

# The future of multilateralism and strategic partnerships

## SUMMARY

The coronavirus pandemic of 2020 has exacerbated global geopolitical trends, including the struggle to uphold multilateralism in a climate of growing nationalism, protectionism and rising great power competition. At the same time, it has demonstrated the need for multilateral cooperation for the effective mitigation of cross-border threats, including health crises. Within this environment, the European Union (EU), a multilateral entity in itself, has illustrated the relevance of cooperation. Beyond its internal strengthening, the EU has set the defence and reform of multilateralism as one of its key priorities under the current European Commission. This will require a more coordinated and autonomous EU foreign policy, a smart approach towards the escalating US–China rivalry, reinvigorated cooperation with major democracies, and mobilisation of the EU's foreign policy tools, widely defined. As coronavirus leaves parts of the world more fragile and vulnerable, it also precipitates the need for a reformed multilateral system 'fit for purpose' and able to address the challenges of the future. Thinking through new practices to enrich multilateralism will be important for the further development of international cooperation.

## Introduction

The [75th anniversary](#) of the United Nations (UN) finds multilateralism at a critical juncture. The coronavirus pandemic has exposed the multilateral system's inability to live up to the expectations projected on it in the current geopolitical environment. The observed shortcomings of the UN Security Council (UNSC) and the World Health Organization (WHO) in the face of the crisis have led critics of internationalism to prematurely pronounce the failure of multilateralism and global governance and to highlight that citizens look to national leaders in times of existential crises.

Nevertheless, there are several reasons to consider this reading to be short-sighted. The evident need to reform many of the existing multilateral structures and institutions is hardly a sign of their failure, but rather of the necessity to strengthen them and to allow them to evolve in the context of an admittedly transforming – if not transformed – international environment. The same holds true for many of the alliances and partnerships that underpin the multilateral order. In many ways, multilateralism could be said to be facing a 'Darwinian moment' in which adaptation becomes a prerequisite of evolution: multilateralism needs to be fit for purpose, in order to survive.

Even before the outbreak of the coronavirus pandemic, multilateralism and the rules-based order had been [challenged](#). Recent years have been marked by the waning commitment of major countries to international agreements and institutions, an issue of major concern to the EU. In the area of security, this, among other things, is jeopardising the survival of important nuclear arms-control treaties, with potentially direct implications for Europe. The unilateral withdrawal of the United States of America from the US Joint Comprehensive Plan of Action (JCPOA), a landmark agreement to ensure the peaceful nature of Iran's nuclear programme, and the announcement, in February 2019, that both the US and Russia would suspend their obligations under the 1987

Intermediate-Range Nuclear Forces (INF) Treaty, are cases in point. More recently, the US [announced](#) its withdrawal from the Open Skies Treaty. The crisis of multilateralism extends beyond traditional areas of security, with the US having also withdrawn from the [Paris Agreement](#) on climate change, the [UN Human Rights Council](#) and, in May 2020, having [announced](#) its imminent withdrawal from the WHO amidst the greatest health crisis in a century. Other countries have indicated that they may follow.

Beyond the change of policy of the world's major power, the crisis of multilateralism is embodied in challenges faced by some of the most established international organisations, most notably the [World Trade Organization](#) (WTO), as multilateral consensus becomes harder to reach. As the UN Secretary General, António Guterres, has [emphasised](#), the observed rise in nationalism and protectionism is having detrimental effects on transnational trust and multilateralism. The UNSC's [delay](#) in agreeing to impose a ceasefire in conflict areas amidst the pandemic has scarred the image of the UN, without doubt the symbol of the post-Second World War multilateral order. In the [words](#) of the High Representative for EU Foreign and Security Policy (HR/VP), at a time when the world needs it more than ever before, we unfortunately do not have enough multilateral and cross-border cooperation. The multilateral order may be imperfect, but it can be credited to a large extent with the preservation of peace and prosperity and with the achievement of solutions to global trans-border challenges.

### Multilateralism and EU foreign policy: A simultaneous goal, tool and value.

For the EU, the promotion and protection of the multilateral rules-based order is a fundamental goal of its external action. Multilateralism lies at the [core](#) of the EU's identity, and of its strategy to promote its values and defend its interests. As an example of multilateral cooperation itself, in its foreign policy the EU shall, according to its Treaty, 'promote multilateral solutions to common problems, in particular in the framework of the United Nations' whenever possible (Article 20(1) TEU). The first ever comprehensive [European Security Strategy](#) (ESS) – formulated in 2003 – placed advocacy of 'effective multilateralism' at the centre of the EU's strategic goals. The 2016 EU [Global Strategy](#) (EUGS) reiterates the EU's dedication to the promotion of 'a rules-based global order with multilateralism as its key principle and the United Nations at its core'. At the same time, it emphasises that 'the format to deliver effective global governance may vary from case to case', citing policy areas ranging from cybersecurity (where states, international organisations, industry, civil society and technical experts are actors to consider) and maritime policy (the UN, UN specialised agencies, North Atlantic Treaty Organization (NATO), strategic partners, and Association of Southeast Asian Nations (ASEAN)), to humanitarian, development and climate policy (the UN, G20, new donors, civil society and the private sector). Where multilateral processes already exist, the EU envisions strengthening them, and at the same time expanding fledgling international regimes in areas such as disarmament and international criminal law.

