

# EU Strategic Partnerships with third countries

**SUMMARY** *The instrument of a Strategic Partnership (SP) represents the EU's response to an increasingly interdependent world, since cooperation with key powers is necessary to ensure that the EU's values and interests are preserved at the global level.*

*SPs are still a work in progress for the EU, which has not yet properly defined their use nor provided a clear list of its strategic partners. For this reason, common elements to the EU's various SPs are difficult to find. This briefing focuses on the SPs with individual countries, but the EU also calls some groups of countries and international organisations strategic partners. Attempts at classification underline the diversity of the EU's strategic partners, the varied procedures for establishing an SP and the different degrees of cooperation. Therefore, it has been disputed whether SPs are effective policy instruments. Doubts about a real EU strategy on SPs, with stated objectives and related achievements, as well as about the EU's capacity to be a strategic actor have also been expressed.*

*However, experts agree that SPs should become a priority for the EU, provided they fulfil certain conditions, such as: focusing on strategic issues, promoting multilateralism and integrating into a broader EU foreign policy strategy. In this sense, the future of the EU SPs is still open.*

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## Background

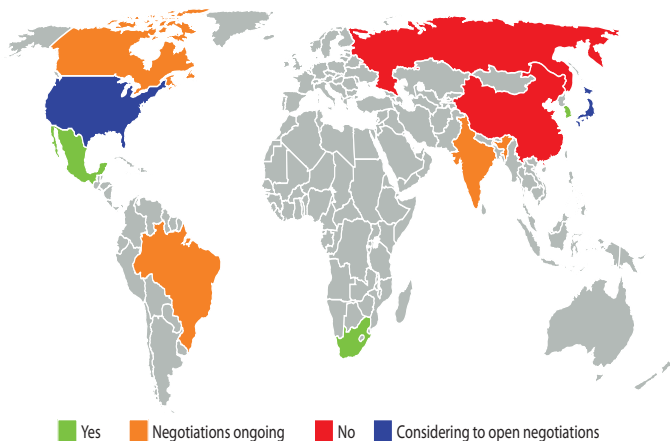
In September 2010, the European Council held the first high-level debate on the EU's strategic partnerships (SPs). Engaging with key partners in a globalised world was becoming a priority for [senior EU leaders](#), while the Lisbon Treaty set the stage for a more coherent EU foreign policy. [The European Council](#) mandated the High Representative (HR/VP) to lead a review of all the individual strategic partnerships. The [first progress report](#), with three strategic papers – on China, Russia and the USA – was presented at the December 2010 European Council. In 2011, papers on India, Brazil and South Africa followed. A [mid-term review](#) is foreseen for 2012.

## A new EU foreign policy instrument

### Emergence of the EU SPs

The [December 1998 European Council conclusions](#) introduced the expression "strategic partnership" to the EU's official vocabulary by identifying Russia as a "strategic partner to the Union", although the EU already had solid relationships with the USA, Canada and Japan. The [2003 European Security Strategy \(ESS\)](#) and its [2008 review](#) both state the importance of partnerships with key countries and organisations, but without further clarifying the objectives to be achieved or the list of partners. The 2003 ESS for the first time

**Fig.1 Free Trade Agreements with strategic partners**



Source: DG Trade

provided an indication of the EU's strategic partners: the United States ("the irreplaceable partner"), Russia, Japan, China, Canada, India, and potentially "all those who share our goals and values, and are prepared to act in their support". Between 2003 and 2008, the EU announced new strategic partners – China, India, South Africa, Brazil and Mexico. Yet, the 2008 ESS review also mentions Norway and Switzerland as key EU partners and some regions and international organisations – Africa, Latin America, NATO, SAARC, ASEAN, and the United Nations (UN).<sup>1</sup>

EU leaders also seem to differ on the choice of partners. Thus, the HR/VP [distinguished](#) "the established partnerships" (USA, Japan, Canada and Russia) from relationships with "powers that are emerging or have emerged" (China, India, Brazil, South Africa and Indonesia), while the [President of the European Council](#) listed the US, Canada, Russia, China, Japan, India and Brazil as key partners. As the EU has seemingly [shifted its attention](#) from the inter-regional to the bilateral, this briefing focuses on the EU's individual strategic partners.

### Legal basis

The legal basis for EU SPs is found in Articles 21 and 22 [TEU](#): "The Union shall seek to develop relations and build partnerships with third countries, and international, regional or global organisations which share the principles" of "democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and international law"; and, "The European Council shall identify the strategic interests and objectives of the Union".

