



University of Antwerp  
| Faculty of Law

# *Foreign Subsidies and Strategic Assets*

## *From WTO Law to EU Law*

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**SustainEUorPlanet a.a. 2025/26**

**Alma Mater Studiorum**

**12<sup>th</sup> April 2026**

# Programme of the seminar

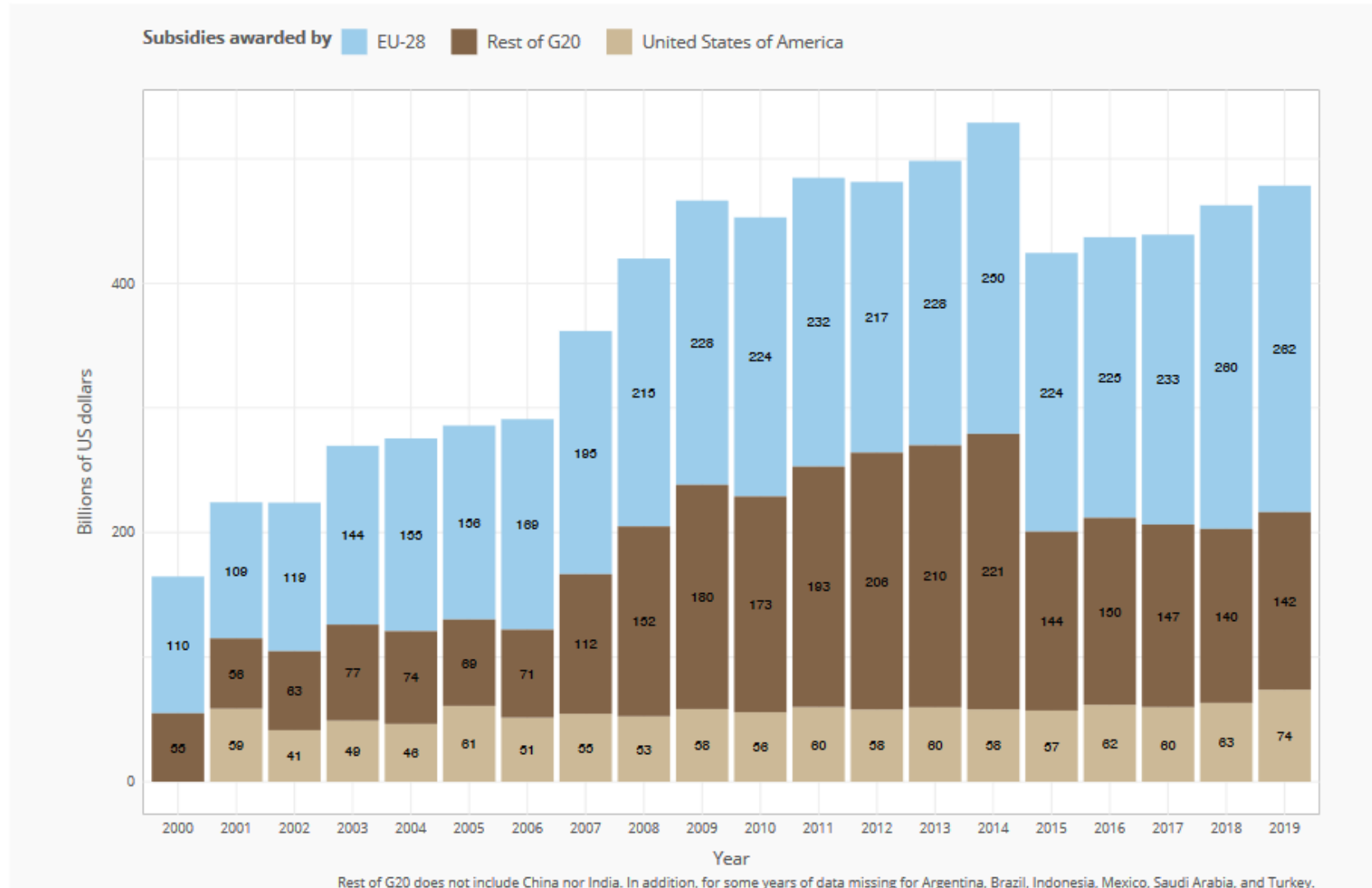
- 1. Refreshing Bargellini's seminar: subsidies in the globalised economy, WTO rules on subsidies**
- 2. The European case: State aid and the internal market**
- 3. How the EU deals with foreign subsidies: trade defence**
- 4. How the EU deals with foreign subsidies: the Foreign Subsidy Regulation**

# What is a subsidy?

*A refresher from Elettra Bargellini's lecture*

# Increasing subsidisation in the global economy

IMF records rising payments of subsidies to companies by G20 governments

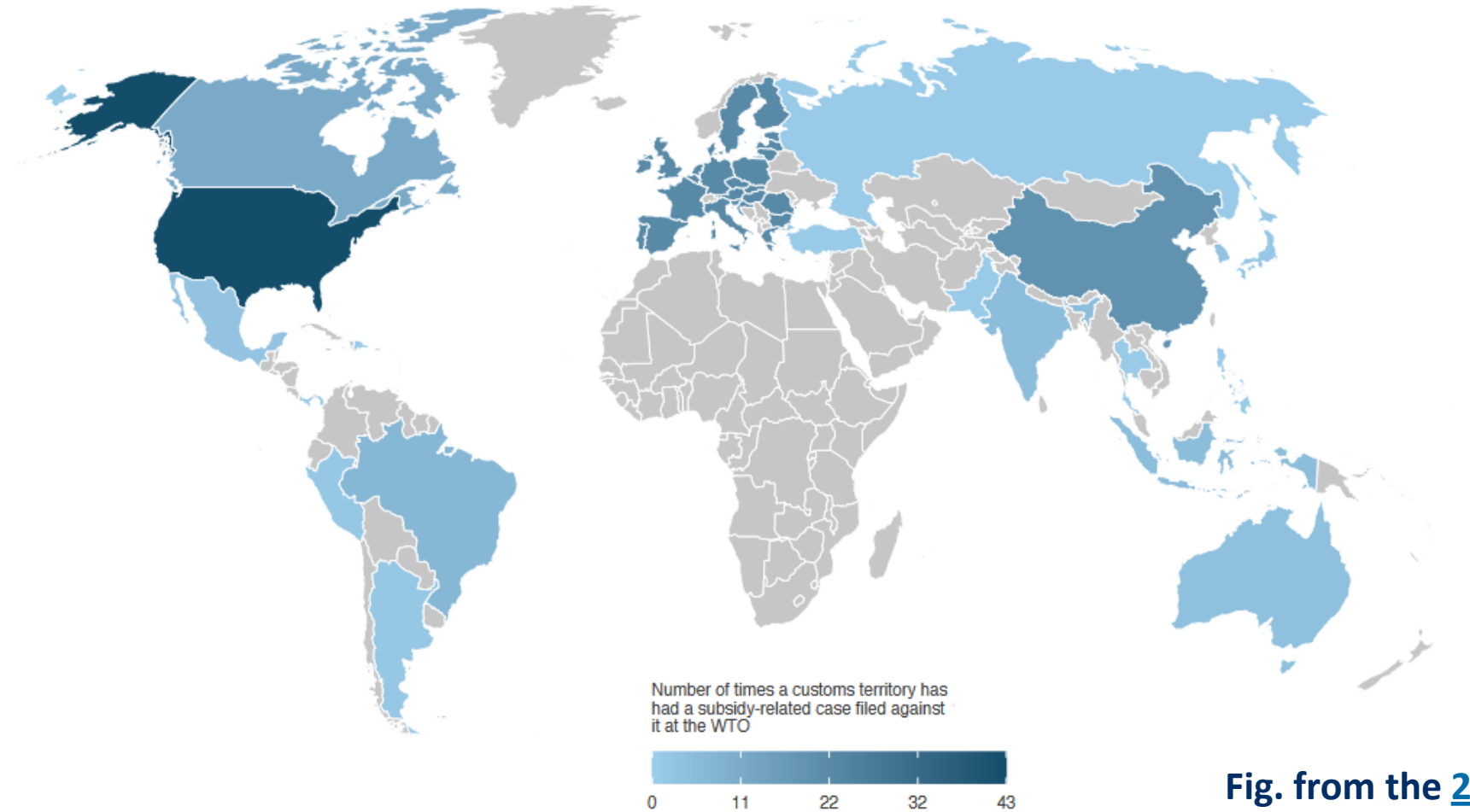


Source: International Monetary Fund.