Importantly, the EUGS acknowledged the need to reform multilateral structures and to address their weaknesses. It stressed that, despite internal divisions and structural problems, 'the EU remains the most consistent and best-resourced supporter of a strong multilateral system in the world today'. In a world which risks resembling a zero-sum game, a united EU defining and pursuing its strategic interests can work towards a renewed approach to multilateralism as an alternative European model of global cooperation. This is particularly relevant in a time when Sino-American competition is challenging established practices of internationalism and global cooperation with a return to realist great power politics. Moreover, current digital and technological trends [suggest](#) that in the future power may not be distributed in cohesive state-based centres (poles), but rather across a variety of multiform interconnected actors (nodes). The connectivity, interdependence and pluralistic nature of the system will also fundamentally transform power relations. In that shifting context, envisioning new practices to enrich multilateralism is paramount for the evolution of international cooperation.

On assuming her new role in 2019, Commission President Ursula von der Leyen [pledged](#) to lead a 'geopolitical Commission', which would reinforce the EU as an international actor, pursuing its

interests and the promotion of its values. Part of this pursuit is to work on shaping a better global order through reinforcing multilateralism. In her [political guidelines](#), the Commission President highlighted the intention to 'uphold and update the rules based global order' using assertiveness and a strategic approach in order to do so, with both trade and climate as areas for action where the Union can use its normative power to uphold multilateral decisions through its own legislation. Ahead of the global health crisis, the Council of the EU [identified](#) three strands of action to strengthen the multilateral system: upholding international norms and agreements; extending multilateralism to new global realities; and making multilateral organisations fit for purpose through reform. The European Parliament (EP) has emphasised that the EU's [action](#) to support and promote multilateralism should be consistent with its principles, values and interests.

The coronavirus pandemic has reinforced discussions about autonomy, sovereignty and self-sufficiency across the world and in the EU. A strategic and autonomous EU would be able to leverage the partnerships needed in the effort to combine autonomy with the upholding of multilateralism. As the Parliament has [stressed](#), 'the EU should switch from a responsive to an anticipatory approach and the importance of teaming up with like-minded EU strategic partners, in particular NATO and emerging countries in order to defend the global rule-based order that is founded on international and humanitarian law and multilateral treaties'. Without disregarding its benefits, the EU should acknowledge that, for multilateralism to survive, it must adapt and serve the complex international environment we live in. In this vein it will aim to work with likeminded partners in the context of cooperative autonomy; lead the creation of the multilateral formats of the future; and support the UN and key multilateral organisations through the 'crisis of multilateralism'. The pandemic is a wake-up call for multilateralism, and may [provide](#) the necessary impetus for the reinvigoration of multilateral cooperation. However, some powers may claim any victory against the coronavirus for their own, using it to further 'nationalise' discourse and debase collective efforts and demean international institutions further. It is for [Europe](#) to defend multilateralism and international law.

## The way forward

It follows from this introduction that the preservation and reform of multilateral structures and the reinvigoration of smart and fruitful partnerships will be quintessential goals of the EU in the post-coronavirus world. Several strategic strands of work which require the coordination of different EU policies can contribute to their pursuit. The new Commission structure, which includes horizontal [coordination](#) of the external aspects of the work of the various directorates-general, helps to coordinate the EU's and EU Member States' wide ranging toolkit and resources in this pursuit.

## Rising above the US-China rivalry

Most experts seem to agree that the inadequate multilateral response to the pandemic, particularly that of the UNSC, the G20 and G7, and even the WHO, is a result of the current dynamics between major powers, particularly the US and China. Already engulfed in a growing geopolitical and ideological rivalry and a heated trade war, China and the US instrumentalised the health crisis to create allegiances and to engage in power games that delayed and watered down initiatives for a coordinated global response. As Stewart Patrick of the Council on Foreign Relations [argues](#), 'the pandemic has shown that institutions alone are not enough, there needs to be will and trust'.

Coronavirus is a wake-up call to the fact that the US-China rivalry, unmitigated, could severely hamper multilateralism. The challenge for the EU is to engage with both powers in a way that both serves its own interests and values and enables efficient global governance. With bilateralism and unilateralism on the rise, the EU must promote an alternative model to great power competition.

## The China conundrum

By several forecasts, China will be the world's largest economy by 2035. Its 'Made in China 2025' industrial policy and the Belt and Road Initiative, aiming to expand China's investment in the regional integration of its wider neighbourhood, are trademarks of the country's ambition to secure

its economic primacy and geopolitical influence. In spite of the [effects](#) of the pandemic on China's economy, its global leadership ambitions remain present for the foreseeable future.