### Defining the instrument

Neither the Treaty, nor any other EU document specifies the **(legal) nature** of SPs. [Some experts](#) define SPs as "essentially political agreements between parties interested in increasing cooperation with

each other". Others see them as instruments of "soft law" that the EU uses in its external relations to complete and re-define the framework of relations with selected partners. In this sense, an SP has both a para-legal (meant to advance economic and trade relations, sectoral cooperation and political dialogue) and a pre-legal nature, as they may lead to the conclusion of new, legally binding (framework) agreements.<sup>2</sup> Thus, SPs appear complementary to the bilateral legal framework defining the relations between the EU and its partners.

### One instrument, diverse realities

To date, no public EU document deals with the SPs collectively; nevertheless, [it is considered](#) that the EU currently has five SPs with groups of countries and international organisations ([Africa and the African Union](#), [the Mediterranean and Middle East](#), [Latin America and the Caribbean](#), [the United Nations](#) and [NATO](#)) and ten bilateral SPs (Brazil, Canada, China, India, Japan, South Korea, Mexico, Russia, South Africa, the US).

Attempts at classification highlight the heterogeneity of the ten individual SPs. Firstly, the strategic partners are very diverse, so that the EU's criteria for their selection is unclear. Secondly, the procedure of establishing the SPs lacks uniformity. Finally, the scope of cooperation between the EU and partners differs from case to case, as it stems mainly from the established bilateral framework for relations.

### Who are the EU's strategic partners?

An essential criterion for the EU in choosing its partners seems to be the parties' normative convergence ("shared goals and values"). Yet, the EU recognises divergent conceptions of values and norms with partners such as Russia or China, so these SPs are based on "common interests" (Russia) and on an "enduring and mutually beneficial relationship of equals" (China). The Commission communication [Towards an EU-Mexico Strategic Partnership](#) derives instead the strategic partner status from

"the capacity of a country to exert a significant influence on global issues", specifying that all members of [the G8](#) and the former [Outreach 5](#) (Brazil, China, India, Mexico, South Africa) should become strategic partners of the EU. An important common feature of strategic partners, for [some experts](#), is their "economic but also political clout in regional and/or international affairs. All of the EU's strategic partners are either major economic players or display considerably high growth rates and are members of the G20." Similarly, in the second progress report on SPs, the HR/VP differentiates between those countries "that have the ability to directly affect our prosperity and security", due to their major interdependence with the EU and central role in global governance (China, Russia, the US), and those that "have the potential to affect us in a similar way", as they are rising economic powers with greater political ambitions and clout (Brazil, India, South Africa).

Strategic partners have also been [classified](#) as: the essential partner (the US); the pivotal partners (Russia, China, Brazil, India) - crucial partners at global level; the natural allies (Canada, Japan and South Korea) - like-minded countries and traditional allies; and the regional partners (Mexico and South Africa) - potential leaders in their regions.

### Procedure in establishing the SPs

SPs also differ in the way in which they are set up. With the "established partners" (Canada, Japan, Russia and the US), no formal document enshrines the SP. However, with the emerging powers, relations were upgraded to an SP through a formal document and/or a [formal](#) procedure: a Communication from the Commission would propose establishing an SP, followed by its adoption by the Council and a favourable recommendation from the European Parliament (EP). A joint summit declaration would then confirm the SP. This formal procedure has been observed so far in setting up the SPs with [China](#) (2003), [India](#)

(2004), [South Africa](#) (2006), [Brazil](#) (2007) and [Mexico](#) (2008). The SP with South Korea was announced formally in the [EU-Korea Summit declaration](#) (October 2010), without however any prior procedure applied.

### Scope of cooperation

The scope of cooperation between the EU and its strategic partners differs.

#### *The bilateral framework for relations*

The main reference for assessing the degree and scope of cooperation between the EU and each of its strategic partners remains the bilateral framework for relations. Various legal agreements and non-contractual (political declarations or other) arrangements underpin these bilateral relations, most of them preceding the SPs: a) Association Agreements (AAs) - [Mexico](#); b) Partnership and Cooperation Agreements (PCAs) - [Russia](#); c) Framework Agreements for Trade and Cooperation (or similar), possibly including Free Trade Agreements (FTAs) - [Brazil](#), [Canada](#), [China](#), [India](#), [Korea](#), [South Africa](#); d) Political/non-conventional acts, such as the [New Transatlantic Agenda](#) (the US) or, in the case of Japan, a [Joint action plan](#) and a [Joint political declaration](#).