Fig. from the [28th Global Trade Alert Report](#)

# Increasing subsidisation in the global economy

China, the European Union and the United States are most frequently accused of breaking WTO subsidy rules



Source: Assembled from WTO dispute settlement cases involving the ASCM.

Fig. from the [28th Global Trade Alert Report](#)

# What is a subsidy?

The definition in the Agreement on Subsidies and Countervailing Measures  
ASCM – cumulative elements:

a) Financial contribution by a government or any public body (Art 1.1(a)(1) ASCM)

b) which confers a benefit (Art 1.1 (b) ASCM)

c) to a specific recipient (Art 2 ASCM)

- Is it exhaustive?
- What type of trade flows fall in the scope of the ASCM?
- Are there economic sectors which are regulated by other WTO agreements?

# What is a subsidy?

Definition of ‘subsidy’ is a sensitive issue. Some other definitions:

- *‘a financial unrequited (i.e., without an equivalent contribution in return) contribution using public resources, directly or indirectly, which confers a benefit on the recipient over its competitors’ - OECD, 2022.*
- *‘A subsidy must:*
  - 1. involve an action or a commitment to action by a public body under certain circumstances.*
  - 2. involve the actual or potential outlay of a public body’s resources.*
  - 3. must confer an advantage on a firm.*
  - 4. must be selective in some meaningful respect’ – Evenett and Fritz, 2021.*

# What is a subsidy? – Art. 1 ASCM

## *Article 1*

### *Definition of a Subsidy*

1.1 For the purpose of this Agreement, a subsidy shall be deemed to exist if:

(a)(1) there is a financial contribution by a government or any public body within the territory of a Member (referred to in this Agreement as "government"), i.e. where:

- (i) a government practice involves a direct transfer of funds (e.g. grants, loans, and equity infusion), potential direct transfers of funds or liabilities (e.g. loan guarantees);
- (ii) government revenue that is otherwise due is foregone or not collected (e.g. fiscal incentives such as tax credits)<sup>1</sup>;
- (iii) a government provides goods or services other than general infrastructure, or purchases goods;
- (iv) a government makes payments to a funding mechanism, or entrusts or directs a private body to carry out one or more of the type of functions illustrated in (i) to (iii) above which would normally be vested in the government and the practice, in no real sense, differs from practices normally followed by governments;

or

(a)(2) there is any form of income or price support in the sense of Article XVI of GATT 1994;

and

(b) a benefit is thereby conferred.

1.2 A subsidy as defined in paragraph 1 shall be subject to the provisions of Part II or shall be subject to the provisions of Part III or V only if such a subsidy is specific in accordance with the provisions of Article 2.

# What is a subsidy? The example of the US Inflation Reduction Act (IRA)

- 'Largest single investment in climate measures in United States history' (no cap?)
- Mostly tax credits from the US Federal Government
- Objective: green transition to achieve Paris goals
- Certain IRA benefits have local-content requirements (LCRs, 'Made in America')

## Biden signs Inflation Reduction Act into law

By Maegan Vazquez and Donald Judd, CNN  
Updated 10:29 PM EDT, Tue August 16, 2022



Mandel Ngan/AFP/Getty Images

US President Joe Biden speaks during a signing ceremony for H.R. 5376, the Inflation Reduction Act of 2022, in the State Dining Room of the White House in Washington, DC, on August 16, 2022. (Photo by MANDEL NGAN / AFP) (Photo by MANDEL NGAN/AFP via Getty Images)

**(CNN)** — President Joe Biden signed a sweeping \$750 billion health care, tax and climate bill into law at the White House on Tuesday — marking a major victory for his administration and the Democratic Party ahead of the midterm elections.

Biden said during a signing ceremony in the State Dining Room that the legislation, called the Inflation Reduction Act, is "one of the most significant laws in our history."

# Problem definition: living in an age of State/political capitalism



**CRRC Corporation Limited** (known as **CRRC**) is a Chinese [state-owned](#) and publicly traded [rolling stock](#) manufacturer. It is the world's largest rolling stock manufacturer in terms of revenue, eclipsing its major competitors of [Alstom](#) and [Siemens](#).<sup>[6][7][8]</sup>

It was formed on 1 June 2015 through the merger of [CNR](#) and [CSR](#). As of 2016 it had 183,061 employees.<sup>[3]</sup> The parent company is [CRRC Group](#), a [state-owned enterprise](#) supervised by the [State-owned Assets Supervision and Administration Commission of the State Council](#). The State Council also owned additional shares via [China Securities Finance](#) and [Central Huijin Investment](#).



## Notizie

- [Social media](#)
- [Pubblicazioni](#)
- [Ufficio stampa](#)

## Il Consiglio dei ministri approva il disegno di legge "Made in Italy"

31 Maggio 2023

*Nasce il fondo sovrano con una dotazione iniziale di 1 miliardo per promuovere le filiere strategiche*

# What is a subsidy? Opportunities and risks

| Opportunities                              | Risks  |
|--|--|
| Correct market failures                    | Distort the market (internally and externally) |
| Achieve public policy goals                | Pursue particular interests or create damages  |
| Develop strategic sectors and technologies | Dependency or rent-seeking behaviour           |
| Promote economic growth                    | Waste public money                             |