The ability to calibrate a relationship with China that ensures the EU's strategic interests, economic benefits for both sides and collaboration in the face of global challenges, will define the EU's global role to a great extent. The HR/VP has [stated](#) that the EU has an 'enduring interest' in working with China on global issues, such as health and climate, acknowledging its importance. While the Commission's 2019 **EU-China Strategic Outlook** [designated](#) China a systemic rival and an economic competitor, it does not advocate disengagement and also refers to it as a cooperation partner. Concerns regarding security and differences as regards values and norms such as human rights, the application of international law, the respect of good governance and sustainable economic development, complicate the relationship further. Recent events, such as China's actions in Hong Kong and Xinjiang have brought this to the fore. In addition, the regulation of the relationship with China, in a way that ensures commitments on market access, industrial subsidies and regulatory issues, becomes increasingly necessary. The [conclusion](#) of a **comprehensive agreement on investment** would be an important step towards this end. An **update of the Strategic Approach**, with a greater emphasis on values, and its full endorsement by all members of the Council would add coherence and solidity to the EU's negotiations with the Asian powerhouse. Striking a balance between cooperating with China and safeguarding EU strategic sovereignty (see below) is a prerequisite to ensure that the EU can play a constructive and proactive role in promoting effective multilateralism by positioning itself smartly in the context of US-China rivalry. It is also essential to avoid allowing China to create divisions within the EU-27, for example in the context of the [17+1](#). The implementation of [rules](#) regarding **critical investment screening** across the EU would also contribute to this goal. Finally, a partnership with China should not allow the latter's technological dominance (e.g. in 5G, artificial intelligence (AI) and quantum computing) to obstruct the EU's digital sovereignty and/or to jeopardise the EU's commitment to privacy.

## A renewed transatlantic relationship

The US remains the EU's key strategic partner in spite of [observed](#) differences and policy divergence under the Trump administration. The transatlantic relationship is [based](#) on common history and values and on mutually beneficial objectives. The EU and the US have enjoyed the fruits of multilateralism and the rules based order since the end of the Second World War, which has served their 'joint interests, stability and prosperity'. As China's influence grows, it will inevitably seek to shape the world according to its interests, values and political beliefs. In spite of recently observed US isolationism, **a renewed and reinforced transatlantic relationship** is essential for both the US and EU, to uphold democracy, human rights and the rule of law as the basis of global governance. However, there is a need to promote renewed trust in the transatlantic relationship. While actions and statements by President Trump have led to perceptions of divergence between the transatlantic partners, including in areas such as multilateralism and human rights, **relations at the legislative level** remain [robust](#), with a strong alignment in values and interests on new and traditional issues. Raising public awareness of the Transatlantic Legislators' Dialogue (TLD) could restore confidence in the durability of the transatlantic bond and ensure continuity of cooperation.

Beyond the headlines, in the past year, the EU and US have [agreed](#) to expand joint efforts in fighting terrorism and other areas of justice and home affairs (JHA), such as drones, cybersecurity, and hybrid threats. On [internet governance](#), an emerging area for multilateral cooperation, both commit to the principles of openness, freedom and interoperability, as well as a human rights framework for cybersecurity and a multi-stakeholder model, in spite of controversies over the EU's approach to data protection and the Internet Corporation for Assigned Names and Numbers (ICANN). As China's rise brings with it a diametrically opposed authoritarian model of internet governance, the EU and US should aim to work together to strengthen their approach. The public health crisis has accelerated the realisation of the need to reduce dependence on China in both the EU and the US. In June 2020, US Secretary of State Mike Pompeo [agreed](#) to launch a **high-level EU-US dialogue on**

**China.** EU-US solidarity is a prerequisite to ensuring Chinese compliance with its obligations under international law, the case of Hong Kong being the most recent example. Together, the EU and US have also [enforced](#) sanctions on Russia as part of a coordinated response to its actions against Ukraine. A common position on the crisis in Belarus may also be in the [making](#), potentially reinforcing a transatlantic approach to Russia and its neighbourhood. As experience has shown, a united transatlantic front against violations of international law can leverage real results in international security crises and further areas can be explored (for example, Venezuela).

## Supporting the UN reform agenda

In September 2020, world leaders will meet (virtually) for a special UN session on '[The Future We Want, the UN We Need: Reaffirming our Collective Commitment to Multilateralism](#),' and [endorse](#) a political declaration which reaffirms the imperative of international cooperation and, among other things, commits UN members to realising the Sustainable Development Goals (SDGs), abiding by international law and human rights norms, and to making the UN more 'agile, effective, and accountable', ensuring its sustainable financing. They will also agree to cooperate on improving pandemic preparedness and global resilience.