In most cases, SPs (as soft law instruments) build on the cooperation already agreed upon in the bilateral legal and institutional framework. [Country strategy papers](#) related to development or financial cooperation and/or joint action plans, as well as sectoral agreements, are part of most frameworks. The institutional arrangements applying to SPs and set up in the bilateral framework of relations (except for South Africa, for which the SP joint action plan set up a "new overarching umbrella structure" for dialogue) usually comprise high-level summits, ministerial meetings, expert working groups, and inter-parliamentary (cooperation) committees.

On the other hand, formal SP documents may indicate new objectives and extend the areas of cooperation. Also, in some cases, joint action plans have been adopted

specifically to implement the SP: [India](#) (2005, reviewed in 2008), [South Africa](#) (2007), [Brazil](#) (2008, reviewed in 2011) and [Mexico](#) (2010).

Moreover, as mentioned, an SP may pave the way towards the conclusion of new binding (framework/comprehensive) agreements following the evolution of relations: negotiations between the EU and [Japan](#) are to be launched; they are under way with China, on a [comprehensive PCA](#) as basis for the SP, and with [Russia](#), to replace the existing PCA; while with South Korea a [new Framework Agreement](#) has been signed and will also constitute the basis for the SP when it enters into force.

#### *Areas of cooperation*

SPs aim to tackle many aspects, but, in practice, the EU has achieved **comprehensive** cooperation with some strategic partners on a wide range of issues (from trade and investment to foreign policy and crisis management, development cooperation, multilateral issues etc.), while with others cooperation is more **limited**, despite the SP. Trade and investment are the core issues in most cases, as all the EU's strategic partners are important regional or world economies and rank among the EU's top 20 trade partners.

The SPs with the US and Canada are [all-inclusive](#), aimed at promoting global peace and stability, development and multilateralism to address global challenges. [Canada](#) is considered a [like-minded](#) partner (committed to normative multilateralism), while [the US](#) remains the "irreplaceable partner", with which the EU has, by any standard, the most comprehensive partnership.

Comparatively, cooperation with the other strategic partners has been more limited. [Japan](#), [South Korea](#) and [Mexico](#) are also like-minded countries, with whom the EU has achieved a high degree of coordination and cooperation in multilateral fora, a goal expressly stated in the Commission Communication on the [EU-Mexico SP](#).

Limited and interest-driven cooperation has been the case with [Russia](#) and [China](#). The difference in views with both partners regarding values and norms are tackled for instance in dialogues on human rights. Nevertheless, the EU pursued both countries' membership of the World Trade Organisation (WTO). The EU's interdependence with Russia is extensive, but cooperation is overshadowed by mutual grievances: policies in the common neighbourhood, energy, human rights and rule of law, and differing positions on international issues.<sup>3</sup> The [comprehensive strategic partnership](#) with China covers many areas, yet mutual irritants remain: in [trade](#), human rights, on the EU arms embargo, and different stances on some international issues.

Relations with [Brazil](#) and [India](#) are characterised by values and interest-based, limited cooperation. Both countries declare they share common values with the EU, although they often find themselves in the opposing camp to the EU, under the BRICS (Brazil, Russia, India, China, South Africa) or the BASIC format (BRICS without Russia) or the IBSA dialogue forum (India, Brazil, South Africa), in multilateral fora on trade, climate, global economic governance. Finally, cooperation with [South Africa](#) is also limited, focusing on development and political dialogue on regional and global issues.

### Role of Strategic Partnerships

The SPs have been widely contested as effective EU foreign policy instruments. A real EU strategy, the EU as strategic actor and the achievements to date of the SPs have been put in doubt.

#### **Strategy needed**

With no clearly defined goals for the SPs as a group, a [strategic EU vision](#) seems to be absent; or, in the words of President Van Rompuy, "we have strategic partners, now we need a strategy".<sup>4</sup> Otherwise, there are sound reasons to establish SPs. The main [rationale](#) seems to derive from the EU



redefining its role in a changing, multi-polar international system; SPs being the EU's attempt to engage emerging powers in a mutually beneficial relationship. The [first progress report](#) on SPs also underlines the pressure arising from a rapidly changing international environment; the need to defend European values and interests and to deal on equal terms with the agenda-setting actors; and the EU's increased coherence in external action under the Lisbon Treaty. Finally, [Member States](#) (MS) were a factor in promoting the EU SPs, for various reasons.