# The ASCM framework on (industrial) subsidies: categories

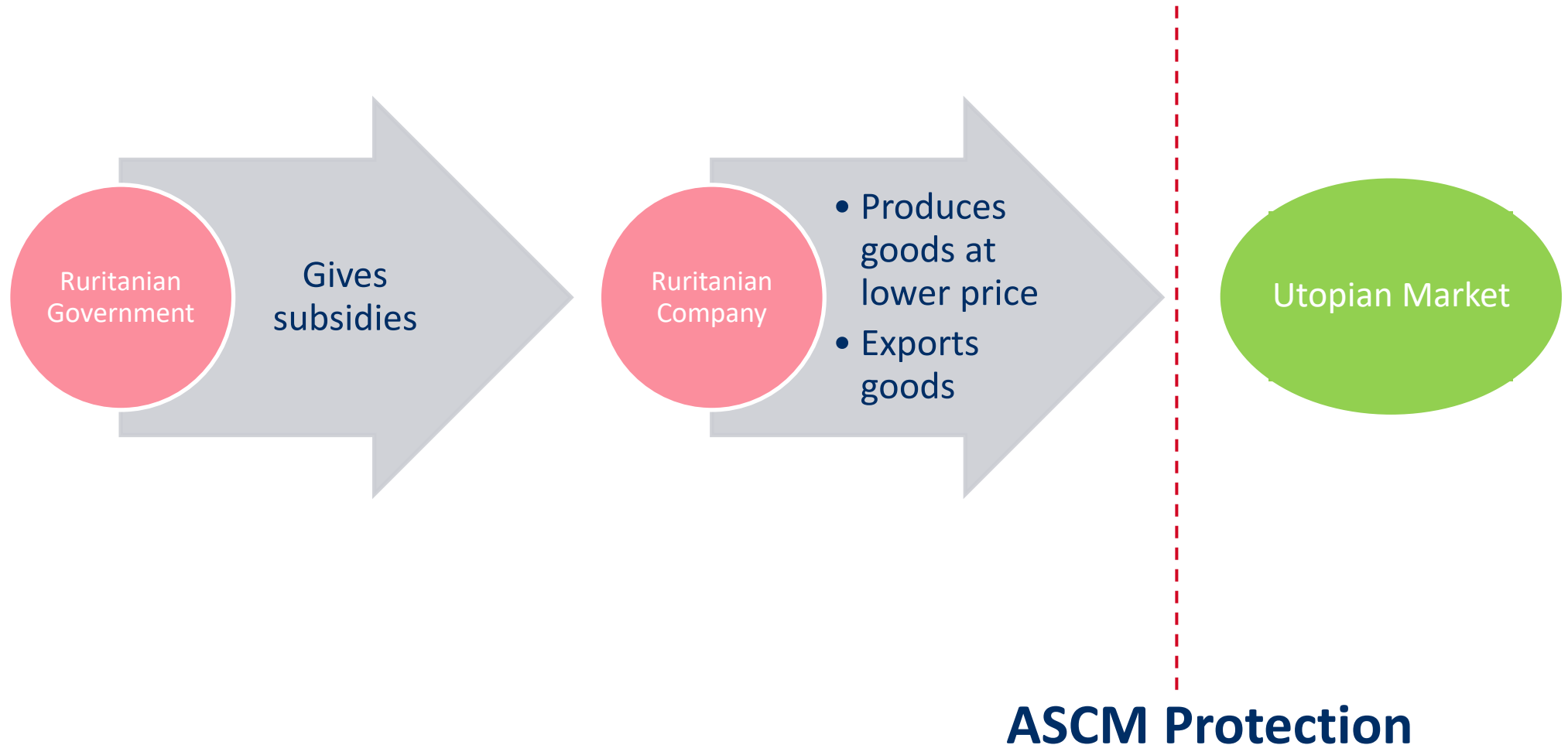
Subsidies are not all prohibited by the ASCM. Three categories:

1. **Prohibited subsidies** (Art. 3): subsidies contingent upon (1) export performance and/or (2) use of domestic over imported goods.
2. **Actionable subsidies** (Art. 5): subsidies that cause adverse effects to the interest of other Members. The adverse effects may be:
  - (A) *injury* to the domestic industry of another Member producing *like product*;
  - (B) nullification or impairment of benefits enjoyed under the GATT;
  - (C) *serious prejudice* to the interests of another Member.
3. **Non-actionable subsidies** (Art. 8): category temporary applicable, now expired.

# The ASCM framework on (industrial) subsidies: remedies

1. **Prohibited subsidies** -> Panel/AB must recommend withdrawal without delay in a certain time period.  
In case of non-compliance: DSB must authorise retaliation *at level of amount of subsidy*
  2. **Actionable subsidies** -> Panel/AB must recommend violating Member to take appropriate steps to remove adverse effects of the subsidy and/or withdraw the subsidy within 6 months.  
In case of non-compliance: DSB must authorise retaliation *at level of degree and nature of adverse effects*.
- Unilateral action against specific subsidies that cause injury to domestic industry through **Countervailing Duties**. They allow an anti-subsidy investigation and ASCM rules.

# The ASCM framework on (industrial) subsidies



# The WTO framework on (industrial) subsidies: criticism

- Debate at the WTO level on industrial subsidies, agriculture, fisheries subsidies.

## The criticism to the ASCM:

- Limited scope: no services
- Definition of *public body*: what about state-owned enterprises and state-linked enterprises?
- Burden of proof
- Notification and transparency

Is it possible to reform? Trilateral cooperation: EU, US, Japan.

# State aid in the EU internal market

## EU State aid law: Member States cannot subsidise companies without the European Commission's approval

- Since the Treaty of Rome (1957), EU law forbids *in principle* to Member State to grant aid (=subsidise) companies (Art. 107(1) Treaty on the Functioning of the EU - TFEU).
- Rationale: avoiding unfair competition between the Member States, promoting a 'highly competitive social market economy' (Art. 3 Treaty on the European Union – TEU)
- At certain conditions, some forms of State aid may be compatible with the internal market (*e.g.* Art. 107(2) and (3) TFEU), if previously authorized by the European Commission.

# State aid in the EU legal system: art. 107(1) TFEU

1. *Any aid granted by a Member State or through State resources in any form whatsoever*
2. *which distorts or threatens to distort competition*
3. *by favouring certain undertakings or the production of certain goods shall,*
4. *in so far as it affects trade between Member States, be incompatible with the internal market.*

# EU notion of State aid and ASCM notion of subsidy

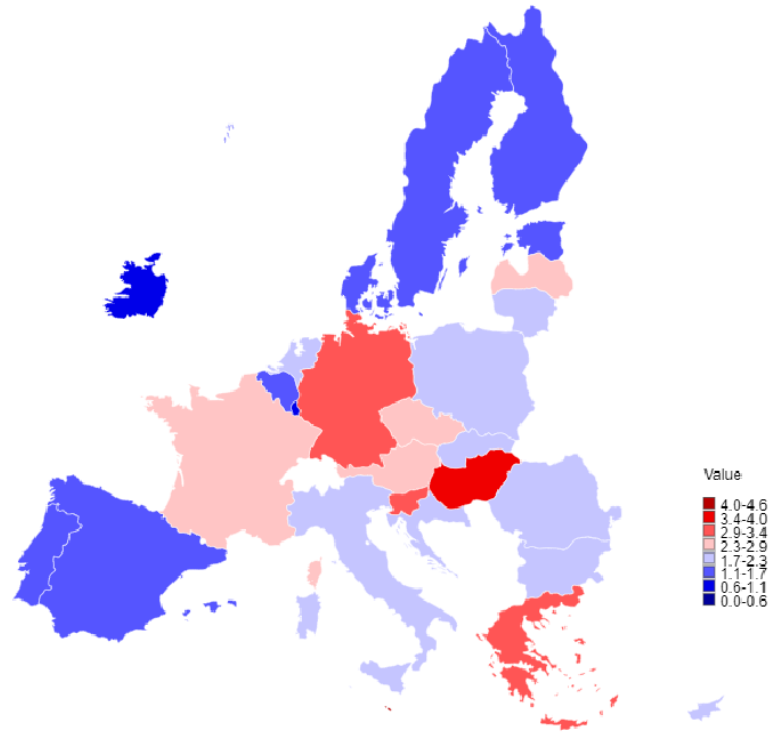
| ASCM  | TFEU 107  |
|---|---|
| Financial contribution\benefit  | Any aid   |
| by a government or any public body  | granted by a Member State or through State resources in any form whatsoever |
| to a specific recipient   | by favouring certain undertakings or the production of certain goods shall  |
| Prohibited: export/import. Actionable: adverse effects to the interest of other Members | in so far as it affects trade between Member States                         |
| injury  | which <i>distorts</i> or threatens to distort competition                   |