At the same time, the UN's key development and peace-keeping goals are being challenged. Official development assistance (ODA) is decreasing globally and emerging donors, with competing interests, are on the increase. While the global community is committed to the 2030 Agenda, it is [lagging](#) on most SDG targets, and financing remains a challenge. Meanwhile, the pandemic has exacerbated the urgency for effective development aid, as it has caused extreme poverty, food insecurity and humanitarian needs to [rise](#). Financing the SDGs will be more challenging in the aftermath of the pandemic, as the International Monetary Fund (IMF) forecasts [negative global growth](#) in 2020, while the [humanitarian cost](#) of the pandemic grows. International reactions during the coronavirus outbreak have demonstrated both the temptation to focus on national measures and an increased sense of international solidarity – not least because the weakest links could undermine the global efforts in fighting the pandemic. **Reform of the UN** and the improvement of plans to achieve the SDGs are essential to confront nationalist rhetoric. A **global reshuffle in international development cooperation** will [require](#) adaptation of priorities and modalities and increased monitoring, auditing and accountability, including by parliaments and auditing bodies. As the largest collective financial contributor to the UN system, collectively providing nearly [half of the global ODA](#), the EU and its members should be a leading voice in the debate about ODA governance and standards. The [global coronavirus response](#) (of which €12.28 billion is pledged to address the economic and social consequences of the pandemic in the most fragile countries), has shown that the EU is in a unique position to **coordinate international initiatives to address the pandemic**, promoting renewed multilateralism targeted to citizens' immediate needs.

Peace-keeping is also at a [critical moment](#), as conflict environments become more complex and the demands for peace-keeping grow. The pandemic will [aggravate](#) the root causes of conflict, while the related economic recession will have a negative effect on peacekeeping financing. The [proposed reform of UN peace-keeping](#) will include parameters such as 'the relevance and pertinence of mandates, the political environment and will of key parties, operations' comparative advantage vis-à-vis regional, UN and other partners, and the configuration of support'.

The EU will continue to **fully support the UN reform agenda** [proposed](#) by the UN Secretary General, which includes a reform of the UN development system and a restructuring of the peace and security pillar, both corresponding to stated EU priorities. The proposed reform also includes a managerial reform. The three pillars of the UN reform run in parallel with the EU-UN eight [strategic partnerships](#) for peace operations and crisis management for 2019 to 2021. However, as has been highlighted by the EP, **the promotion and protection of human rights** – an EU priority – is not pursued by a tailored reform process. In light of the US withdrawal from the UN Human Rights Council, working with like-minded partners to ensure continuity in the relevance of human rights in the work of the UN should be an EU priority for multilateralism.

Perhaps the biggest bet for the survival and renewal of the UN, however, will be **overcoming the paralysis of the UNSC**, which the current geopolitical situation has [fuelled](#). Constructive engagement with the US and China would allow the EU to steer a diplomatic path towards overcoming this stalemate.

## From strategic partnerships to strategic partnering

Since the 2003 European Security Strategy, the EU has made efforts to engage with potential strategic partners or allies bilaterally, with the long-term objective of spill-over from these bilateral partnerships to the multilateral level. It has – at times simultaneously – engaged in the inter-regional approach, connecting with other regional organisations with the same end goal. In a world of transforming power politics and of emerging issues, such as climate and digital connectivity, both the [strategic partnership](#) and [interregional approach](#) need to be modernised, as acknowledged by the Commission's relaunching of several partnership dialogues and by the **modernisation of free trade agreements** (FTAs), among other things. A more pragmatic yet still principled approach to the world suggests that issue-specific partnering will also be necessary with non-likeminded yet relevant countries. At the same time, the [inter-regional approach](#) should run in parallel to tailored engagement with members of a given region, to avoid 'one size fits all' generalisations that have not worked in the past. If anything, Covid-19 has highlighted divergences within regions.

Strategic partnering should strike a balance between serving the EU's interest and promoting its values. In light of the observed bipolarisation of the strategic environment, the **EU's partnerships need to expand and diversify even more**: coalition building and alliances are needed for the EU to strengthen its foreign policy footprint and its agenda setting power in multilateral institutions. In the face of US withdrawal from the UN Human Rights Council (UNHRC), for example, the EU needs to **solidify alliances with countries which share its views on the UN's role in the protection of human rights**. At the same time, it needs to adopt 'smart' and pragmatic strategies vis-à-vis rivals. Relations with its largest normative rivals are complex: while the EU views China as a systemic rival, 'an economic competitor in pursuit of technological leadership and a systemic rival promoting alternative models of governance', **China** is a key investor in several EU Member States and a partner in fighting climate change and, most recently, in facing coronavirus. **Russia**, on which the EU has enforced [sanctions](#), is a critical energy provider and a neighbour, and thus significantly [interdependent](#) with the EU. The EU should, therefore, continue to fine-tune strategies for relations with these two geopolitical poles, while – as the pandemic has illustrated – aiming to reduce dependence.

