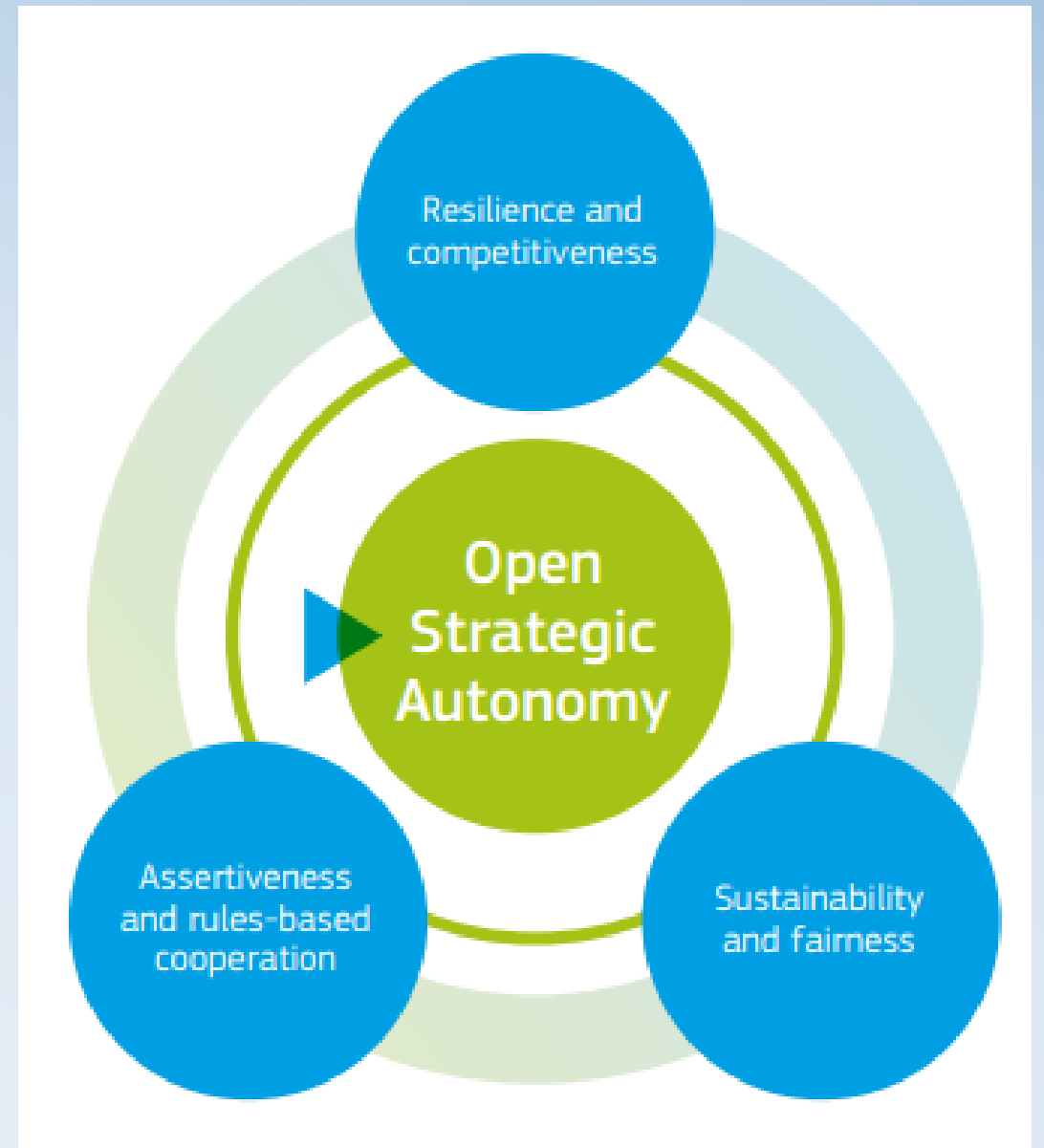
EU's geopolitical role in international trade



“Open strategic autonomy emphasises the **EU’s ability to make its own choices and shape the world** around it through leadership and engagement, reflecting its strategic interests and values”.