# Allowed State aid in the EU legal system: art. 107(3) TFEU

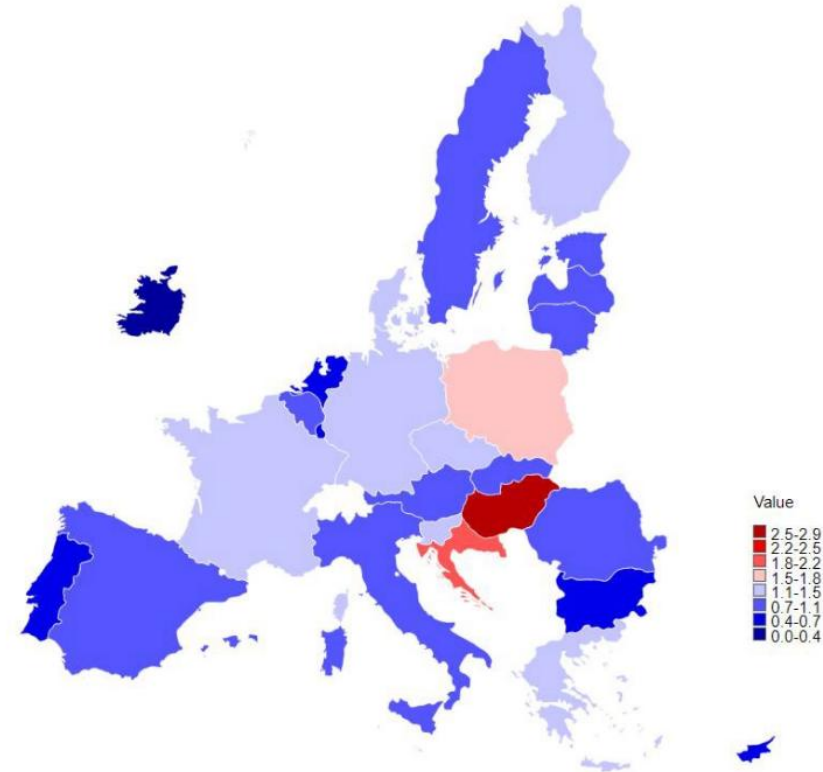
*The following may be considered to be compatible with the internal market:*

- a) aid to promote the economic development of areas where the standard of living is abnormally low or where there is serious underemployment, and of the regions referred to in Article 349, in view of their structural, economic and social situation;*
- b) aid to promote the execution of an important project of common European interest or to remedy a serious disturbance in the economy of a Member State;*
- c) aid to facilitate the development of certain economic activities or of certain economic areas, where such aid does not adversely affect trading conditions to an extent contrary to the common interest;*
- d) aid to promote culture and heritage conservation where such aid does not affect trading conditions and competition in the Union to an extent that is contrary to the common interest;*
- e) such other categories of aid as may be specified by decision of the Council on a proposal from the Commission.*

# Total State Aid expenditure GDP%

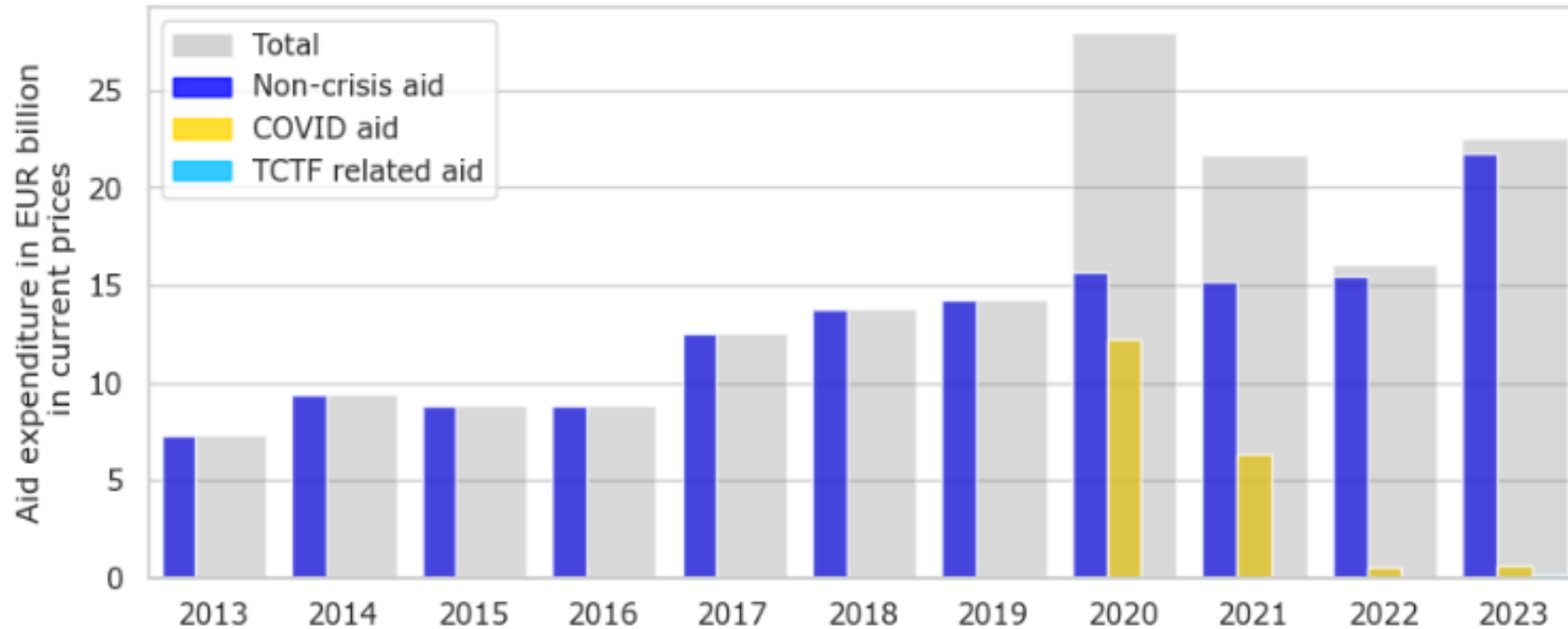


Source: [State Aid Scoreboard 2022](#)



Source: [State Aid Scoreboard 2024](#)