## Cooperating with like-minded partners

The post-Second World War multilateral order has been based on liberal values, many of which are being challenged today by what Anne Applebaum [calls](#) 'the seductive lure of authoritarianism'. As [stated](#) by the EU HR/VP, 'given everything that's happening in the world and the rise in authoritarian powers, it is important to have strong cooperation with like-minded democracies'. Indeed, the EU's support for multilateralism and international law is mostly shared by other '[continental democracies](#)', which face similar challenges. Closer engagement with these likeminded partners, which adhere to several of the EU's values, should continue to be explored in the context of [cooperative autonomy](#) and in the understanding that only a substantial '**alliance for multilateralism**' will be fit to counter alternative paradigms and serve democracies' mutual interests. **Working with major democracies** in traditional and new, bilateral and multilateral formats should be a priority in EU efforts to reinvigorate values based international cooperation. Fruitful and efficient cooperation among democracies has, moreover, been shown to [enhance](#) the 'soft' or 'normative' power of attraction related to democracy. This enhanced cooperation can take the form of comprehensive trade agreements; the exploration of exercises and possibilities for cooperation in defence research and industry and military projects, including through NATO global partnerships (using the EU position in NATO); in crisis management, [framework participation](#)

[agreements](#) (such as those with the USA, South Korea); high-level dialogues on development and human rights building on [existing](#) dialogue formats<sup>1</sup>; through bilateral ties and global networks among '[global cities](#)'; by continuing to strengthen bilateral ties between parliaments.

Most major democracies agree that a reform of multilateral institutions is needed, but not at the expense of democracy, as illustrated by [proposals](#) such as for an alliance of ten large democracies, developing the idea of creating a [D10](#) or [G9](#) that would advance the liberal international order. US Secretary of State Mike Pompeo has hinted that this may be the time for a **new alliance of democracies**. An expanded G7 of democracies could focus on tangible issues such as the development of 5G technology or a joint approach to the recovery from the pandemic, while safeguarding democratic values. This approach to multilateralism is consistent with the EU's [objection](#) to a proposal by President Trump earlier in the year for Russia to re-join an expanded G7 as the EU 'considers that the G7 format is a vital multilateral framework among countries guided by shared values, interests and commitments'. The [Alliance for Multilateralism](#) is also emerging as a forum bringing together like-minded partners that support effective multilateral cooperation and a targeted approach to the reform of multilateralism with the UN at its centre.

The **upgrading of strategic partnerships and the modernisation of strategic dialogue agreements** can support collaboration bilaterally and in multilateral fora in areas ranging from human rights, to multilateral export controls and non-proliferation regimes, to health. In this vein, it is notable that in the wake of the coronavirus crisis, the EU held high-level virtual meetings with [Japan](#), the [Republic of Korea](#) and [India](#), expanding cooperation in values-based fields such as artificial intelligence, the digital sphere and climate change. It goes without saying that some form of [strategic partnership](#) with the **United Kingdom** is of utmost importance. A swift conclusion of trade negotiations and a robust agreement to cooperate on foreign and security policy issues could enable the EU and the UK to work together for the promotion of shared values, including in the digital area, climate change, international security (for example, the preservation of the JCPOA) and human rights, in the wake of the global pandemic.

## A new approach to regions

The 'great power' game between China, the US and Russia takes place in parallel and in varied ways in several loci. In Africa, through investment and aid; in the Arctic, through competition for control of waterways and energy sources; and closer to home in the Western Balkans and the Eastern Neighbourhood, through disinformation and electoral interference, investment financing, 5G competition and military procurement. These regions could see one or other system of power taking precedence, jeopardising EU interests and undermining its values. As coronavirus has [aggravated](#) the vulnerabilities of less developed regions of the world, it has fuelled US-China competition for influence, for example in [Africa](#) and [Latin America](#) through 'Covid diplomacy' (e.g. provision of masks and loans for vaccine access). Thus, a focus on regions is a necessary move for EU strategy and foresight. As a global player committed to rules-based multilateralism, the EU should continue to work on partnerships with regions, helping them build resilience to the impact of a bipolarisation of international relations and to strengthen their support for a rules based multilateral order. The [Connecting Europe and Asia Strategy](#) and the new [Comprehensive Strategy for Africa](#), which focus on concrete areas of major global trends, are initiatives of '**strategic partnering**' with **whole regions**, while cooperating with regional organisations like the African Union and ASEAN.

## A stronger EU foreign policy with a strategic vision

A robust, efficient and united EU foreign policy guided by a strategic approach to the external environment, is a fundamental prerequisite for a targeted pursuit of multilateralism and for the construction of strategic partnerships, based on a strategic vision and concrete aims and goals. The pursuit of multilateralism itself can only be a declared goal of EU foreign policy if it is formulated in the context of a strategic vision corresponding to the EU's values and interests. In addition, a strategic vision for EU foreign policy would facilitate the EU 'speaking with one voice' on

international crises and to avoid 'polyphony' in international fora. As past and recent crises have shown, this is not always the case. Looking to the future, a **review of the Global Strategy**, taking developments since 2016 into account, including the impact of coronavirus, Brexit and of the Trump Presidency, can provide elements of this strategic vision. The **strategic compass process** will refine the EU's collective perception of foreign and security policy priorities, which can guide partnerships.