EU’s OSA 1/3

open, sustainable and assertive trade policy





Recovery

and
fundamental
transformation
of the EU
economy in line
with its green
and digital
objectives



Global rules

shaping global
rules for a more
sustainable and
fairer
globalisation



EU interests

increasing the
EU's capacity to
pursue its
interests and
enforce its
rights, including
autonomously
where needed

EU's OSA 2/3

THREE CORE OBJECTIVES OF TRADE POLICY FOR THE
MEDIUM TERM



EU's OSA 3/3

six critical areas in the medium-term

The EU needs to **maximise the benefits** of its economic openness while **minimising the risks** from of economic interdependencies, through setting up a common strategic framework for EU economic security.



Promoting

Partnering

Protecting

EU's Economic Security 1/3

Promoting, Protecting, Partnering

The Strategy proposes a thorough assessment of risks to economic security in **four areas**

Risks to the resilience of supply chains

Risks of weaponisation of economic dependencies or economic coercion

Risks related to technology security and technology leakage

Risks to physical and cyber security of critical infrastructure

EU's Economic Security 2/3

The risks to EU's economic security

Five elements
of the **comprehensive
trade, investment and
research package**
(January 2024)

Revision of FDI
screening

- Legislative proposal to improve efficiency

Outbound
investments

- White paper identifying risks in 3^o countries

Dual-use goods

- White paper on more effective export controls

Research on
dual use

- White paper on development involving technologies with dual-use potential

Research
security

- Proposal for a Council Recommendation on enhancing research security

EU's Economic Security 3/3

“In today’s world geopolitics and geoeconomics go together.

Europe’s foreign and economic policy must do the same”.

“We need a new economic foreign policy for today’s realities”.