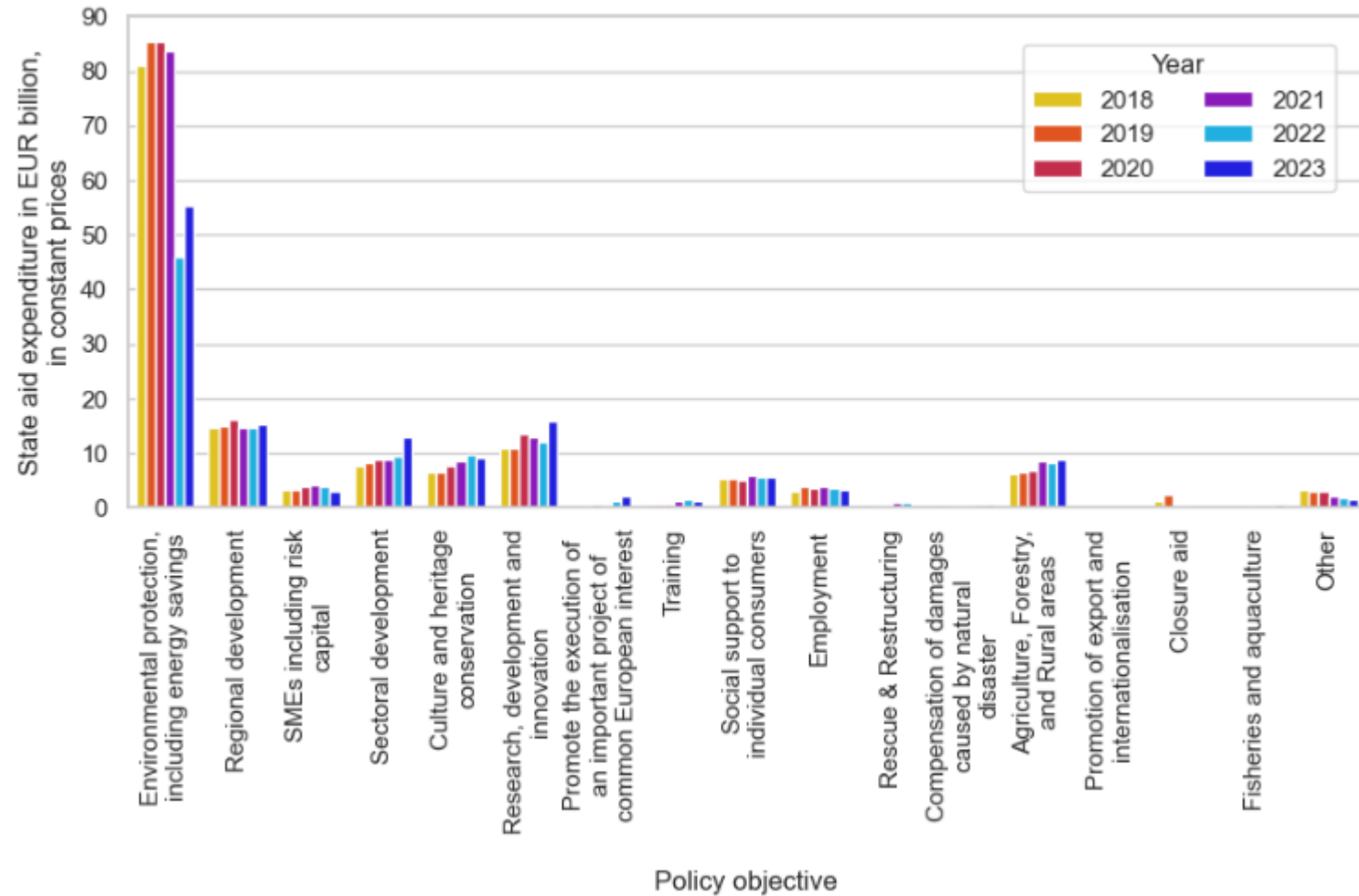
# Evolution of State Aid



Source: [State Aid Scoreboard](#)

2024

# State aid by policy objective



Source: [State Aid Scoreboard](#)

2024

## EU State aid is stricter than the WTO framework on (industrial) subsidies

- Debate at the WTO level on industrial subsidies, agriculture, fisheries subsidies.
- EU State aid law limits subsidies more than the WTO Agreement on Subsidies and Countervailing Measures (ASCM)

### More limited scope of the ASCM:

- Only exported goods – no domestically produced goods or services
- Definition of *public body* that excludes public companies
- Burden of proof on the complainant
- Limited notification and transparency obligations

No reform of the ASCM -> demand for rules on foreign subsidies equivalent to the rules on EU State aid

# How the EU deals with foreign subsidies: trade defence

# EU Trade Defence tools

## Anti-dumping (BADR)

- Foreign company exports (dumps) to the EU goods at a price lower than the market price
- Market price: price in the domestic market (of exporter) or production cost + profit
- It may be caused by subsidies
- *Ad valorem* duty to bring goods to market price

## Anti-subsidy (BASR)

- Foreign government provides subsidies to company(ies) that exports goods to the EU
- This results in an injury to European companies producing competing goods
- Countervailing measures to affect price and restore fair competition

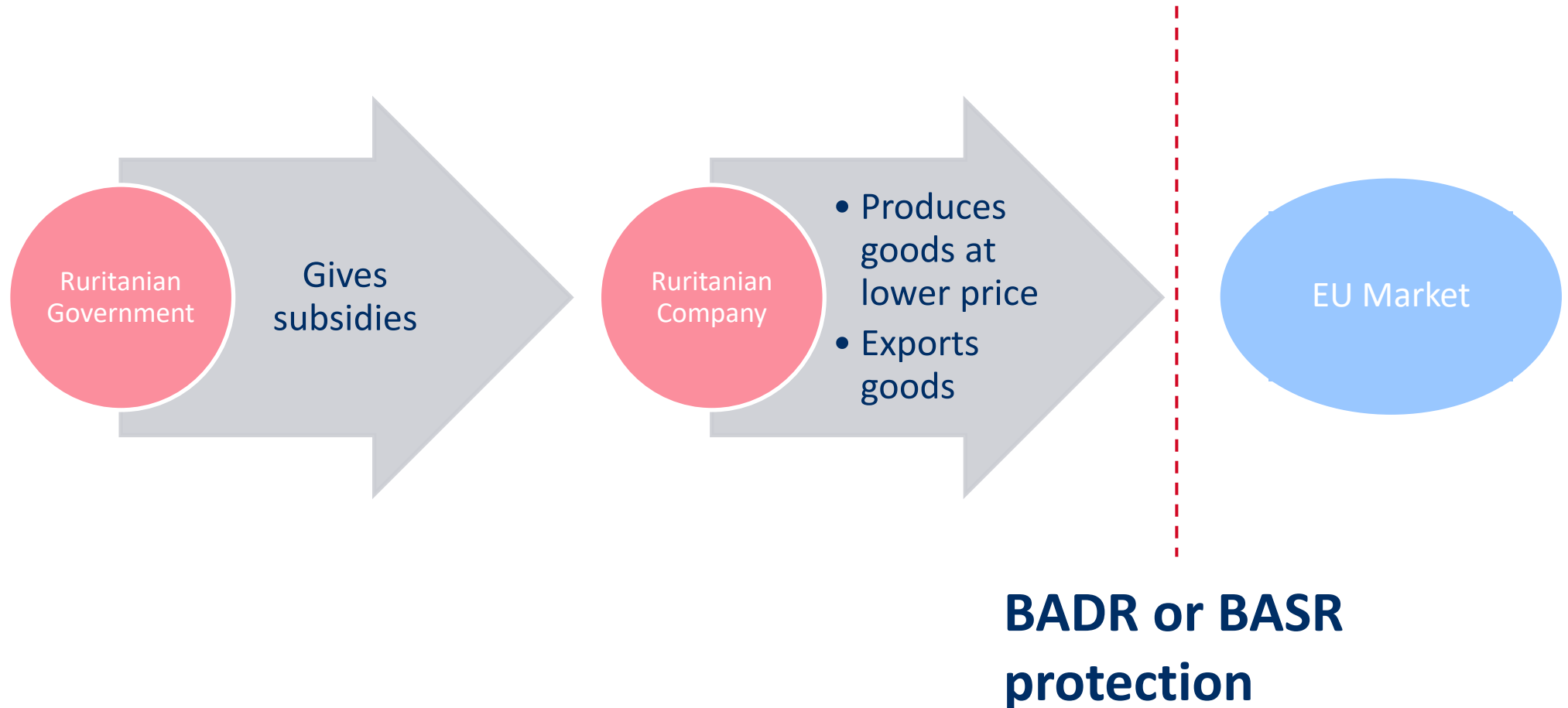
## Safeguards

- Significant increase of imports is causing injury to an EU industry
- Not questioning whether trade is unfair or levelling the playing field
- Not about a specific country, but about a specific EU industry (e.g., safeguards on steel), *erga omnes*