Elements of a more effective EU foreign policy are already on the table and, in light of the competitive post-coronavirus international environment, should be pursued further. **More efficient decision-making** could be achieved through the proposed move to [qualified majority](#) in areas of EU common foreign security policy (CFSP), namely sanctions, human rights, and common security and defence policy (CSDP) civilian missions, and better and more strategic [preparation](#) of European Council meetings, for which existing yet [under-used](#) provisions in the Lisbon Treaty can serve as the basis. Enhanced oversight of EU foreign policy, through **a stronger role for parliaments** as pledged by the Commission President, could further build trust and accountability in EU foreign policy. Parliaments are best placed to scrutinise external action on the basis of strategic commitments and to compare deliverables to objectives. Ensuring that EP own initiative reports in this area are given serious consideration by the Commission and the European External Action Service (EEAS) through a feedback mechanism and enhancing links between parliamentary and executive diplomacy are also steps in that direction. **Greater European Parliament involvement** in strategic partnerships could be pursued in this way, as well as with **coordination between executive and parliamentary diplomacy**, through the relevant EP committees and delegations. Finally, **enhanced impact assessment and evaluation** of external policy strategies and actions should be pursued, particularly of those financed by dedicated instruments (for example, migration and development).

## Building EU strategic autonomy

The coronavirus crisis has strengthened the argument for EU strategic autonomy and resilience, as illustrated by the proposed EU [budget](#) for the next Multiannual Financial Framework (MFF). For the EU, strategic autonomy is synonymous with a greater capacity to defend a principled commitment to multilateralism, rather than the aspiration to act unilaterally. Thus efforts to bolster the EU's strategic autonomy should be seen as prerequisites to sustaining [multilateralism](#) by making it fit for the present and future. The EU continues to work on several domains of strategic autonomy:

- **Technological autonomy:** By capitalising on its [various strengths](#) (highly educated population, strong research institutions and single market) and by boosting its industrial competitiveness (through innovation, access to finance, structural reforms) the EU should work to avoid lagging behind in [areas](#) such as 5G technology, AI start-ups, data-driven applications and quantum computing.
- **Digital sovereignty:** The EU is a [key actor](#) in shaping and enforcing legislation in the digital environment; it should actively promote European values and principles in areas such as data protection, cybersecurity and ethically designed AI.
- **A stronger euro:** The euro is the world's [second](#) most used currency, but lags far behind the dollar as a reserve currency. The 2018 [proposals](#) to strengthen the euro would increase the EU's independence in financial transaction and its resilience to secondary sanctions.
- **Energy independence:** The EU is a [net energy importer](#) for over 70% of its oil and gas needs; whereby energy suppliers gain influence over EU Member States. Developing new gas fields; energy supply coordination; renewables and strengthening relations with reliable energy suppliers, are some of the ways to face this challenge.
- **EU Defence Union:** In the face of a growing militarisation of the international environment, the EU should continue to pursue industrial and operational autonomy in defence by implementing ongoing initiatives (permanent structured cooperation (PESCO), military mobility, European Defence Fund), strengthening the EU pillar of NATO, and its own capacity for situational awareness.

➤ **Trade:** Based on the principle of [open strategic autonomy](#), the EU, the world's largest trader of manufactured goods, should avoid weaponising trade, but rather use its trade power to [promote](#) multilateral goals such as climate, labour standards, sustainable development and human rights. Drawing lessons from the pandemic, the EU should also set up mechanisms that protect it from unfair trade practices, and ensure fair participation in global trade.

## Reforming multilateralism with a vision

New issues demand new multilateral arrangements. As a rules based entity, the EU should **lead in the process of setting rules** through multinational consensus in areas such as [biodiversity](#) and [AI](#). These new issues make clear that solutions will need to be developed in **collaboration with scientists**, who should be part of multilateral arrangements. The cyber-realm has also grown in importance during the pandemic, as the world has 'gone virtual'.<sup>2</sup> Moving forward, the EU should continue to engage in cyber diplomacy to **promote a rules based 'cyber order'**.

New circumstances also require a rethinking of existing multilateral arrangements. The pandemic [could](#) result in a decrease in global trade for 2020 of somewhere between 10% and 16%. As former Commissioner Phil Hogan has [stated](#), the **EU trade policy review** ([including](#) an initiative on WTO reform), launched in June 2020, should 'help us show leadership in shaping a strong global trade and investment environment, with a fit-for-purpose international rulebook underpinning it'. 'Open strategic autonomy', enshrined in the Commission's [communication](#) on the recovery from coronavirus, should guide the EU's stance, 'shaping the new system of global economic governance and developing mutually beneficial bilateral relations, while protecting ourselves from unfair and abusive practices'. The EU's approach to the WTO will continue to be guided by the green agenda, which is also increasingly incorporated in FTAs. Coronavirus has also highlighted the links between the governance of trade and the mitigation of health crisis. The EU has launched **a new initiative on trade and health**, aiming to ensure the sustainability and resilience of global value chains for medical products and devices.

On economic recovery, **G7 and G20 coordination** are vital to ensure that unilateral short-sighted plans do not override the win-win prospects of multilateral solutions. On climate, it is paramount that the climate crisis be addressed with the same vigour as the pandemic and in spite of it. The COP26 climate conference in Glasgow should [finalise](#) the rulebook for the Paris Agreement and address global ambition, taking account of the coronavirus situation and the national recovery packages. To function as a true champion of multilateralism and to lead by example, the EU should continue to **uphold multilateral decisions with own laws**, for example, the commitment to uphold the Paris Agreement through the [European Green Deal \(EGD\)](#), WTO rules in EU trade policy and, not least, conditionality of external financing on respect for international law.