#### *Effective multilateralism*

The EU's main aim is to achieve an [effective multilateral system](#) (with the UN and the WTO at its centre), through cooperation with its strategic partners in setting the global agenda and in multilateral fora. The 2003 ESS declared "the development of a stronger international society, well functioning international institutions and a rule-based international order" to be an essential EU objective. Yet, relying on SPs to achieve this goal seems problematic, as the partners have [different understandings](#) of multilateralism. Some are committed to global governance based on shared rules and international law (US, Canada, Japan, Mexico, South Korea), while others see in multilateralism only the means to achieve multipolarity (China, Russia, and to some extent, Brazil) or to promote one's national interests (India). The latter tend to interpret strictly their national interests and prefer non-binding agreements (sometimes also the US).

The EU has thus been challenged by its strategic partners on a range of global issues: climate change, WTO rounds, global governance reform and the UN, and international conflict resolution. At the Copenhagen climate change conference (2009) the BASIC group and the US made a deal, disregarding the EU. In the **WTO**, emerging countries, in particular the IBSA group, often assume different positions from Europe, the US and Japan, on issues

such as generic medicines or liberalisation of agricultural products.<sup>5</sup> In debates on **International Monetary Fund reform** (2010), the EU and the emerging powers again took opposite positions, with the US closer to the BRICS' stance.<sup>6</sup> In the **UN** General Assembly, the first [draft resolution](#) on EU participation in the UN was not supported by all its strategic partners (the EU would only get [speaking rights](#) a year later). Moreover, partners' voting patterns in the UN differ considerably from the EU. A [study](#) shows that, from 2004 to 2009, the US, China and India had the lowest voting cohesion with the EU, while the highest was with Canada, Japan and South Korea, prompting its authors to conclude that establishing SPs did not lead to increased voting cohesion and bilateral cooperation with the EU. Finally, with respect to international conflict resolution, those strategic partners that underline the principle of state sovereignty and non-interference have [opposing](#) views to the EU, which advocates humanitarian intervention. This complicates cooperation on regional and global security.

#### *EU's normative goals*

The EU tends to promote [normative](#) goals in its relations with third countries. One of the objectives of EU foreign policy is "to consolidate and support democracy, the rule of law, human rights and the principles of international law" (Art. 21 TEU). Democracy and human rights clauses have come to be part of EU agreements with third countries and the EU also seeks to promote these principles through its SPs.

But not all of the ten strategic partners share this approach. Some (China, Russia) underline the principles of equal partnership, common interests and [normative diversity](#). Concerns are thus being expressed about "[unconditional engagement](#)" by the EU, whereby it offers economic and other benefits to its partners but requests little in return, affecting its credibility. Conversely, [consensus on values](#)

[and interests](#) does not necessarily lead to a common strategy (Japan and Canada). Therefore, [analysts](#) question the EU's effectiveness in promoting its norms, suggesting to distinguish between democratic and non-democratic partners and to adapt SPs accordingly. The EU itself [acknowledges](#) serious divergences in conceptions of governance and human rights (China, Russia) or [different readings of common values](#) (Brazil, India, South Africa).

### The EU as strategic actor

The SPs appear to fulfil a [reflexive function](#). The EU wants to become a [strategic actor](#) and achieve international recognition as such: "the European Union and its Member States will act more strategically so as to bring Europe's true weight to bear internationally" (European Council, September 2010). Thus, EU MS should have an incentive to coordinate better, yet the appropriate level of cohesion, or EU institutional strength, is still absent. The EU speaks with one voice on trade matters, but not always in foreign policy, with MS divided (on Russia for instance) or following their own agenda. The [mismatch](#) between the EU's normative power demands and its actual internal capabilities and the [current economic crisis](#), revealing an economically stagnating, divided and conflicted EU, have led to an increasing lack of credibility with its strategic partners, prompting them to seek bilateral deals with MS, and to a discrediting of its model.

### A view from the strategic partners

From the [strategic partners' perspective](#), if not yet strategic, the EU is an interesting actor: an economic and trade giant, an important market and investor, and, for some of these countries (Brazil, China, India, Russia, South Africa, the US), their [first trading partner](#) (in 2010); a leading donor in [development aid](#); an important partner for cooperation in multilateral fora; or a potential element of balance, especially with regard to the US. Finally, for some emerging

powers, SPs with the EU are also a question of status and recognition.