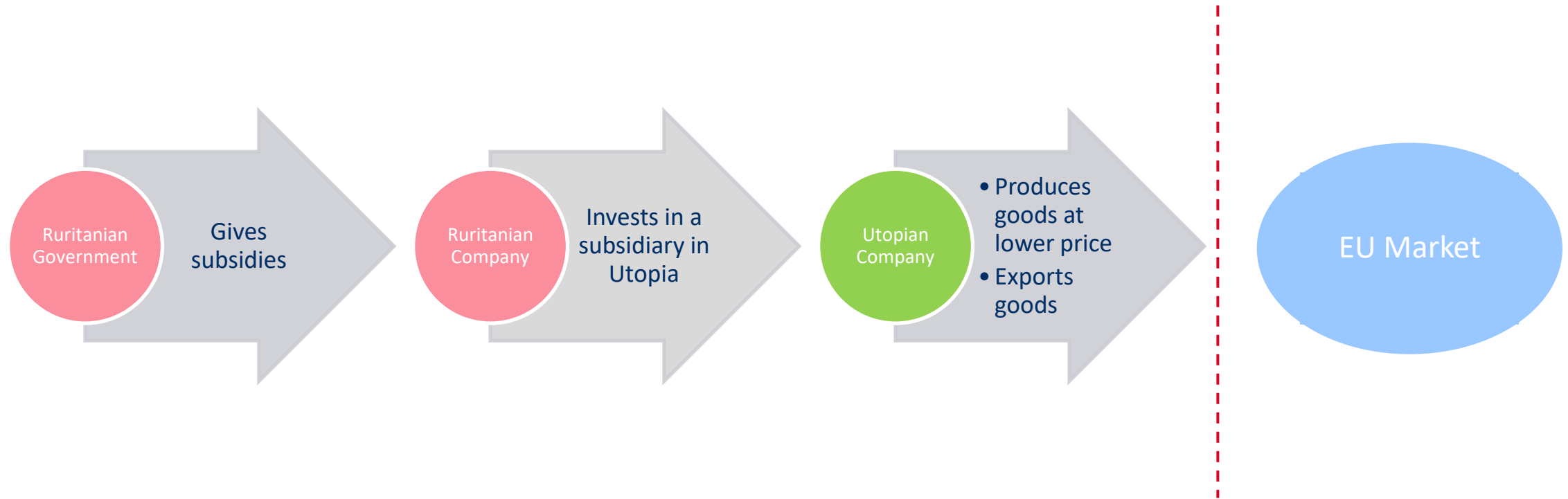
## EU Trade Defence tools: differences and similarities between BADR and BASR

- **BADR: unfairly low export price may be the result of a subsidy. Instrument focus: level the price.**
- **BASR: the subsidy may result in a low export price. Instrument focus: remove effect of subsidy.**
- **Both instruments look at foreign companies, not governments, although governments' policies are relevant in BASR and may be relevant in BADR.**
- **BADR much more used than BASR since European Commission can just focus on price, no need to investigate subsidies... EU has to choose one for each case due to prohibition of double remedies ex Article 19.3 ASCM**

# Where does trade defence intervene?



# Bypassing trade defence?

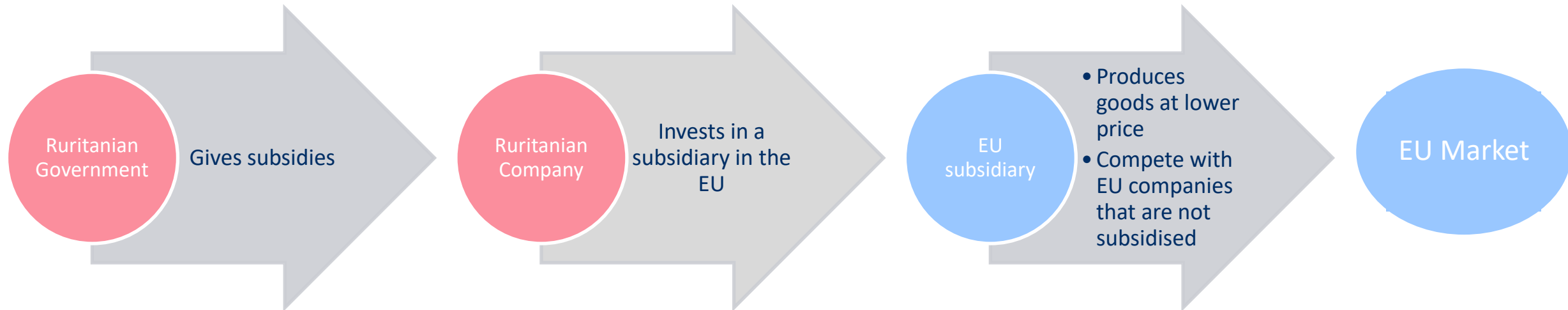


**BADR or BASR protection?**

## Tackling subsidies moving across jurisdictions: *Egypt Fiberglass cases* (T-480/20 and T-540/20)

- Egypt and China establish the Suez Economic and Trade Cooperation Zone as part of the Belt & Road Initiative. China can grant financial benefits to its companies for establishing themselves in the Zone.
- Chinese fiberglass companies open subsidiaries in the Suez Zone. These subsidiaries export to the EU.
- Usually, subsidy law looks at subsidy as tools to improve domestic production, not production in a third country. Art. 1.1(a)(1) ASCM: *there is a financial contribution by a government or any public body within the territory of a Member.*
- CJEU: subsidies from Chinese government can be attributed to the Egyptian government for the purposes of the BASR. This reading of the BASR is compatible with Art. 1.1 WTO ASCM.

# Bypassing trade defence even more?



**No protection?**

**What about services?**

# How the EU deals with foreign subsidies: the FSR

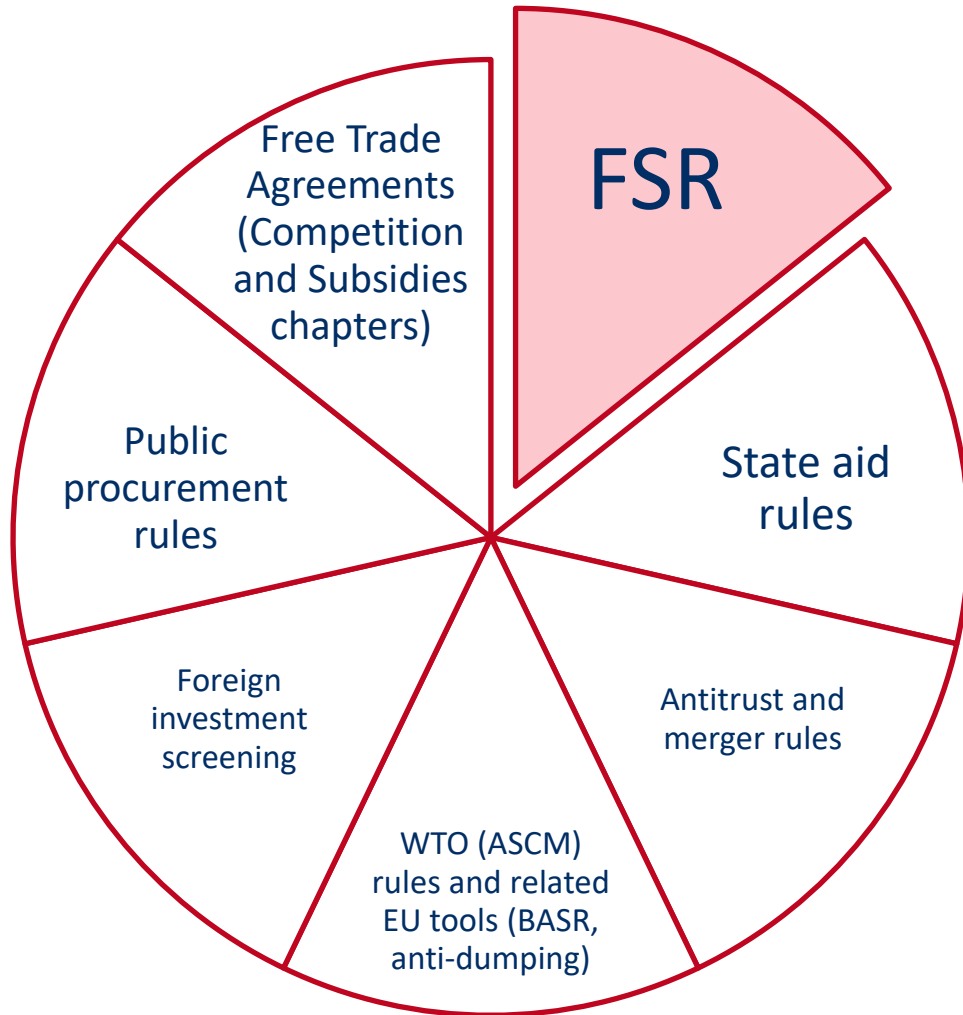
# The FSR: 'legislative train'