Defence will also be struck by the pandemic as post-coronavirus economic recovery could lead to cuts in security and defence spending; transatlantic tensions could rise as European NATO allies would not meet their commitment to allocate 2% of GDP to defence expenditure by 2024. An EU commitment to the [NATO 2030](#) agenda which puts forward a more values based and political approach to the alliance could help mitigate such tensions.

The health, climate and cyber crises have made clear that multilateralism is no longer only about states. The private sector, non-governmental organisations, local governments and civil society have been crucial in forging tangible solutions to global problems. A **multi-stakeholder approach** to multilateralism is increasingly becoming a necessity and norm. The EU can lead by example by including **all levels of stakeholders in its own upcoming Conference on the Future of Europe**. Moreover, accountable and transparent global governance should feature a **greater participation of parliamentary bodies**. The International Parliamentary Union affirms the multilateral system is under intense [public scrutiny](#) due to the rise of new media. Directly elected parliamentarians can, function as a crucial link between citizens and the multilateral system. Multilateral assemblies, such

as the Organization for Security and Co-operation in Europe (OSCE) and NATO parliamentary assemblies, as well as the parliamentary tracks of the G20, should be empowered to function as a key component of multilateral decision-making.

Looking ahead to the global order of the post-pandemic world, complexity and unpredictability will continue to be the norm. Much will depend on joining up resources to analyse the impact of global trends. **Strategic foresight capacity** will help actors navigate the future through better global policies. Knowledge will increasingly become a critical element of power and collaborative preparedness is likely to reap the highest benefits. In a world of anticipatory governance, anticipatory global governance is the key to the survival and evolution of multilateralism.

## MAIN REFERENCES

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## ENDNOTES

- <sup>1</sup> The EU already holds human rights dialogues with Brazil, India, Mexico, Indonesia and South Africa.
- <sup>2</sup> For the first time ever, during the Covid-19 crisis, the EU imposed cyber-sanctions as [retaliation](#) for cyber-espionage.

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## Potential initiatives

	Project	Likely lead actor	What should be done?	
1	A 'smart' and pragmatic approach to strategic and systemic rivals	EEAS/ Commission	<ul style="list-style-type: none"> <li>• New strategy on Russia</li> <li>• EU–China Strategic Outlook: update and unanimously endorse</li> <li>• Critical Investment Screening</li> </ul>	
2	A renewed and balanced transatlantic relationship	All EU institutions	<ul style="list-style-type: none"> <li>• Build on common priorities with the USA, such as joint efforts in fighting terrorism and other areas of JHA.</li> <li>• Promote shared interests through the TLD.</li> <li>• High Level dialogue on China.</li> <li>• Support the <a href="#">Transatlantic Legislators' Dialogue Enhancement Act</a> in US Congress.</li> </ul>	
3	Negotiate solutions to resolve trade tensions with the USA	EEAS/Commission, Council, Member States, Parliament	<ul style="list-style-type: none"> <li>• Hold talks at different levels with the USA to resolve a number of trade tensions, including tariffs, and re-establish a balanced transatlantic trade relationship.</li> </ul>	
4	EU-China comprehensive investment agreement	EEAS/Commission, Council, Member States, Parliament	<ul style="list-style-type: none"> <li>• Advance and conclude EU-China negotiations on the bilateral investment agreement.</li> </ul>	
5	EU-UN cooperation	EEAS/Commission, Council, Member States	<ul style="list-style-type: none"> <li>• Reinforce the EU-UN Strategic Partnership on Crisis Management.</li> <li>• Establish an EU-UN collaborative platform on Women, Peace and Security.</li> <li>• Work with likeminded stakeholders to strengthen the Human Rights Council.</li> </ul>	
6	Support UN Reform Agenda	EEAS/Commission, Member States	<ul style="list-style-type: none"> <li>• Support the proposed UN reform in development, peacekeeping and administration/finance of UN.</li> <li>• Consider aiming for an EU seat in the UNSC.</li> <li>• EU <a href="#">global coronavirus response</a>.</li> </ul>	
7	Cooperate with Continental Democracies	All EU institutions Member States	<ul style="list-style-type: none"> <li>• Engage with likeminded partners to promote multilateral solutions.</li> <li>• Enlarge the <a href="#">Alliance for Multilateralism</a>.</li> <li>• Examine the potential for a D10/expanded G7.</li> </ul>	
8	Modernise Strategic Partnerships and Strategic Dialogues	EEAS/Commission, European Council	<ul style="list-style-type: none"> <li>• Expand and update existing strategic partnerships to reflect new priorities, new risks and updated interests of parties.</li> <li>• Involve the legislative branch more.</li> </ul>	
9	EU-UK Strategic Partnership	Commission, Council, Member States, Parliament	<ul style="list-style-type: none"> <li>• Conclude negotiations on the future trade relationship between EU and UK, ensuring a level playing field. Forge a strong strategic partnership with the UK.</li> </ul>	
10	Strategic Partnership with Africa	Commission/EEAS	<ul style="list-style-type: none"> <li>• Implement the <a href="#">Comprehensive Strategy for Africa</a>.</li> <li>• Determine joint priorities at the EU-African Union Summit.</li> </ul>	
11	EU Asia Connectivity Strategy	All EU institutions	<ul style="list-style-type: none"> <li>• Implement the <a href="#">Connecting Europe and Asia</a> Strategy with support from the next MFF.</li> </ul>	
12	Review the EU Global Strategy	European Council EEAS Member States	<ul style="list-style-type: none"> <li>• Focus on strategic vision of EU foreign policy.</li> <li>• Outline a strategy for partner engagement and a concrete approach to the future of multilateralism.</li> </ul>	
13	Strategic Compass	EEAS, Member States	<ul style="list-style-type: none"> <li>• Agree collectively on prioritisation of EU foreign and security policy goals and joint threat assessment.</li> </ul>	
14	A modernised EU foreign policy	EEAS/Commission Member States	<ul style="list-style-type: none"> <li>• Increase coordination of external dimension of DGs.</li> <li>• Move to QMV in certain areas of CFSP.</li> <li>• More effective and flexible financing (Neighbourhood, Development and International Cooperation Instrument (NDICI).</li> </ul>	