### Future of EU SPs

Most experts agree that SPs should become an EU priority. But in order to be [effective](#) (to ensure a role for the EU on the global stage, its interests and identity) and to become "[true strategic partnerships](#)", SPs must be [comprehensive](#), built on reciprocity, empathic (common understanding of values and interests), long-term and oriented, beyond bilateralism, towards addressing regional and global challenges. In this sense, SPs should focus on strategic issues, attempt cooperation in regions in which partners have common interests, as well as promote multilateralism, integrate in a broader EU strategy and ensure compatibility with the EU's regional approach. Additionally, due to their heterogeneity, [analysts](#) advance different scenarios for the future of EU SPs. In a deepening scenario, the EU would limit its SPs to a small group of "high-priority" partners, while, in a widening scenario, the SPs would frame policies towards a greater range of states.

The **European Parliament** adopts recommendations to the Council on the Commission's communications in the case of *formal* SPs: [South Africa](#), [India](#), [China](#), [Mexico](#), [Brazil](#). In its own-initiative [report on the BRICS and other emerging countries](#) (2012), the EP welcomed bilateral SPs as a promising instrument for advancing the EU's relations with its partners. The EP may also adopt resolutions on the EU's relations with these countries, in general, or on specific aspects. Moreover, according to the contractual framework with each of the strategic partners, the EP: a) gives its consent to AAs, PCAs, other Framework and Cooperation agreements and FTAs with third-countries; and b) participates in inter-parliamentary cooperation with the strategic partners' parliaments (including interregional SPs).

## Main references

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## Annex

Date of strategic partnership and economic indicators

Country Name	Strategic Partnership with the EU (date)	GDP at current price (trillion US \$, 2011)	Share of total EU Exports (2011)	Share of total EU Imports (2011) <sup>7</sup>
EU27	N/A	17 552	N/A	N/A
United States	Informal SP	15 094	17%	11%
China	2003/ <a href="#">Joint summit</a>	7 298	9%	17%
Japan	Informal SP	5 867	3%	4%
Brazil	2007/ <a href="#">Joint summit</a>	2 477	2%	2%
Russia	Informal SP	1 858	7%	12%
India	2004/ <a href="#">Joint summit</a>	1 848	3%	2%
Canada	Informal SP	1 736	2%	2%
Mexico	2008/ <a href="#">Council conclusions</a>	1 155	2%	1%
South Korea	2010/ <a href="#">Joint summit</a>	1 116	2%	2%
South Africa	2007/ <a href="#">SP Joint action plan</a>	408	2%	1%

Sources: EEAS, Council of the EU, the World Bank, Eurostat

## Endnotes

<sup>1</sup> The acronyms refer to the [North Atlantic Treaty Organization](#), the [Association of Southeast Asian Nations](#) and the [South Asian Association for Regional Cooperation](#).

<sup>2</sup> [The Current Status and Prospects of the 'Strategic Partnership' between the EU and China: Towards the Conclusion of a Partnership and Cooperation Agreement](#)/ A. Sautenet, European Law Journal, 13: 699–731, 2007.

<sup>3</sup> L'Union européenne et la Russie: entre convergence et méfiance/ N. Bachkatov, in Puissances émergentes: Un défi pour l'Europe? / S. Santander (Ed.), Ellipses Edition, Paris, 2012, pp. 313-334.

<sup>4</sup> [EU External Relations - message of President Van Rompuy in the run-up to the European Council](#) / H. Van Rompuy, September 2010

<sup>5</sup> Les rapports de force entre l'UE et les pays de l'IBSA au sein de l'OMC: quelles opportunités?/ A. Lauriello, in Puissances émergentes: Un défi pour l'Europe? / S. Santander (dir.), Ellipses Edition, Paris, 2012, pp. 73-96.

<sup>6</sup> Asymmetrical Multilateralism/ R. Gowan, in The European Union and Emerging Powers in the 21st Century/ T. Renard and S. Biscop (Ed.), Ashgate, UK, 2012, pp. 165-183.

<sup>7</sup> Figures for total EU exports and imports take into account EU27 trade in merchandise with countries outside the EU, therefore excluding all transactions occurring within the EU.