- EC White Paper (2020): problem definition and blueprint of the future Regulation
- Support of Member States (also from 'free market champions like DE and NL) and European Institutions. Dutch non-paper: 'the third-best option'.
- Text approved at the end of 2022

## The FSR as the answer to a *regulatory gap*:

- State aid rules (for Member States) do not have an equivalent that covers entirely subsidies from third countries
- The ASCM (and its related EU tool, the Basic Anti-Subsidy Regulation) covers only trade in goods
- The ASCM is unsatisfactory: Members do not notify nor comply
- WTO dispute settlement does not work anymore

# The regulatory gap



**Blockx and Mattiolo (2023),  
‘The Foreign Subsidies Regulation: Calling Foul  
While Upping the Ante?’  
*European Foreign Affairs Review***

# The FSR in a nutshell

## Three procedures:

- 1. Commission can start *ex officio* investigations into a foreign subsidy and its distortive effects (Articles 9 to 18);**
- 2. Undertakings must notify the Commission of any foreign subsidies when they engage in a concentration subject to certain turnover thresholds (Articles 19 to 26);**
- 3. Undertakings are required to notify the Commission of any foreign subsidies they received when they participate in certain public procurement tenders (Articles 27 to 33).**

# The FSR in a nutshell - notion of subsidy

| ASCM (Art. 1)  | TFEU (Art. 107)  | FSR (Art. 3)  |
|--|--|---|
| Financial contribution\benefit   | <i>Any aid</i>   | <i>Financial contribution ... which confers a benefit</i>                             |
| by a government or any public body   | <i>granted by a Member State or through State resources in any form whatsoever</i> | <i>third country</i>  |
| to a specific recipient (Art. 2)   | <i>by favouring certain undertakings or the production of certain goods shall</i>  | <i>which is limited, in law or in fact, to one or more undertakings or industries</i> |
| Prohibited: export/import.<br>Actionable: adverse effects to the interest of other Members | <i>in so far as it affects trade between Member States</i>                         | <i>to an undertaking engaging in an economic activity in the internal market</i>      |
| Injury (for actionable subsidies, Art. 5).   | which <i>distorts</i> or threatens to distort competition                          | Distortion (art. 4)   |

# The FSR in a nutshell

- A distortion in the internal market occurs based on the parameters described in Art. 4, which the Commission has to identify case by case.
- These parameters are similar to the ones in the WTO ASCM and EU State aid law (e.g., unlimited guarantees)
- There are some presumptions that may lead to consider a subsidy non-distortive, unlikely or most likely to distort the internal market.
- Remedies: redressive measures imposed by Commission or commitments offered by the party to remove the distortion caused by the subsidy.
- Focus: companies producing in the EU thanks to foreign subsidies, usually subsidiaries of foreign companies
- (Possible also subsidised imported services)

# The FSR in a nutshell – relationship with WTO law

- Included subsidies given through a ‘private entity whose actions can be attributed to the third country, taking into account all relevant circumstances’ – Art. 3(2)

## Rules on Countervailing Duties:

- FSR decision follows an investigation with procedural guarantees
- No overlapping with ASCM (Prohibition of double remedies ex Article 19.3 ASCM; no other actions can be taken against the subsidy of another Member ex Article 32.1 ASCM, *i.e.* only one form of remedy may be imposed with regard to any particular subsidy, either multilateral or autonomous)
- Non-discriminatory: Commission states it enforces FSR ‘country-blind’

# The balancing test: Article 6 FSR

- *'The Commission shall take into account the (balancing test at Art. 6(1)) when deciding whether to impose redressive measures or to accept commitments, and the nature and level of those...'* – Art. 6(2)
- *'The Commission may, **on the basis of information received**, balance the negative effects of a foreign subsidy in terms of distortion in the internal market... against the positive effects...'*

Undertakings need to submit evidence of the positive effects of the subsidy, not of the activity that receives the subsidies (*e&-PPF Telecom Group*).

Hornkohl and Mattiolo (2025),  
'Weighing the Scales: The Balancing Test of the  
Foreign Subsidies Regulation'  
*World Competition*

**Similar to Union  
interest test in  
trade defence**

# The balancing test: Article 6 FSR

What positive effects to balance?

1. *on the **development of the relevant subsidised economic activity on the internal market***
  2. ***while considering other positive effects (...) such as the broader positive effects in relation to the relevant policy objectives, in particular those of the Union'.***
- Priority of economic development (but only of that activity) over other objectives
  - Other objectives: environment, social rights... Anything mentioned in EU legislation or policy documents
  - Commission refers to the sources and practice from EU State aid law
  - Priority of EU interests over third countries' goals... but expansive potential of the Treaties

# FSR procedure on concentrations

- If a concentration falls under the procedure's scope, **obligation to notify**.

Two thresholds:

1. At least one of the involved companies is above a certain aggregate turnover in the EU
2. Received financial contributions more than EUR 50 million from third countries<sub>s</sub> in the three years preceding the concentration

'Financial contributions', not foreign subsidies: also non selective subsidies!

# First FSR decisions

# First two in-depth decisions, both decisions with commitments under concentrations procedure

PRESS RELEASE | Sep 24, 2024 | Brussels | 3 min read

## Commission conditionally approves the acquisition of parts of PPF Telecom by e&, under the Foreign Subsidies Regulation

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The European Commission has approved, under the Foreign Subsidies Regulation ('FSR'), the acquisition by **Emirates Telecommunications Group Company PJSC** ('e&') of sole control of **PPF Telecom Group B.V.** ('PPF'), excluding its Czech business, subject to conditions. The approval is conditional on full compliance with the commitments offered by the parties.

Today's decision follows an [in-depth investigation](#) of the proposed acquisition.

**e&** is a telecommunications operator based in the United Arab Emirates ('UAE') controlled by a sovereign wealth fund controlled by the UAE, the **Emirates Investment Authority** ('EIA').

**PPF**, headquartered in the Netherlands, is a telecommunication operator in Czechia, Bulgaria, Hungary, Serbia (Yettel) and Slovakia (O2). Those activities include telecom companies and the underlying infrastructure. In total, PPF serves more than 10 million customers in that sector.

# First two in-depth decisions, both decisions with commitments under concentrations procedure

PRESS RELEASE | Nov 14, 2025 | Brussels | 3 min read

## Commission conditionally approves ADNOC's acquisition of Covestro under the Foreign Subsidies Regulation

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The European Commission has approved, under the [Foreign Subsidies Regulation](#) ('FSR'), the acquisition by Abu Dhabi National Oil Company PJSC ('**ADNOC**') of Covestro AG ('**Covestro**'). The approval is conditional upon full compliance with the commitments offered by the parties.

# FSR first cases: *ADNOC/Covestro*

- Abu Dhabi National Oil Company (ADNOC, Emirati State-owned enterprise) intends to acquire Covestro, a German chemical company.
- Commission found that subsidies received by ADNOC enabled an overvalued bid; absent those subsidies, the transaction would likely not have occurred, but competitive harm was deemed only limited due to the lack of alternative bidders.
- Industrial policy considerations: Commission highlighted Covestro's role as an innovation driver and the strategic importance of its sustainability patents in the EU chemical sector.
- Balancing test: although the parties argued that the acquisition would advance EU Green Deal and industrial policy objectives, they failed to demonstrate whether the positive effects were caused by the subsidy rather than the acquisition. Subsidies were not necessary to achieve these positive effects.
- Remedies for sustainability: intellectual property commitments granting broad access to Covestro's sustainability patents to competitors, addressing the distortion while also supporting EU competitiveness and innovation. Industrial policy considerations can shape remedies under the FSR.