15	Build Strategic Autonomy	All EU institutions Member States European Defence Agency	<ul style="list-style-type: none"> <li>• Move towards European Defence Union</li> <li>• Reinforce Intelligence Capabilities</li> <li>• Strengthen the euro</li> <li>• Digital Sovereignty</li> <li>• Reduce energy dependencies</li> <li>• Empower EU R&amp;D</li> <li>• Open strategic autonomy in trade</li> </ul>	
16	A stronger role for the parliaments in foreign affairs, multilateralism and diplomacy.	European Parliament and national parliaments	<ul style="list-style-type: none"> <li>• Enhanced oversight of CFSP</li> <li>• Ensure that INIs are given considerable consideration by the Commission/EEAS through structured feedback mechanism</li> <li>• More access to classified information</li> <li>• More coordination between executive and parliamentary diplomacy</li> <li>• Strengthen parliamentary tracks of multilateral organisations (e.g. G7, G20, NATO, OSCE)</li> </ul>	
17	Lead the reform of the WTO	Commission	<ul style="list-style-type: none"> <li>• Work diplomatically to unblock WTO's Appellate Body (AB).</li> <li>• Implement alternative solutions for free and fair trade such as the <a href="#">interim appeal systems</a>.</li> <li>• Introduce countermeasures when third countries block the WTO dispute settlement process.</li> <li>• Complete the EU Trade Policy Review</li> <li>• Advance and conclude plurilateral negotiations on a digital trade agreement.</li> </ul>	
18	Build the multilateral governance of the Future.	Commission Member States	<ul style="list-style-type: none"> <li>• Work towards a Paris agreement on biodiversity.</li> <li>• Propose a High Level Panel on AI at UN level (based on the model of the <a href="#">European Strategy on Artificial Intelligence</a>) following the UN Secretary-General's <a href="#">Strategy on New Technologies</a>.</li> </ul>	
19	International initiative on trade in healthcare products	Commission, Parliament, Council, Member States	<ul style="list-style-type: none"> <li>• Spearhead an international initiative to facilitate trade in healthcare products (pharmaceuticals and medical goods) with a group of WTO partners</li> </ul>	
20	Uphold multilateral agreements with own laws	Commission EU Member States	<ul style="list-style-type: none"> <li>• Uphold the Paris Agreement through the European Green Deal.</li> <li>• Uphold WTO rules in EU trade policy.</li> <li>• External financing conditional on respect for international law and UN Charter principles.</li> </ul>	
21	Lead the coordination of recovery from Covid-19	EEAS Commission	<ul style="list-style-type: none"> <li>• Work within the G7 and G20 on a coordinated approach to financial recovery.</li> <li>• Build on the <a href="#">Coronavirus Global Response Model</a>.</li> </ul>	
22	Reform, strengthen and revitalise multilateral institutions.	All Member States partner countries civil society	<ul style="list-style-type: none"> <li>• Investigate the WHO's handling of Covid-19.</li> <li>• Secure the future financing of WHO.</li> <li>• Work towards NATO 2030.</li> <li>• Safeguard and strengthen the NPT.</li> </ul>	
23	EU Member States/EU Coordination in Multilateral Fora	Member States Commission	<ul style="list-style-type: none"> <li>• Strengthen the coordination of EU Member States across the UN system, building on work underway and on best practices in these areas.</li> <li>• Jointly support candidates for senior positions in multilateral organisations.</li> </ul>	
24	Strategic Foresight Capacity	All EU institutions	<ul style="list-style-type: none"> <li>• Build further on ESPAS</li> <li>• Integrate interinstitutional foresight reports into the work of the EEAS on multilateralism and strategic partnership.</li> <li>• Share global trends insights with Strategic Partners.</li> </ul>	