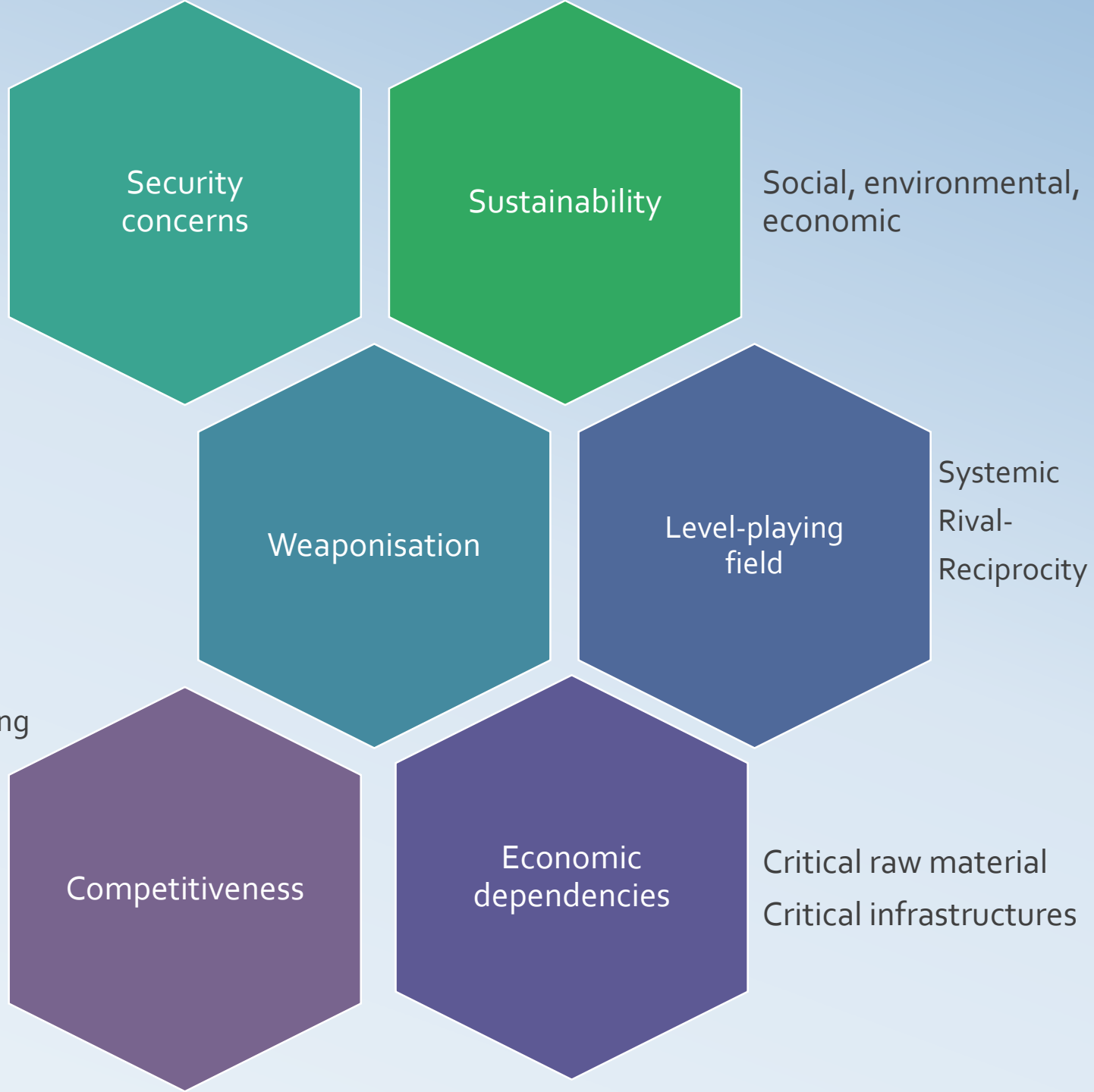
New Economic Foreign Policy

POLITICAL GUIDELINES FOR THE NEXT EUROPEAN COMMISSION
2024–2029: Europe’s choice 1/5

Key-words

Terminology of the EU's Economic Foreign Policy 2/5

De-risking



Economic security

Boosting our competitiveness at home

More assertive in protecting EU's economy

G7 and like-minded

Trade

Deepen + new free and fair trade agreements

Enforcement

Rules based trade

Investments

Partnerships and investing together

Team Europe

Projects worldwide

3 central planks

The three central planks of the EU's Economic Foreign Policy 3/5

Economic security

Investing in research capacity and dual-use tech

FDI screening, export controls, outbound investments

Econ security standards for key supply chains

Trade

New Clean Trade and investment Partnerships; critical minerals and raw material

Trade Defence Instruments & ACI...

WTO

Investments

Global Gateway: Infrastructure investments

MS, banks, EIB, EBRD, private sector...

Africa, Indo-Pacific, Latin America...

3 central planks

The three central planks of the EU's Economic Foreign Policy 3/5

Toolbox

Tools for the EU's
Economic Foreign Policy

4/5

Economic security


- FDI screening
- Export controls
- Outbound investments control

Trade

- Trade agreements
- Trade defence instruments
- Enforcement regulation
- Anti-coercion instrument

Investments

- Global Gateway
- Investment partnerships



The 2030 Agenda for Sustainable Development recognizes international trade as an engine for inclusive economic growth and poverty reduction, and an important means to achieve SDGs



1 NO POVERTY



2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS



THE GLOBAL GOALS
for Sustainable Development



EU trade policy enables us to work more effectively with our partners to **achieve sustainability objectives** around the globe.



17% of Europeans believe that EU trade policy should **help fight climate change***.



19 EU trade agreements with **26 countries** in force or under ratification include enforceable sustainability commitments.



41% of EU citizens want the EU to ensure that **EU environmental and health standards are respected***.



The EU offers **lower or zero tariffs** to developing countries that commit to sustainability goals.