# Nuctech case: *ex officio* procedure

## Kluwer Competition Law Blog

DAWN RAIDS, FOREIGN SUBSIDIES, FOREIGN SUBSIDY REGULATION

### When The European Commission Rings at Dawn: First Dawn Raid under the FSR!

Maren Tamke, Dominika Wojewska (Dentons) / May 2, 2024 / [Leave a comment](#)

At the crack of dawn, the European Commission embarked on a milestone enforcement endeavor: the first unannounced inspection under the new [EU Foreign Subsidies Regulation](#) (FSR)!

The European Commission, in tandem with national competition authorities, conducted its first dawn raids under the FSR at the Polish and Dutch offices of Nuctech, a Chinese company specialized in security scanning equipment and systems. What were they searching for? Evidence to substantiate “indications” of foreign subsidies that could distort the internal market.

PRESS RELEASE | Dec 11, 2025 | Brussels | 2 min read

## Commission opens in-depth foreign subsidies investigation into Nuctech's activities in the threat detection systems sector

ORDER OF THE PRESIDENT OF THE GENERAL COURT

12 August 2024 (\*)

(Interim relief – Foreign subsidies – Inspections within the European Union – Regulation (EU) 2022/2560 – Application for suspension of operation of a measure – No urgency – No prima facie case – Weighing up of interests)

In Case T-284/24 R,

**Nuctech Warsaw Company Limited sp. z o.o.**, established in Warsaw (Poland),

**Nuctech Netherlands BV**, established in Rotterdam (Netherlands),

represented by J.-F. Bellis and S. Ross, lawyers,

v

**European Commission**, represented by L. Flynn, M. Farley and A.-L. Delbac, acting as Agents,

applicants,

defendant,

# First cases under public tender procedure

China

## Chinese rail company CRRC withdraws bid from Bulgarian public tender amid EU inquiry

- The European Union's investigation was the first use of a foreign subsidies regulation designed to stop state handouts from distorting the bloc's single market
- CRRC Qingdao Sifang Locomotive's bid to provide and maintain 20 electric trains was reported to be around half that of a Spanish competitor

[Listen to this article ▶](#)

China-EU relations | + FOLLOW



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Available languages: English ▾

PRESS RELEASE | 3 April 2024 | Brussels

## Commission opens two in-depth investigations under the Foreign Subsidies Regulation in the solar photovoltaic sector

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Quote(s)

Related topics

Today, the Commission launched two in-depth investigations under the [Foreign Subsidies Regulation](#). The investigations relate to the potentially market distortive role of foreign subsidies given to bidders in a public procurement procedure. The Commission will assess whether the economic operators concerned did benefit from an unfair advantage to win public contracts in the EU.

NEWS ARTICLE | 5 November 2025 | Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs | 2 min read

## Commission opens in-depth investigation into construction of Lisbon railway line under the Foreign Subsidies Regulation

The Commission has opened an in-depth investigation under the Foreign Subsidies Regulation into possible market distortions caused by foreign subsidies. The investigation will examine whether such subsidies gave the Chinese state-owned rolling stock manufacturer CRRC an unfair advantage in bidding for a public procurement tender for light rail vehicles in Portugal.

# FSR first cases: *Goldwind*

- **Goldwind:** Chinese wind turbines producer, has subsidiaries in the EU but limited market presence at the moment. It has been winning public tenders across the EU.
- Suspected of benefiting from Chinese subsidies (from Government and State-influenced banks), potentially enabling below-market pricing and success in EU tenders it might not otherwise have won.
- Strategic use of the *ex officio* tool: the Commission decides what to investigate and can use the FSR to assess *ex post* a pattern of tender wins and to stop a subsidies-fuelled expansion into the EU internal market.
- Industrial policy considerations: wind sector is essential for EU industrial policy goals and economic security; targeted FSR enforcement may conflict with EU firms' own subsidisation, requiring a careful regulatory balance.

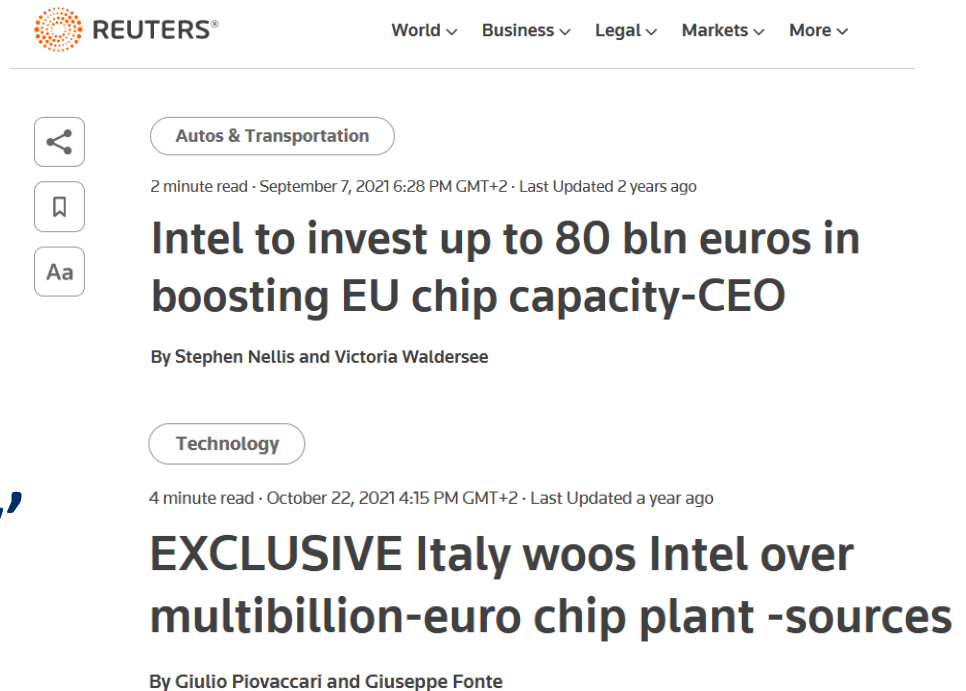
# Conclusions

# The FSR compared to WTO-based subsidy instruments

- FSR applies to **all companies active in the EU Single Market**: European companies are also facing the compliance burden.
- FSR and State aid law are quite close...
- ...but one key difference: in State aid procedures, the Commission interacts with the Member States that granted the subsidy; in the FSR, with the undertakings that received the subsidy.
- FSR does not overlap with trade defence tools (which are based on WTO law)
- FSR has a more transparent process than national investment screening procedures
- **Domestic dimension** of the FSR: the Commission has to ensure that the FSR applies uniformly, ('country-blind')...
- ...If the Commission does not -> judicial review.

# Industrial policy in the age of crises: economy is a matter of national security

- Spreading of national security concerns in other policies area than defence ([Aresu, 2022](#))...
- ...to counter the ‘weaponisation of everything’ ([Galeotti, 2022](#)) (energy, data), but also as a convenient justification (trade)
- ‘national security’, ‘digital sovereignty’
- Cooperation between State apparats and companies ([‘political capitalism’](#)): the case of semiconductors



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# What possible outcomes for the future of EU industry and technology in a multipolar world?

Book by Defraigne *et al.*, 2022: [EU Industrial Policy in the Multipolar Economy](#). Three scenarios:

- 1. *EU as Junior Partner in a Continuing Transatlantic Alliance***
- 2. *Finlandisation of the EU***
- 3. *EU as a Global Power with Strategic Autonomy in a Multipolar World***