SDGs and international trade

Anti-subsidy
investigations on
electric vehicles

Sustainable Investment
Facilitation Agreement
(SIFA) with Angola

FTA with Australia

FTA with Chile crucial
for raw material and
positioning

EU sanctions over
Russia's aggression
against Ukraine

(...)

SDGs and economic foreign security



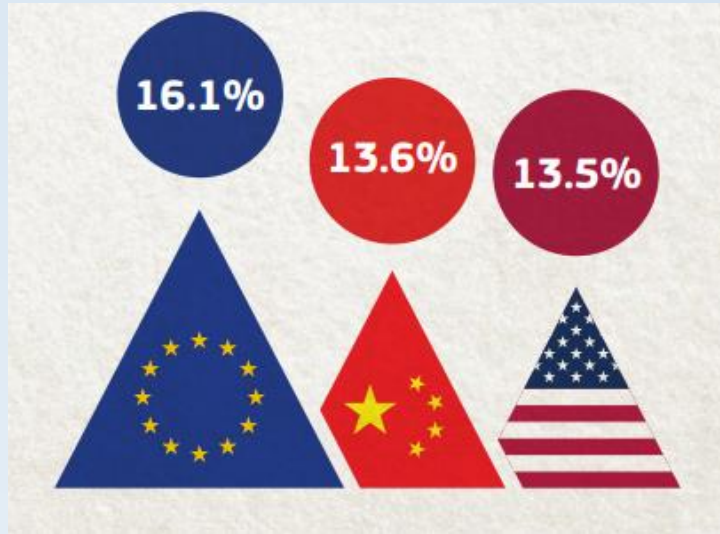
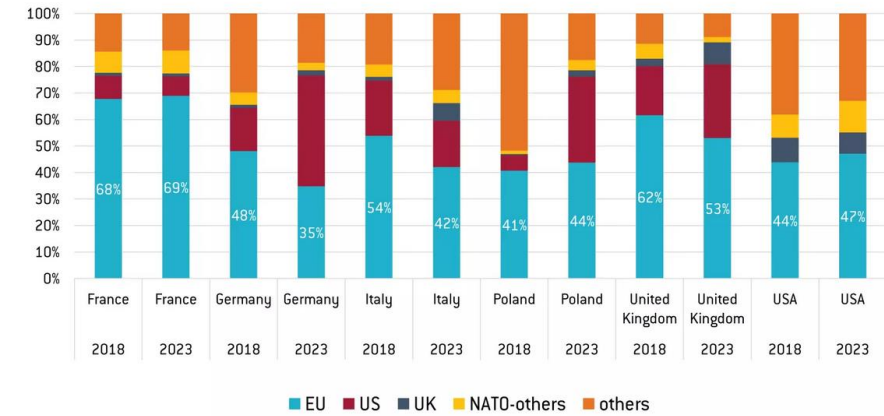


Figure 2: Arms imports by origin for selected EU countries, the UK and US



What's next?

Finding the right balance

The majority of EU citizens believe that they benefit from international trade*.



62%

'Yes'

34%

'No'

4% Don't know

Europeans also believe that the EU is more effective in **defending the interests of its Member States** than individual countries on their own.



74%

'Agree'

20%

'Disagree'

6% Don't know

What's next?

What do EU citizens want?



More than 30 million people in the EU work in **jobs** related to **EU exports**.



10 million Europeans work in EU-based affiliates of foreign companies.

Over 720,000

European companies export outside the EU,

EU trade defence measures in place

protect 500,000 European jobs



48% of EU citizens want the EU to **protect EU consumers, companies and farmers** from unfair trade*.

Mr Šefčovič reminded MEPs that trade is "marked by stark competition over disruptive new technologies, and the weaponisation of economic dependencies", making trade a "geostrategic tool".



Maroš Šefčovič during the confirmation hearing 2024 © European Union, 2024 - Source: EP

On Monday, the International Trade and Constitutional Affairs committees questioned Šefčovič, Slovak candidate for Trade and Economic Security/ Interinstitutional Relations and Transparency.

What's next?

A new legislative term 2024-2029

Thank you for
your attention!

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